

# Optimizing Logistics:

## How Optimum Helped Face Reality Skincare Cut Costs and Improve Fulfillment Oversight

Learn how Optimum helped Face Reality Skincare cut shipping costs by 22% and take back control of fulfillment operations.

### » THE PROBLEM

*“Faced with rising shipping costs and limited visibility from their 3PL, Face Reality Skincare lacked the data and control needed to manage fulfillment efficiently.”*

In 2024, Face Reality Skincare faced escalating shipping costs and challenges with its third-party logistics (3PL) provider. The 3PL was not delivering the desired level of reporting and responsiveness, leading to difficulties in data analysis, cost audits, and overall operational efficiency. Seeking to optimize their shipping expenses and enhance oversight of their logistics operations, Face Reality turned to Optimum for expertise.

face reality™  
SKINCARE

Face Reality Skincare is an award-winning acne brand that employs a protocol-based method with certified estheticians. They partner with estheticians to provide personalized acne care plans using their products.

Business Model:

- Retail and Online Sales
- Products are shipped directly to customers with various shipping options.



Volume and costs							
Year of Ship Date	Month of Ship Date	Orders	Shipping cost	Avg shipping cost by the costum.	Shipping paid by the cu.	Avg shipping paid by the cu.	% of subsidy
2023	August	14,016	\$172,094	\$12.28	\$124,752	\$9.90	27.51%
	September	12,899	\$171,734	\$13.31	\$116,927	\$9.06	31.91%
	October	15,970	\$208,424	\$13.05	\$143,630	\$8.99	31.09%
	November	15,963	\$215,791	\$13.52	\$144,580	\$9.06	33.09%
	December	14,542	\$190,951	\$13.13	\$128,428	\$8.83	32.74%
	January	20,005	\$242,013	\$12.10	\$176,854	\$8.84	25.32%
	February	18,846	\$229,797	\$12.19	\$170,469	\$9.05	25.82%
	March	19,184	\$211,215	\$11.01	\$170,854	\$8.91	19.11%
	April	20,612	\$216,903	\$10.52	\$183,738	\$8.91	15.29%
	May	19,640	\$190,010	\$9.67	\$176,339	\$8.98	7.20%
	June	17,960	\$164,571	\$9.16	\$160,679	\$8.95	2.36%
	July	20,600	\$199,927	\$9.71	\$185,884	\$9.02	7.02%
2024	August	20,364	\$199,889	\$9.82	\$189,003	\$9.28	5.45%
	September	20,426	\$196,971	\$9.64	\$178,358	\$8.73	9.45%
	October	20,827	\$219,886	\$10.55	\$183,000	\$8.78	16.79%
	November	20,398	\$207,840	\$10.19	\$180,717	\$8.86	13.05%
	December	21,303	\$217,008	\$10.19	\$185,097	\$8.69	14.71%
	January	22,460	\$220,917	\$9.84	\$189,748	\$8.45	14.11%
	February	20,618	\$199,993	\$9.70	\$168,969	\$8.20	15.51%
	March	23,224	\$221,738	\$9.55	\$191,524	\$8.25	13.63%

## »» THE SOLUTION

Optimum initiated a comprehensive review of Face Reality's shipping strategy. This involved restructuring the mix of carriers, introducing **DHL eCommerce** as a new carrier to the existing lineup. Optimum developed a set of rules to determine the most cost-effective carrier for each shipment based on factors such as destination zone, package weight, and dimensions.

Upon initial implementation, the anticipated savings were not fully realized—only a 7% reduction in costs compared to the projected 15%. A subsequent audit revealed that the 3PL had not correctly applied the new carrier selection rules. Optimum worked closely with the 3PL to rectify the implementation, ensuring adherence to the optimized strategy.

"When we analyzed the cost data by area, we discovered savings opportunities that no one had seen." – Opti



## »» RESULTS

After the correct application of the revised shipping strategy, Face Reality Skincare experienced significant improvements:

### Reduced Average Shipping Cost

- Before: \$12.49
- After: \$9.88

Result: **22% reduction** in average shipping cost

### Subsidy Cost Optimization:

Face Reality employs a "subsidy" model, where a portion of the shipping cost is absorbed by the company, and the remainder is paid by the customer at a standardized rate.

- Subsidy % Before: 28%
- Subsidy % After: 12%

Result: **59% decrease in the subsidy rate**, significantly reducing Face Reality's out-of-pocket shipping expenses

**22%** reduction in average shipping cost  
**Before** **\$12.49**  
**After** **\$9.88**



**59% decrease in the subsidy rate**



Optimum continues to perform monthly audits of Face Reality's shipping and fulfillment invoices to ensure accuracy and that the strategy remains effective. This ongoing oversight accounts for changes in carrier costs, shipping rules, and fees, allowing for timely adjustments to maintain optimal shipping efficiency and cost-effectiveness.

**Looking to optimize your shipping strategy like Face Reality?**  
**Contact Optimum today for a free audit and discover where you can save.**



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