

20/01/2023

How to Calculate Shipping Costs.

It doesn't matter if its an eye-wateringly large power bill or a flat tire first thing in the morning, no-one likes nasty, unexpected surprises. The same can be said for shipping costs, often the last thing to be added on to any online purchase. An inflated shipping charge can often turn a great deal into an expensive headache.

And while shipping costs are often negligible with smaller items, office furniture is a different story. The transport costs of bulky items can vary greatly depending on a number of factors. So how can you calculate your shipping costs when purchasing with OLG?

With more than three decades of combined industry experience, <u>OLG has an extensive freight network</u> with partners in every link of the supply chain. We utilize delivery partners with a track record of professionalism, cost effectiveness and reliability and are constantly reviewing these arrangements to get the best service for our customers.

In this article, we'll list some of the variables that affect the cost of delivering your office furniture as well as give some pricing predictions for 2023. We'll also explain OLG's standard delivery pricing model to help you plan and save money on your next order. By the end of this article, you'll be able to calculate the shipping costs on any given order and use that information to save money on delivery!

Reasons Why Shipping Costs Are So High

Right now, it would be pretty easy to blame any kind of price rises on inflation, and you'd technically be correct if you did so, but when it comes to shipping, the answer is a lot more complex than that.

1. Global Energy Crisis

While there's no one single cause for rapidly rising fuel and energy costs across the world, there definitely have been some significant contributors. The first one being the post-pandemic economy bouncing back faster than energy stockpiles were prepared for. The second major reason was the ongoing Ukraine-Russian war and the resulting sanctions on Russian oil and gas. The third reason is inflationary pressures on just about every other element on the supply chain – from wages, to rent to raw materials, everything is more expensive than it was three years ago.

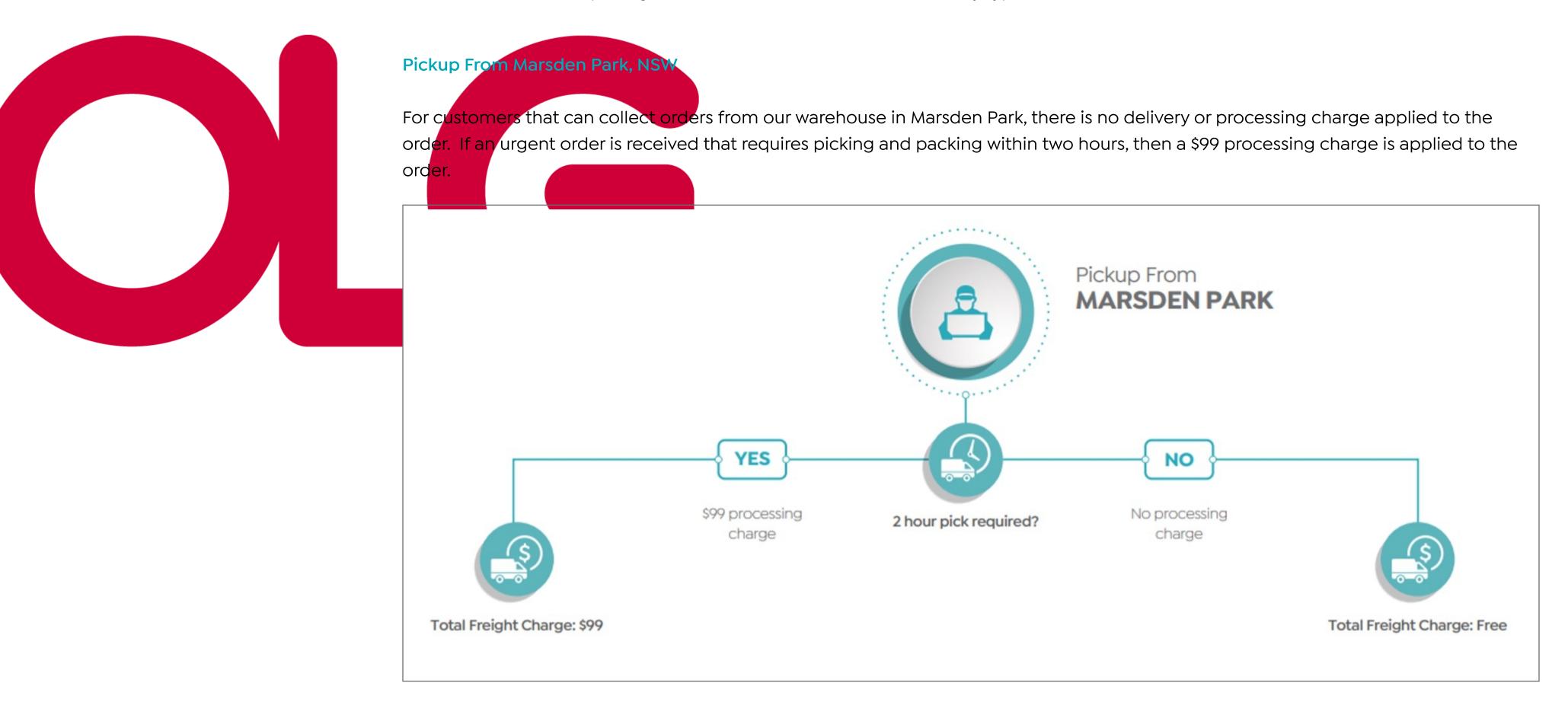
2. Shipping Contract Price Surge

Freight carriers enjoyed a record surge in demand and subsequent price rises as the world emerged from the COVID-19 pandemic. This surge peaked at the end of Q3 in 2022 and by the end of the year, prices had actually begun to fall. Experts actually predict global shipping prices will plummet even further in 2023 as an oversupply of providers and containers leads to a price war. This is good news as it will hopefully offset other inflationary pressures on overall prices.

OLG's Standard Pricing Model

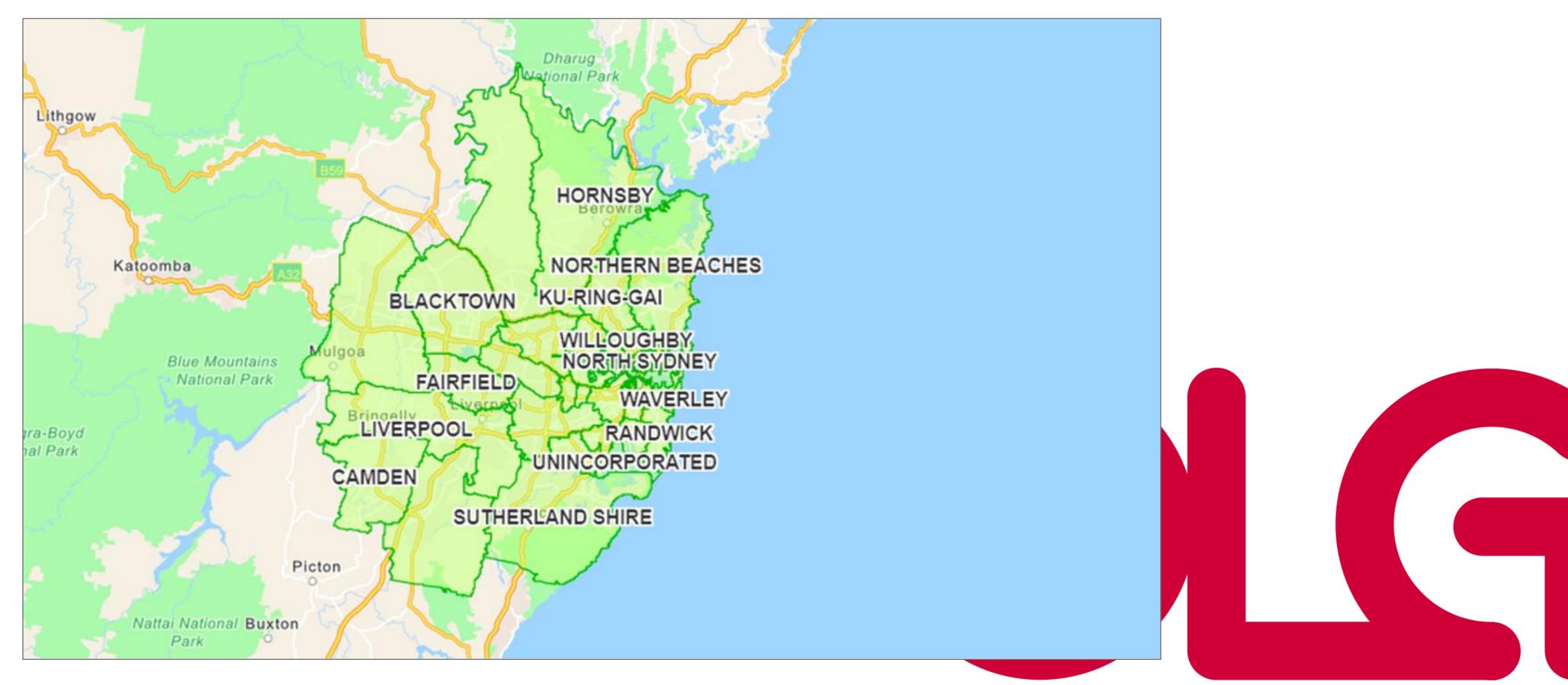
For many delivery types, OLG offers standardized pricing. This may or may not include a processing fee, depending on a few conditions. Below, we'll go through some

of those conditions and the different pricing models of the various different delivery types.



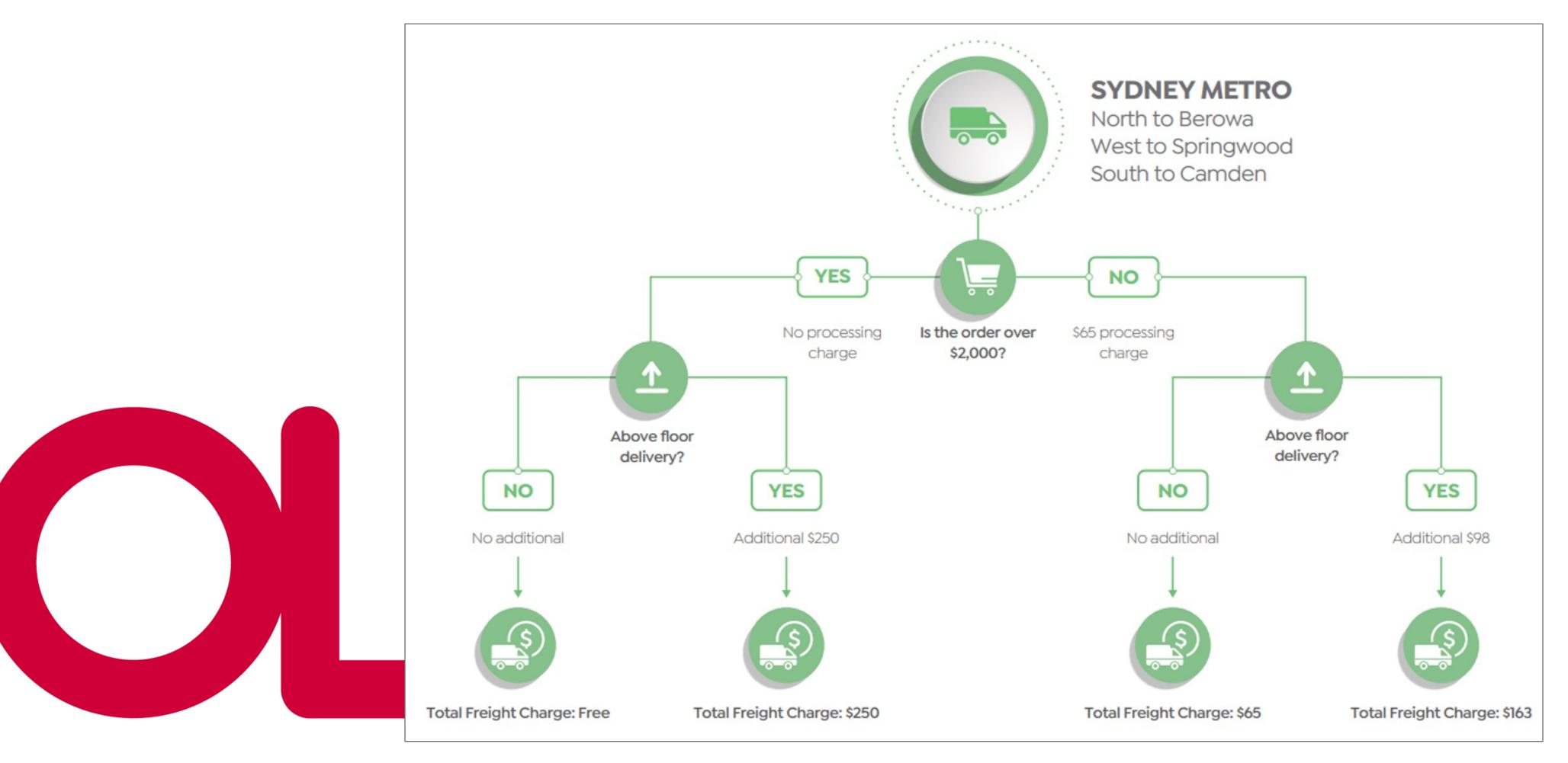
Delivery to Sydney Metro

For addresses in Greater Sydney, bounded by Berowra in the north, Springwood in the east and Camden in the south are considered Sydney Metro.



To calculate shipping costs for Sydney Metro deliveries, there are a few qualifying conditions. If the order is over \$2,000, processing charges are waived. If that same order is for a ground floor delivery, there are no additional delivery costs. Delivery to higher floors incurs a \$250 charge.

For orders under \$2,000, a \$65 processing fee is charged. No additional delivery fee is incurred for ground floor delivery, however multifloor deliveries will cost an additional \$98.

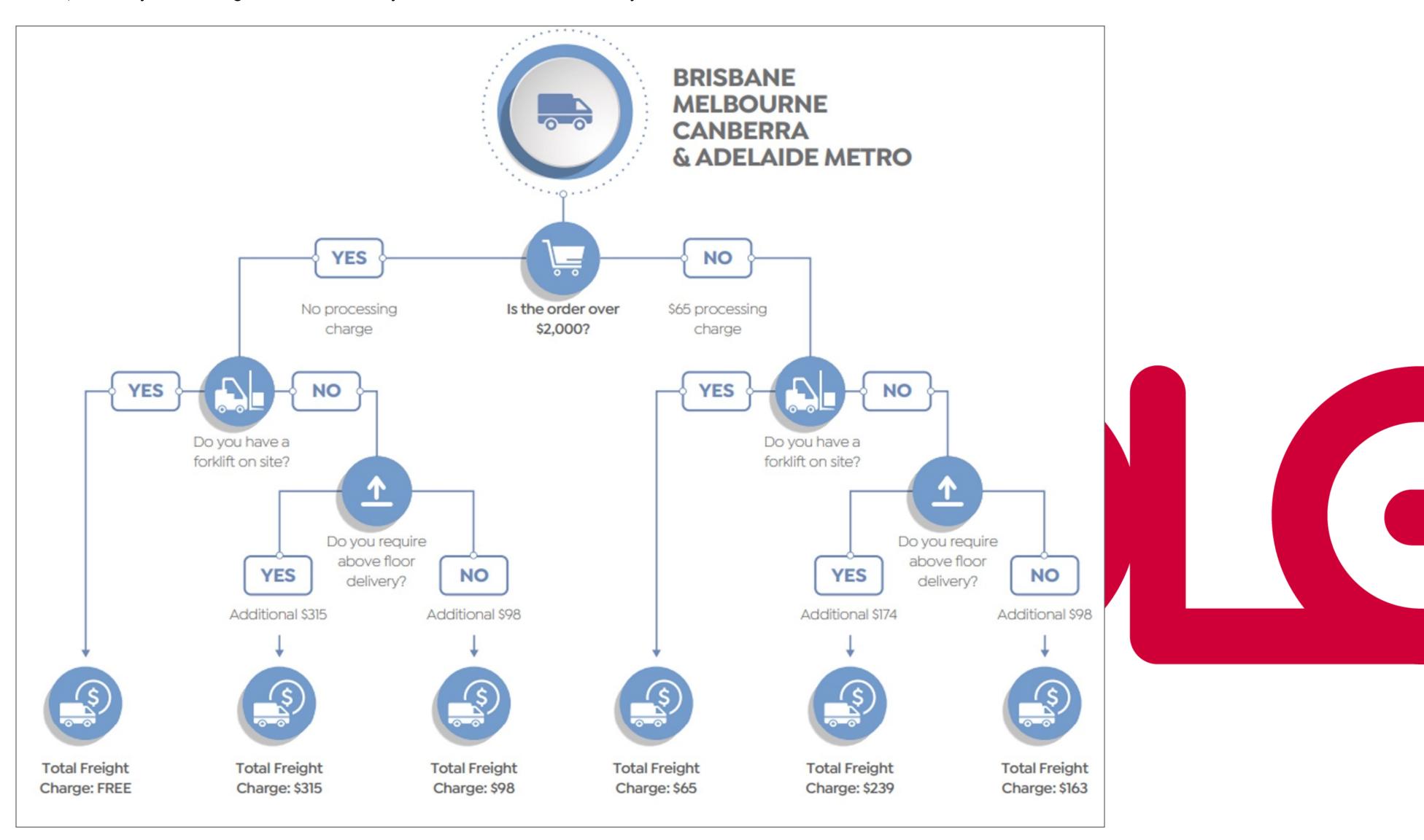


Delivery to Brisbane, Melbourne, Canberra & Adelaide Metro

To calculate shipping costs for Brisbane, Melbourne, Canberra & Adelaide Metro deliveries, there are a few qualifying conditions.

If the order is over \$2,000, processing charges are waived. If you have a forklift on site, there are no additional delivery costs. If you don't but it's a ground floor delivery, a fee of \$98 is charged. Delivery to higher floors incurs a \$315 charge.

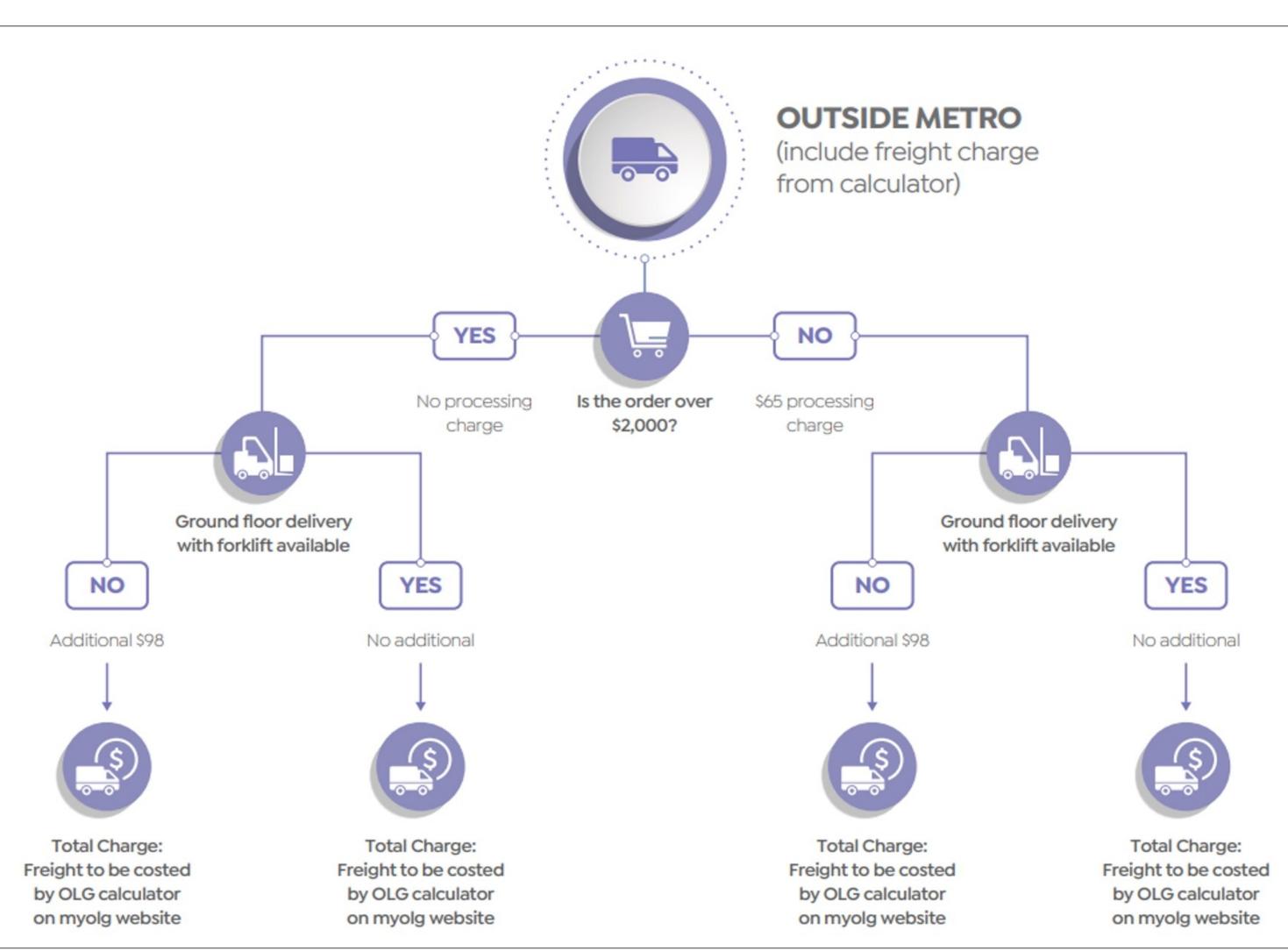
For orders under \$2,000, a \$65 processing fee is charged. No additional delivery fee is incurred if you have a forklift on site. Without a forklift, it'll cost you \$98 for ground floor delivery or \$174 for multi-floor delivery.



Delivery Outside Metro Areas

To calculate any deliveries outside the main metro areas we've already mentioned, the easiest way to estimate your shipping charge is through our customer portal at <u>www.myolg.online</u>. After populating your cart with products, you can calculate shipping based on your postcode.

		Standard Dispatch: \$65
		Calculate Shipp
Shipping	Australia	
	New South Wales	
	2000	
		Update Totals



Beyond the postcode-based shipping charges, a \$65 processing fee is charged for orders under \$2000 and an additional \$98 is charged if there is no on-site forklift.

Contact Us for Orders over \$10,000

For orders or projects exceeding \$10,000, give us a call to discuss your custom options. This includes customers who can accept whole container deliveries.

We're Only a Phone Call Away

If you're looking to streamline your ordering process to save money on shipping costs, give us a call at 02 8188 2732 and we'll explore a handful of options with you.

Want to keep reading? Find out what's new with OLG or head over to the OLG Learning Centre to explore a curated archive full of educational articles and industry content, all completely free to use.

Still not convinced? These are just some of the reasons OLG is the preferred office furniture supplier for so many Australian resellers. If you need help choosing the best furniture wholesaler for your business needs, feel free to drop us an email at info@olgoffice.com or give us a call on (02) 8188 2732.