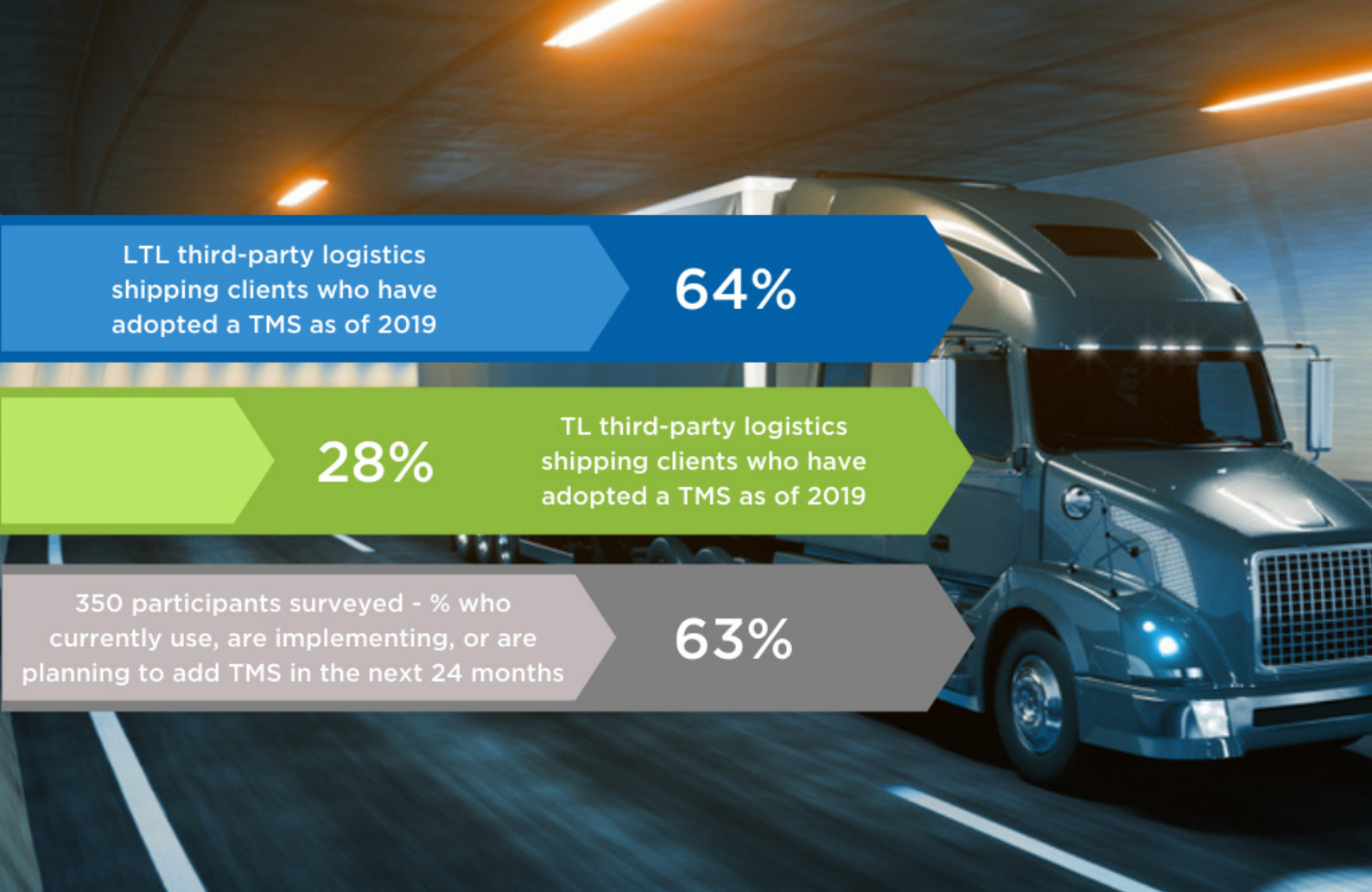




THE EVOLUTION OF A FREIGHT TECHNOLOGY SOLUTION



LTL third-party logistics
shipping clients who have
adopted a TMS as of 2019

64%

28%

TL third-party logistics
shipping clients who have
adopted a TMS as of 2019

350 participants surveyed - % who
currently use, are implementing, or are
planning to add TMS in the next 24 months

63%

AN OPPORTUNITY TO EXPAND VALUE

Prior to the pandemic, only 64% of less-than-truckload (LTL) and 28% of truckload (TL) third-party logistics (3PL) shipping clients had adopted a transportation management system (TMS) or technology solution, according to a 2019 report from *FreightWaves*. This global event and subsequent supply chain disruptions raised their awareness of their transportation networks and prompted more companies to invest in technology in 2020, says Gartner.

However, a May 2020 survey of 350 shippers conducted by Peerless Research Group (PRG) showed that

nearly two-thirds, or 63%, of the study respondents currently use a TMS, are in the process of implementing a TMS, or are evaluating or planning to implement a TMS within the next 24 months.

While many say they want to adopt a technology solution to manage their freight, the numbers show little movement despite challenges brought on by COVID-19. With the proven capabilities and the efficiency and visibility technology provides, 3PLs have a significant opportunity to introduce value into your clients' operations by implementing a technology solution.



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RELUCTANT TO CHANGE

As you know, some of your shipping clients are reluctant to employ new approaches until they're the industry norm. For freight pricing solutions, they prefer a locked-in, annual, contracted rate because they're concerned that anything else could lead to paying rates that send them over budget. For this group, the security of the known is less risky than what they perceive as an unknown.

The most sophisticated systems allow for base contracted rates with options to capitalize on specific offers from carriers. Many companies still working from pre-internet relics such as static rate cards or routing guides realize, however, that the way forward is

through technology.

Their challenge is bringing that technology into the organization in ways that are minimally disruptive. They often start the modernization process with opportunities that are both relatively easy to implement and will yield near-immediate cost savings. With freight, that involves identifying new technology or upgrading your existing system.

Focused on creating efficiencies, improving supply chain visibility, managing costs, and providing higher levels of customer service, 3PLs need to invest in innovative shipping technology, especially as unforeseen outside forces remain in the supply chain.

TMS ADOPTION ACROSS THE INDUSTRY

TL Shippers



with 20+ loads
per week use
TMS



Those with >20 TL
shipments per week
rely on one carrier or
broker to manage
their freight



TL shippers begin
using TMS at ~40
loads/week (160-
180 loads/month)

LTL Shippers



The average LTL
shipper uses 2.4
different web-
based platforms



with annual spend of
\$500k+ use web-
based rating and
booking platforms



always choose the
lowest-cost LTL
platform and carrier
for each shipment

Carriers



with 20+ trucks
use TMS



with <10 trucks
use TMS



with <5 trucks
use TMS

Brokers



with 10+ employees
use TMS



with <10 employees
use TMS



with <5 employees
use TMS

Assessing the Impact

Companies **save 8% on average** with the use of a TMS, with nearly 60% of users indicating that less than 10% of their net savings were absorbed by the TMS.

- Simulation and network design
- Multi-stop optimization
- Lower-cost mode selections
- Load Consolidation



WHAT 3PLS REALLY NEED

3PLs need a technology solution that is easy for their shipping customers to implement and use and one that is constantly adapting to their changing needs. Ultimately, you need something that can offer efficiencies and adapt to your customers' needs while helping you increase profits.

With an innovative technology solution, your shipping customers can save time almost immediately through automated tasks that add efficiency, while the real-time data allows them to make better business decisions and benefit from cost-savings.

With real-time pricing APIs, 3PLs can develop win-win-win relationships with carriers and clients. Improved transparency allows the 3PL to eliminate blanket rates that are risky to carriers and easily set-up dynamic tariff or client specific pricing, so the carriers know what kind of freight to expect and where. The agility to serve customers' needs is the hallmark

of a quality 3PL that will work with carriers to find the right solutions. Digitization also enables 3PLs to offer a consistent user experience across carriers by normalizing carrier interactions through a single interface throughout the shipment lifecycle.

Shippers can take advantage of self-service customer support to track shipments.

There's no more making a call or sending an email and waiting for the 3PL to respond. Shippers can have a similar level of insight into LTL shipments as they have grown accustomed to with parcel moves.

3PLs need a technology solution that is easy for their shipping customers to implement and use.

A man with glasses and a beard, wearing a blue button-down shirt, is leaning over a woman with dark curly hair, also wearing a blue button-down shirt. They are in a warehouse or office setting with shelves of boxes in the background. The woman is looking at a computer screen, which is partially visible on the right. A blue banner with white text is overlaid on the bottom half of the image.

FLEXIBILITY AND ADAPTABILITY IN SHIPPING

Over the past couple of years, the industry has had to adapt to new dynamics that were not present prior to the pandemic. It is critical for 3PLs to remain agile enough to respond to the rapid changes in consumer demand, carrier capacity, rate increases and the overall backlogs in the supply chain. The most efficient way of ensuring agility in your clients' shipping operations is through the adoption of a technology solution that can adapt with you.

Technology solutions can help 3PLs solve pain points and mitigate the supply chain disruptions brought on by the global pandemic. It increases their ability to be flexible and adapt to unforeseen issues that may arise in the future.

However, it is one thing to understand that technology is shaping the future of supply chain, but it is another for established 3PLs who may have operated in a lower-tech fashion to now integrate and maximize new technologies throughout their business. This requires a deeper level of investment than the technology alone. It also requires a technology partner that will consistently enhance its offering to meet your changing needs.

Embracing innovative technology is central to adapting and remaining flexible in a crisis such as COVID-19, and it requires a holistic approach that can support the shipping structure needed to maintain stability and progress as freight digitization becomes the norm.

RECENT ADVANCEMENTS IN FREIGHT DIGITIZATION

Freight digitization refers to technologies that assist in supply chain management and the movement of freight. The shipping and logistics industry has been slow to adopt technology due to complex relationships within shipping and transportation networks, lack of transparency among 3PLs, shippers and carriers, and obstacles to adapting to sudden changes.

Recent developments in freight technology are working to modernize and simplify freight transport. According to a report from the U.S. Department of Transportation, intelligent freight technologies have many benefits in shipping, including increased operational flexibility and efficiency due to better planning and schedule adherence, better utilization of people and equipment, reduction of non-productive waiting times, shorter processing times, and increased shipper confidence.

Utilized by manufacturers, retailers, distributors, logistics providers, and other organizations, a modern technology solution helps 3PLs plan freight movements, manage freight rating and shipping across all modes, select the appropriate carrier, and manage freight bills and invoices.

Technology providers have enhanced their offerings to help their customers manage both immediate and long-term transportation challenges. As shipping management gets more complex, technology providers are also integrating more advanced options into their platforms to help shippers tackle these complexities.

Banyan Technology has made several product enhancements over the past few years to accommodate the ever-changing shipping industry and help our clients

save time, money, and resources. Freight Bill Management (FBM) and the Lane Restrictions (LR) tool are features of Banyan's **LIVE Connect™** platform and can aid in the challenges within the supply chain. FBM is designed to audit and manage your freight bills. Specifically, it automates reporting to only include exceptions, like flagging any differences in quotes and what the carrier billed. This frees up your internal resources to focus. For shippers, they use Lane Restrictions to limit a carrier's ability to service defined service areas where the carrier is either refused by the client and other factors. 3PL clients can use this tool to help align the carriers they use to service specific customers. This is particularly important now with managing the embargoes carriers have placed on weight or certain areas and locations.

Additionally, Banyan recently added **QuickShip™** to its suite of integrated features. This tool streamlines data entry in as few as 5 data points and steers efficiencies by giving access to clients' suppliers and other decentralized users to ensure their contracted carriers are utilized in the most efficient manner. Clients involved in the beta testing of this product experienced a savings of greater than 10% on their inbound freight spend using **QuickShip™**.



**#1 MOST COMPREHENSIVE
CARRIER CONNECTION
PLATFORM**



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



**INCREASED CLIENT
SAVINGS THROUGH DIRECT
DOLLAR SAVINGS AND
DRIVING EFFICIENCIES**

FOCUS ON INNOVATION IN THE FUTURE

Freight digitization isn't going away, and ongoing technological innovations are necessary for addressing some of the biggest challenges you may face in the freight industry in the future. Partnering with an innovative technology provider helps you navigate current shipping challenges and prepare for the future.

Hanging onto the old ways of handling technology because what's known is seen as less risky than something new isn't an option anymore as the pandemic and supply chain disruptions continue. Embracing technology from the right partner allows you to navigate uncertainties resulting in maximized profits and better business practices. The best way to help you plan for your clients' futures while minimizing risk is with an adaptable technology solution.

Banyan has consistently enhanced our **LIVE Connect™** freight-pricing platform to adapt to changes in the industry and accommodate our clients' needs. New product features

for **LIVE Connect™** in early 2022 will include Multimode and Push Tracking Notifications. 3PL clients will be able to book loads for LTL, TL, parcel, and final mile all on one screen in Multimode and have even more visibility into their shipments through real-time updates and notifications sent directly to them with Push Tracking Notifications.

Push tracking notifications and the ability to book loads for multiple modes on one screen are recent advancements making an impact on 3PLs. Increased reporting capabilities and data retrieval also are critical to increasing visibility for 3PLs and helping them save money while navigating both current and future shipping challenges.

A Business Intelligence feature and Load Consolidation tool are also on the schedule to be released in 2022. Both enhance the system to add even more efficiencies for your shipping clients and allow you to successfully streamline shipments in this tumultuous environment.

WHY BANYAN TECHNOLOGY & LIVE CONNECT™

Banyan has developed a client-centric platform that keeps you and your customers prepared for fluctuations in the supply chain landscape

Banyan Technology continuously innovates and creates flexible client solutions to solidify our position as North America's top transportation management technology partner, providing better data for better freight management. We constantly focus on innovating our technology to better unite shippers and 3PLs with highly efficient, real-time carrier data. Our flexible solution, **LIVE Connect™**, is designed to provide optimal client benefits based on their unique business needs, not just for LTL shipping, but in TL, parcel, and final mile shipment modes as well.

We continuously update our API connections and develop new product solutions for our TMS, providing innovative new tools developed in collaboration with our valued clients. We add these new features to **LIVE Connect™** to help our clients get the best carrier rates, effectively manage their overall spend, efficiently tender shipments, toggle between shipment modes, and enable tracking notifications. We have the most carrier connections in the industry available through our APIs, more than doubling the number of any other freight rating provider in the industry. We continue to add more connections as the need arises.

By continuously innovating, Banyan has developed a client-centric platform that keeps Shippers prepared for fluctuations in the supply chain landscape. Our **LIVE Connect™** platform is built for savings, efficiency, and streamlining processes to make your business profitable and eliminates the outdated methods of managing freight spend.

Banyan is connected to more than three times the carriers than any other provider, granting customers access to their preferred carriers. We continue to add new connections as needed, including local, regional, and super-regional carriers. Offering the largest grouping of carrier APIs in the industry allows our customers to purchase freight at competitive prices while carriers win the additional freight they need.



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