



# MISSHIPMENTS

How Does Misshipping Happen  
& How To Prevent It

# What is a Misshipment?

---

A misshipment refers to any mistake made in the shipping process that results in the wrong item, quantity, or recipient. There are several types of misshipments that can occur when an order is not correctly fulfilled.

The most common types of misshipments include:



## Quantity Error

When the number of items shipped does not match the amount ordered.



## Wrong Item

Shipping an entirely different product than what was ordered, such as shipping shoes when the order was for a shirt.



## Partial Shipment

Only shipping some of the items on an order, but not fulfilling it completely.



## Package Delivered to Wrong Customer

When a package is shipped to the wrong delivery address and ends up with an unintended recipient.



## Package Delivered to Wrong Postal Office/ Sorting Facility

When a package is misrouted during shipping and ends up at an incorrect distribution center or post office.

Misshipments can happen for a variety of reasons and often result in customer dissatisfaction and return/exchange processing costs for the company. Robust quality control procedures and warehouse automation can help eliminate errors such as:



## Human Error During the Picking Process



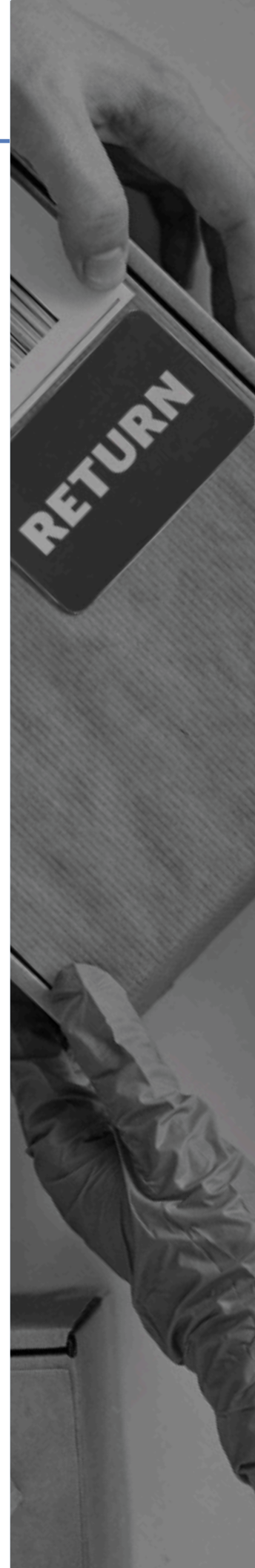
## Damaged or Incorrect Product Labels



## Issues With Warehouse Inventory Management Systems



## Mixups in Shipping Documentation

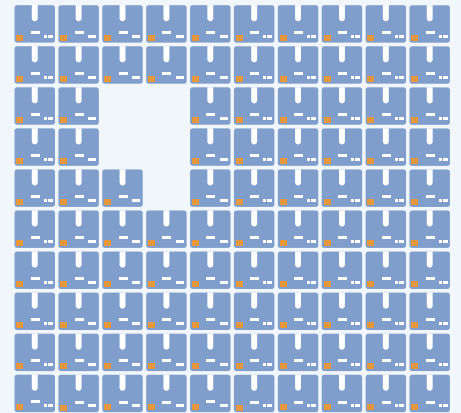


# How Common is it to Misship an Item?

Misshipments are a fairly common occurrence in supply chain and order fulfillment operations that rely on manual data entry. While exact rates vary depending on the industry and size of the distribution center, misshipped items may impact a significant portion of orders.

According to studies conducted by logistics consulting firms, the average misshipment rate across all warehousing is approximately **2-3%** of total orders. This means that for every 100 orders shipped, 2-3 of them will contain some type of error such as shipping the wrong item, incorrect quantity, or sending to the wrong customer. Industries that involve smaller, uniform items like apparel and electronics tend to see higher misshipment percentages in the **3-5%** range due to the increased picking complexity.

Even the largest distribution centers do not have a misshipment rate of zero. Factors like large order volumes, tight fulfillment windows, multi-item orders, and limited staffing resources all contribute to the baseline level of mistakes. Maintaining misshipment rates below 3% through quality control measures is considered acceptable performance for most companies. Continued focus on technologies, training, and optimized workflows can help drive rates even lower.



**2-5%**  
Orders On Average  
Are Misshipped

# How Much Does it Cost a Business When an Order is Misshipped?



**\$10-\$15**

In Additional Expenses  
PER INCIDENT

The costs of misshipping orders can have a significant impact on a business. Both direct expenses and long-term effects on potential revenue must be considered.

In terms of direct shipping costs, research shows the average misshipment results in around **\$10-\$15 in additional expenses per incident**. This includes factors like return shipping, restocking fees, repackaging and additional labor to fulfill the order correctly. For companies with misshipment rates of even 1%, these direct costs can amount to thousands or even millions of dollars annually depending on order volume.

Maintaining order completion standards is crucial to building customer loyalty and trust over time. While direct misshipment fees are a known expense, preventing future lost sales and brand damage through quality control measures saves companies millions in potential business each year. For growing e-commerce brands, first impressions through order fulfillment will make or break long-term customer relationships.

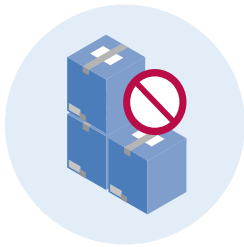
# Examples of How Misshipments Happen in the Warehouse

There are various ways that misshipments can occur within warehouse fulfillment operations. Understanding common sources of mistakes and performing regular inventory checks can help identify focused solutions. By addressing root causes, businesses can effectively reduce wasteful misshipments over time. Below are some scenarios that shippers commonly find themselves in:

Your shipping software should be efficient and accurate, helping reduce user error. Use RF-SMART's Shipping ROI Calculator to see how much you can save with decreased misshipments.



[Try the ROI Calculator Now](#)



## Quantity Errors

A forklift driver was tasked with loading two separate shipments onto the same truck, each requiring a unique pallet of items. While navigating the aisles with their heavy load, the driver became momentarily confused about which order corresponded to the first drop location. As a result, they inadvertently placed two duplicate pallets of the same product into the truck bay instead of the required single pallet of each. This error was not caught during subsequent quality control checks in the loading process. It was only after the truck had departed that the duplicate shipment was discovered, delaying delivery of the correct order.



## Picking the Wrong Items

A picker was rushing to complete orders during a busy period. Eager to hit their lines per hour target, they quickly scanned the barcode for the listed products. However, while hurriedly selecting from the shelf, they inadvertently grabbed a different item batch situated nearby. As the mispicked items possessed a similar appearance and scanned as the correct barcode, the system's validation check failed to flag the error. It was not until the order arrived at packing that another team member realized a substitution had been selected during the rushed pick, and the customer ended up receiving the wrong items.



## Mislabeled Boxes

A packer scans an incorrect shipping label stuck to a box. They then proceed to place the items for a customer inside the mislabeled box. A final validation check by the system failed to catch the error, as the scanned barcode technically aligned with the packed items, even though they were intended for another order. Unfortunately, this led to the contents getting shipped to the wrong address. The customer who was supposed to receive those items then had to wait additional time for their back-ordered shipment to arrive.

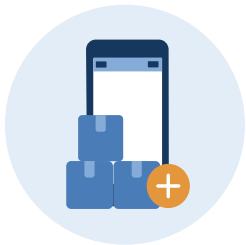


## Lack of Shipping Visibility

A customer in California placed an order for a new laptop. However, due to a mix-up at the warehouse, the wrong model was accidentally shipped. By the time the customer contacted customer service to report the error, the package was already enroute via ground shipping. With no way to track its precise location or route, it took the shipping company 3 extra days to locate the package and redirect it to the right destination. In the meantime, the incorrect laptop was already delivered, frustrating the customer.

# How Can You Avoid Misshipping Orders?

There are several key steps distribution centers can take to avoid costly misshipping errors that negatively impact customers and the brand. Ensuring accuracy throughout the end-to-end order fulfillment process is paramount, from initial receipt of goods to final shipment. Maintaining high fulfillment accuracy requires integrated solutions that provide visibility, direction, and verification across all processes. This comprehensive approach helps distribution centers avoid costly misshipping errors.



## Counting Features

A key part of the order picking process is verifying that the correct quantities are selected from inventory. RF-SMART's counting feature helps ensure items are validated. Through barcode scanners in the warehouse, the counting function provides pickers with a simple interface to rapidly scan product barcodes and directly input the number being picked. This input is then compared to the order quantity in real time. The feature also captures additional details like item lot and serial numbers. Should an issue later arise, RF-SMART's inventory management software has precise records to track down the root cause. By automating quantity verification and catching errors on the spot, the counting tool is a vital safeguard that helps RF-SMART meet the highest standards of fulfillment accuracy for our customers.



## Pick Manager

Pick Manager is a powerful tool that helps warehouse employees avoid shipping incorrect orders. When a picker is assigned an order, Pick Manager guides them to the exact location of each item. As items are scanned, the solution cross-references the scan with the order details to confirm it is the right product before allowing the picker to move on. Any discrepancies will be flagged immediately so issues can be addressed. By automating the picking process and validating selections at each step, Pick Manager acts as a second set of eyes to catch errors that human pickers may miss. This ensures the right products are always delivered to the correct customers and reduces misshipments to a minimum.



## Rules Configuration

RF-SMART understands preventing misshipments requires layered safeguards throughout the fulfillment process. Our rules configuration system acts as an intelligent double-check of orders for potential errors. Customizable business rules can be set to detect anomalies like duplicate shipments to the same address or orders that don't align with normal shipping profiles. Any shipments flagged get routed for immediate review before packaging. This allows inventory management problems to be addressed upfront, rather than discovering them after delivery. RF-SMART's multi-faceted approach through strategic rules configurations helps ensure fulfillment accuracy and eliminates misshipments from occurring.



## Shipping Validation

RF-SMART places immense focus on validating every shipment to ensure accurate delivery of customer orders. After items are packed, RF-SMART Shipping performs a final check that the contents match the order details before releasing packages from the warehouse. This catch-any-mistakes approach is crucial as it allows us to address any discrepancies prior to shipping. Additionally, through our communication with carriers, we maintain real-time tracking visibility from our facilities to doorsteps. This enables the user to quickly resolve any issues that arise in-transit, such as redirecting misshipped packages to their correct destinations.