



PARTNERING MAKES PERFECT:
CREATE THE IDEAL FREIGHT
MANAGEMENT TECHNOLOGY
ENVIRONMENT WITH THE HELP OF A
SOLUTIONS EXPERT



Technology is proliferating across the supply chain, and digitization and automation are becoming increasingly expected. No matter where a company is on the technology spectrum, from just getting started to having a robust software platform, there are always new solutions and applications being created with even more enhanced benefits. To ensure your organization is getting the most out of its freight management technology environment, it is important to know the solutions that are available and what is the right fit for your company.

In this first guide of a three-part series, we will break down options to start creating the ideal technology environment for your company's freight shipping needs. (Guide two will address integrating new technology/updating your legacy solutions and the third guide will discuss how technology can help your company better manage its freight spend.)

CONSULT A SOLUTIONS EXPERT

It is important to note that this guide is comprehensive and that your company may not need all of the technology mentioned throughout. As such, when looking to create your ideal technology environment, it is highly recommended to consult a third-party technology provider (like Banyan Technology) to discuss available technology and how it aligns with your current shipping load counts per month, future growth expectations, as well as your company's strategic wants and needs. A solutions expert will help guide your company through the evaluation process, from the best starting point for your company through processing freight shipments, and determining the best method for achieving your goals in the most efficient way possible.

ASSESS YOUR CURRENT TECH ENVIRONMENT & PROCESSES

Every company with freight to move is different – from freight lanes to number of loads per month, from the size and weight of freight to shipping mode, and even preferred carriers – so there is no one-size-fits-all technology configuration when it comes to freight management. That is why it is important for each company to assess their current processes and solutions and determine their future needs before investing in a technology infrastructure.

“Look at the minimum level of functionality that your company has versus what you want or need,” says Steve Leggett, senior business development manager for Banyan Technology. “There are a number of companies that are still completely manual, managing 2,000 LTL loads per day on Excel spreadsheets when that is not efficient or cost-effective. By reviewing their procedures, they will be able to see processes that can be improved upon by updating their technology.”

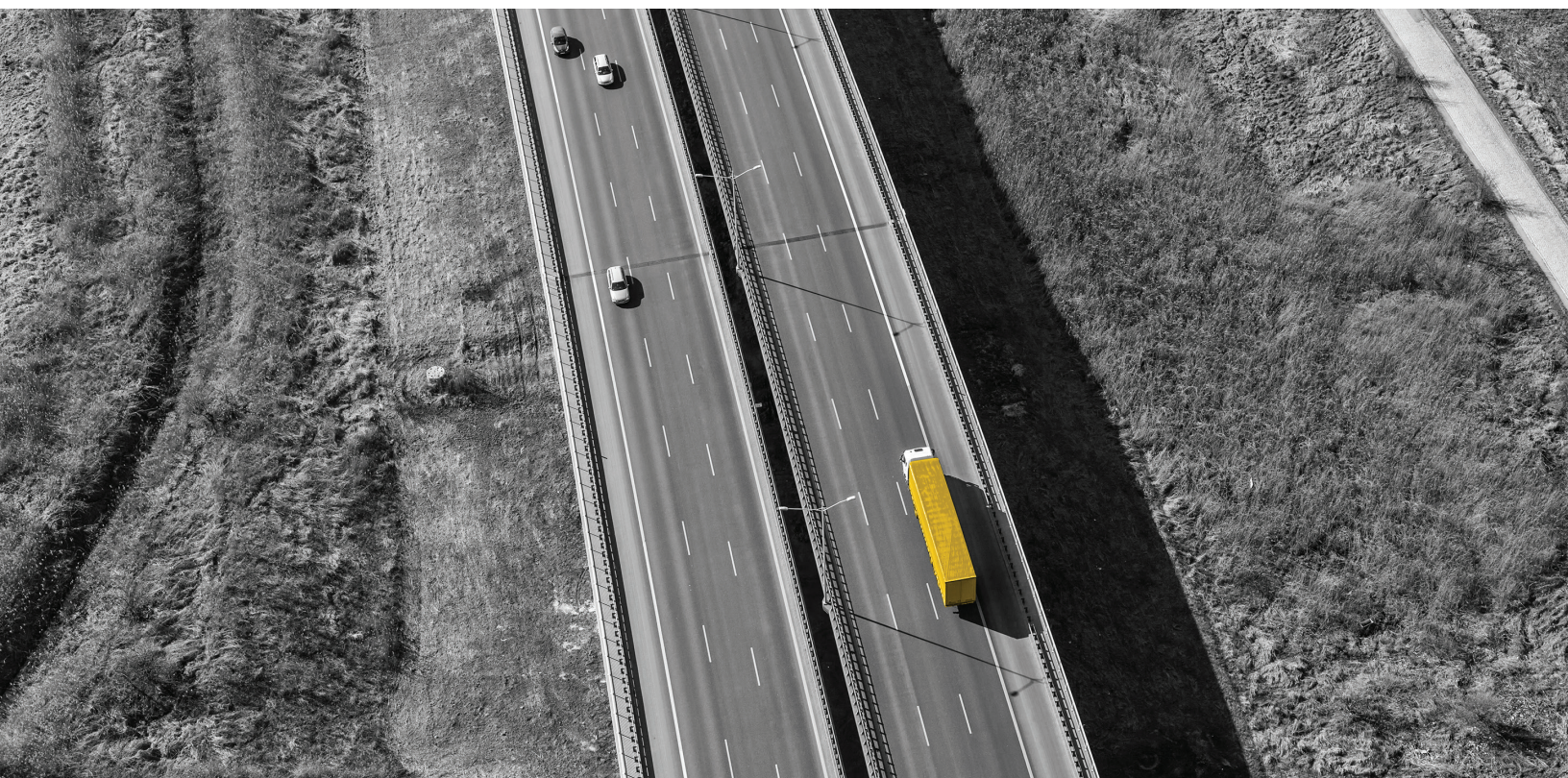
Review your shipping and freight management process.

Consider the amount of time you spend completing tasks manually (i.e., static routing guides, calling carriers for quotes and to schedule pickups). What technology do you have or are you currently using? Do you have a warehouse management system (WMS) or a transportation management system (TMS)? What do you handle in-house versus what do you outsource to vendors (i.e., utilizing a third-party logistics provider or a freight bill auditing service)?

It's important to conduct this assessment in as much detail as possible, including determining problem areas or what is working for you. Talk to the people using your current systems to get real hands-on knowledge and feedback. You should also assess the systems your preferred carriers use and how you can implement complementary technology to make shipping even easier.

Determine your immediate and long-term needs.

Now that you understand your current infrastructure and have identified the areas that could be improved upon, it is time to look toward the future. Where is your company heading? Will you be increasing/decreasing loads? What is your budget for technology integration?





IMPLEMENTING TECHNOLOGY: WHERE TO BEGIN

Implementing new technology is easier than you may think, especially if you partner with a technology provider that understands what will work for your company, your current configuration and your future goals. Additionally, the industry offers a myriad of web-based software solutions that are relatively simple and affordable to implement, allowing your company to see the benefits almost immediately.

“A great place to start is adding anything that will help with automation and providing data,” Leggett said. “Both reduce the amount of time it takes to manage your freight, and the data helps improve your decision-making on carriers, lanes, modes and more. Look for anything that helps streamline processes, offers a single point of data entry and provides you with a live or automated routing guide rather than relying on static pricing.”

Manual companies:

If your company is using static routing guides to create yearly RFPs, Excel spreadsheets to manage shipments and billing, and calling carriers for quotes and to schedule freight pickups/drop-offs, a good place to start is implementing more intuitive tools that provide immediate benefits to your company, like a transportation management system or cloud-based services like an application programming interface (API).

For instance, a TMS can function as a logistics management hub for your entire company. A TMS will help automate some processes, such as tendering, route and load optimization, carrier management, order visibility, and document storage/retrieval. It will also help aggregate important data to use for future decisions. Additionally, once you implement a TMS, you can easily integrate more advanced technology into the system when you are ready to take the next step.

Before deciding on a TMS, it is important to do your research. An effective TMS will provide:

- Useful data, including freight cost for each unit shipped, overall freight spend, inbound/outbound freight costs, transit time, shipment visibility, carrier/lane performance and more
- Optimization for loads, routes, freight management and carrier selection
- Document management, including electronic bills of lading, proof of delivery, contracts and more
- Protection against data breaches and cyber-attacks

“If you don’t have any system, the only way to access data is to call your carrier rep and ask for it,” Leggett said. “But as soon as you start pulling loads through a system, you have access to all of your data whenever you need it.”

Cloud-based options:

For shippers that already have a basic system or access to the internet (so every company!), it is possible to increase your technological benefits exponentially with simple web-based APIs.

Cloud-based APIs enable companies to send large amounts of data in a secure environment without human intervention, increasing supply chain efficiency. For shippers, the data exchanged includes orders, bills of lading, freight management, etc. But the biggest benefit of an API is that it performs all of these functions in real time, rather than in batches.

APIs give shippers an easy way to quote freight rates as needed. They essentially create an automated routing guide that compares carrier rates for each load on one screen, in real time. In addition to freight rates, APIs can automatically tender shipments to carriers and ping the carrier's confirmation back to the shipper. APIs greatly improve companies' efficiencies by taking the manual work out of the entire freight shipment process, from order to billing. APIs also offer increased freight tracking and visibility throughout the supply chain. Best of all, they are easy to connect to your existing systems or access through a graphical user interface. APIs are readily available in a comprehensive package so companies do not have to wait to get live connections to their carriers. It can be done before updating any other outdated technology systems.

"Having this data, access to real-time rates and a single point of entry helps companies make informed decisions and get the best prices from their preferred carriers," said Renee Rubino, director of LTL and 3PL strategy at Banyan Technology.





In a market that is getting more complex with carrier pricing, APIs are becoming increasingly more popular among shippers and 3PLs. So much so that according to EFT, “55% of executives that were surveyed considered web service APIs as an alternative to EDI (electronic data interchange) because of its overall flexibility and a more efficient exchange of electronic documents.”

“Carrier pricing is getting more complex and costly to load manually into a TMS,” Rubino said. “It’s getting very lane-specific, down to the intra-terminal and ZIP-code level, and for some, requiring the purchase of specific carrier rate based tariffs. Companies don’t want that level of complexity in their manual rate loads or the added rate base tariff costs any longer. With APIs, the carriers are in charge of entering the complex pricing, and all the shipper has to do is choose, or create automated business logic to choose, which carrier they want to use for each shipment. It simplifies the whole freight management process automatically to the benefit of the shipper or 3PL.”

Working with a technology provider:

Seasoned technology providers will be able to walk your company through the steps to assess your freight management technology environment and ensure you are getting what you need without doing too much at one time. They also often work with your existing technology to make the transition easier and more affordable.

“At Banyan, we can help companies through technology transitions while also providing access to our APIs through our graphical user interface,” Leggett said. “It is best to talk to the expert so you can achieve what you want with as little disruption into your shipping and freight management as possible. That’s where a trusted relationship with a tech provider is essential.”

THE BENEFITS OF FREIGHT MANAGEMENT SOLUTIONS

After determining the elements that create the best technology environment for your company, you need to understand how that technology will benefit your company. A full-service software solution will provide significant benefits to make sure your company is getting the best return on its investment.



Competitive advantage.

Replacing manual processes with digital functionality will give your company a competitive advantage over those that don't use technology in their day-to-day operations. Technology will allow your company to work faster, therefore, increasing the number of shipments processed each day. It will also allow you to optimize your processes and communicate quicker and more efficiently with carriers, customers and internal departments. Because technology automates processes and removes the manual, time-consuming human tasks, it also increases your company's performance by being more efficient, better informed, easier to work with and more accurate.



Improved visibility.

Today's full-service technology solutions (such as transportation management systems, warehouse management systems, application programming interfaces and more) provide your company and customers better visibility into freight and the freight management process as a whole. As noted by a recent McKinsey & Company report, "some leading transportation and logistics companies are now using digital approaches to link their operations from end-to-end, providing significant improvements to visibility, performance and responsiveness."



Access to more information.

Software solutions capture all types of usable data that your company can use to make better decisions or analyze freight, performance, processes and more. Access to data is also key to predicting future trends or needs. By analyzing historical data, your company is able to prepare for ebbs and flow in freight cost, transit time, material shortages, worker performance and so much more. Data will help your company ensure it is optimizing all systems, processes and partners throughout its supply chain.



Better communication along the supply chain.

Of course, all of these above-mentioned benefits lead to better relationships with the providers and carriers along your company's supply chain. Not only will you have more information to share that will help each partner improve its working relationship with your company, but you will also be able to share that information quicker and with the data to back it up, giving your company credibility and expanding its reputation. As Transportation Impact notes: "key to all these new capabilities is data interoperability. Companies need their business-critical data to be able to flow seamlessly among their internal systems, as well as between their systems and those of their customers and suppliers."



IS YOUR COMPANY READY TO IMPLEMENT THE IDEAL TECH ENVIRONMENT?

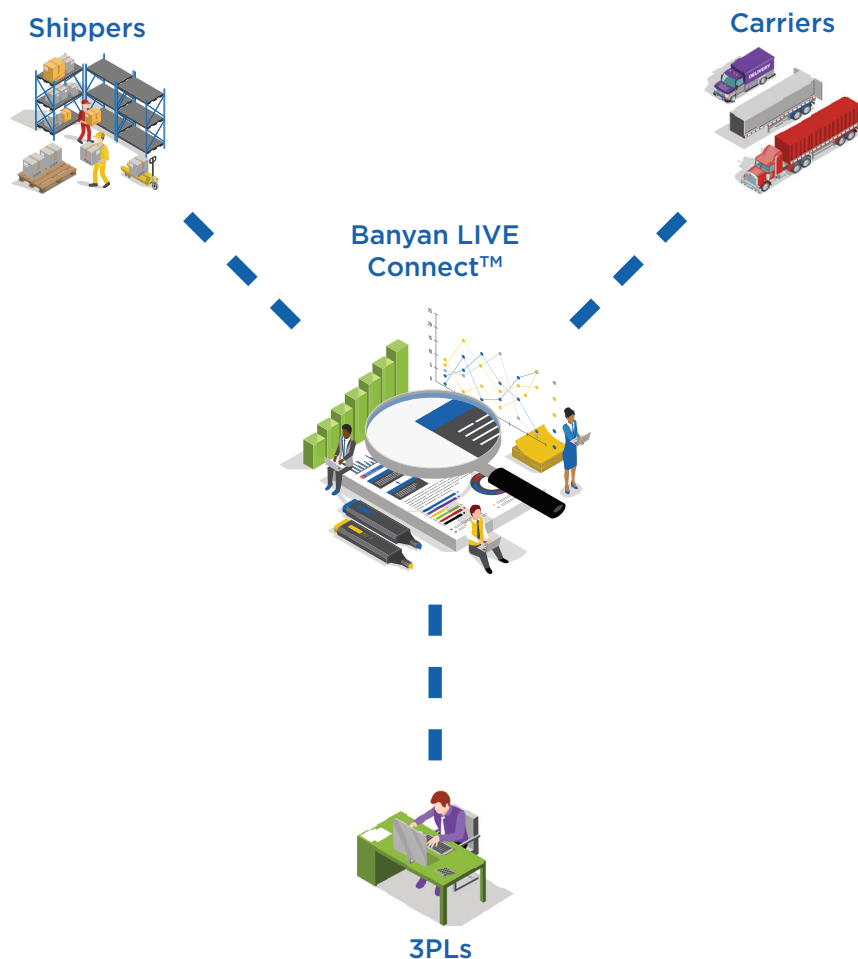
With widespread digitization and automation taking over transportation and supply chain logistics, companies can no longer afford to wait to implement technological advances in their processes. It doesn't matter where your company starts with automation; the key is getting started and learning to adapt, no matter what stage your company is currently in. If your processes are completely manual, try adding a TMS or utilizing a 3PL that already has technology solutions in place. If you are using a TMS and WMS but they don't have real-time freight-pricing APIs integrated, now is a good time to take that next step. Of course, there is an initial infrastructure cost, but the monetary and time savings that your company will realize on the back end makes advancing your tech environment well worth the cost. Make the call to a technology provider today to get started so your company can begin saving on freight spend tomorrow.

As FreightWaves CEO Craig Fuller puts it, "If you think technology is going away, you're wrong. It's just going to become much more important. The reality is that technology is no longer an option."

ABOUT BANYAN

At Banyan Technology, we are creating a unified force – connecting shippers, 3PLs, carriers and supply chain partners and empowering everyone with unprecedented intelligence and actionability.

As North America's leading provider of live carrier and API connectivity for transportation management, we provide real-time intel, actionable insights and instant access to opportunities that drive greater operational efficiencies and create significant value for your bottom line.





INCREASED CLIENT SAVINGS
THROUGH DIRECT DOLLAR
SAVINGS AND DRIVING
EFFICIENCIES



PARTNERING WITH OUR
CLIENTS - FOCUSING ON
FLEXIBILITY AND CREATIVITY
- CREATING THE MOST
BENEFICIAL RELATIONSHIP,
SERVICE AND SUPPORT



#1 MOST COMPREHENSIVE
CARRIER CONNECTION
PLATFORM



“Whether we do 9,000 invoices a month or
11,000 invoices a month, not having to have
personnel to shop each one of those loads to
make sure we get the best price is a huge cost
savings for us.”

- Patrick Kirbow, VP of Operations, Star Pipe Products



CONNECT WITH US

Contact us today and a Banyan logistics specialist will arrange
a no-obligation consultation.

Schedule a Consultation

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