



TRANSPARENCY:

THE KEY TO EFFECTIVE SHIPPER AND CARRIER PARTNERSHIPS



SNAPSHOT:

Improving transparency between shippers and carriers is a win-win solution.

Technology available today:

- Provides ready access for shippers to the most favorable rates
- Enables the more productive and efficient transportation of freight to support manufacturing and distribution operations
- Allows carriers to balance and optimize their transportation networks and more effectively utilize equipment and drivers
- Fosters opportunities for carriers to generate additional revenue and improve profitability

It's well known that trucks carry more than three-fourths of the more than 10.5 billion tons of freight hauled annually across North America. Lesser known is that roughly one-third of the largest shippers in the U.S., Canada and Mexico routinely outsource their freight management activity.

Those relationships, while advantageous to shippers and valuable to freight services providers, come with some unique challenges. Chief among them is the need for carriers to provide a higher level of transparency by sharing information that is actionable and valuable to their shipper customers.

Effective relationships are the key to any business, and for shippers and carriers, they can even be the difference between failure and success. While shippers can readily recognize service and performance differences with carriers that operate solely based on low cost, they often struggle to note the different strengths between top-quality trucking companies. By enabling improved transparency, however, premium transportation services providers can gain a competitive advantage that grows their businesses and boosts profitability.

For businesses that depend on the movement of goods and raw materials, a higher level of visibility and transparency throughout the freight transportation process is essential for limiting costly supply chain disruptions. And while late or lost loads can cause production line slowdowns or a lack of products in distribution centers and on retail shelves, profitability goals also require that freight is moved at the lowest possible cost.

As shippers increasingly turn to higher-performing for-hire, dedicated and contract freight haulers as well as brokers and 3PLs, they require more productivity and efficiency from their providers. To meet those needs, transportation service operations are focused on providing more accurate and timely digital information and on providing a means of offering carrying capacity at the best possible rates for customers.



USING TECHNOLOGY TO IMPROVE TRANSPARENCY

For most stakeholders in the freight market, the processes used to secure least-cost capacity are archaic at best. More advanced shippers and carriers do have access to data in a comprehensive transportation management system (TMS) that they can use to make more informed decisions.

That information, however, is often populated with rate tables and routing guides that are only updated annually. At the same time, the data does not rise to a level of granularity that is needed to use it effectively to make an impact on rates or service effectiveness.

To overcome those shortcomings, what the freight transportation industry requires is an approach that more effectively connects shippers and carriers in real time. What is missing from legacy rating solutions for shippers is the agility and speed needed to react quickly and effectively to market conditions. Similarly for carriers, existing systems do not enable the ability to offer rates based on the changing volume of freight and the resulting demand for carrying capacity.

Although technology has advanced dramatically, many of these legacy practices remain firmly entrenched with shippers and carriers. Most TMS solutions use static and labor-intensive rate tables that make it impossible for carriers to take advantage of opportunities to balance and maximize capacity on their networks and for shippers to access the most favorable rates at any given point in time.

However, a better approach is available. With a dynamic pricing solution where LTL operations can offer market and operationally based rates and automate specials on specific lanes, carriers can better balance their networks. The result is lower costs to shippers and higher yields for trucking operations.





ADDING VALUE BY AUTOMATING FREIGHT MANAGEMENT SOLUTIONS

Intelligent Freight Pricing™, combined with Live Lane Specials™, are data-driven solutions from Banyan Technology that address that need. The technologies provide LTL carriers with competitive shipment level intelligence to make immediate adjustments to rates, without the need to make contract changes. Previously, carriers had to guess the price they should offer a shipper not knowing when or if capacity on individual lanes would be secured at a specific lower rate.

LIVE Connect™, Banyan's software-as-a-service freight-pricing API solution, also provides measurable savings for shippers by making additional discounts on current contracted rates available to shippers at the very moment they are making a freight capacity purchasing decision. The lower-than-contracted rate appears directly within their transportation management systems.

Beyond the value you can realize by adopting dynamic rating processes, transportation management technology can also foster transparency by providing improved visibility into freight status. Leading-edge LTL carriers expose APIs that provide shippers and receivers of freight with more updates throughout the pickup and delivery portions of an LTL shipment move than traditional EDI status updates. That information can include more accurate arrival and departure times to help improve carrier accountability and the efficiency and productivity of operations at pickup and destination locations.

Fully integrated TMS platforms, especially when they include paperless handling on mobile devices of freight documentation, such as bills of lading and proof of delivery data, can also improve transparency. From sales to order entry and delivery completion, by connecting shipment information using integrated and automated management solutions, carriers can improve back-office processes and have a positive and effective impact on customer service.

A WINNING APPROACH TO BUILDING STRONGER RELATIONSHIPS

Networks are constantly changing for both shippers and carriers, but the tools to adapt and react have evolved to become actionable information between partners. As shippers gain better access to data, they understand the need to share that information in a timely manner with their carrier partners for better pricing alignment with the network changes. At the same time, shippers are requiring enhanced visibility on the part of their freight transportation service providers to enable improvements in their manufacturing and distribution operations and to secure efficient and productive service at the best possible rate.

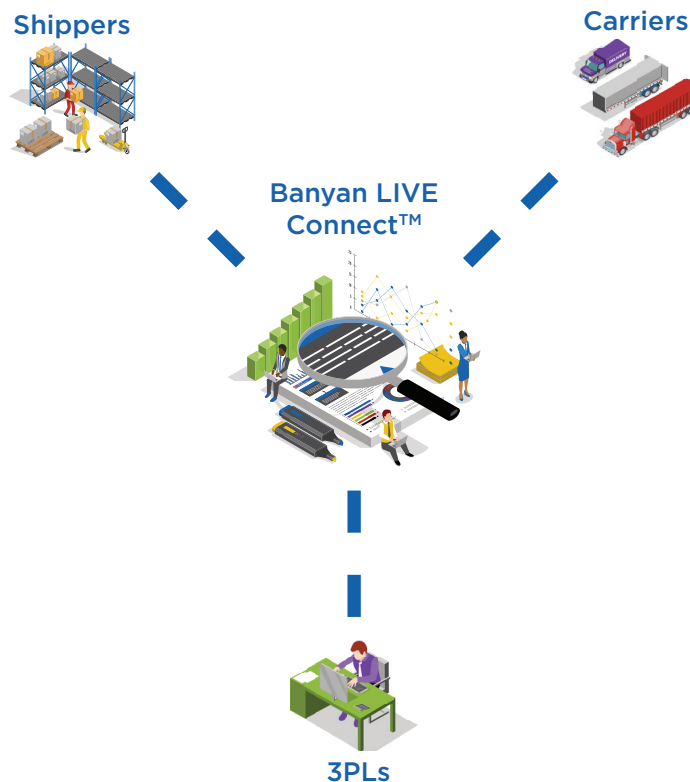
For carriers, adopting the capabilities afforded by innovative and agile pricing technologies is increasingly seen as a required core service offering by their customers. For shippers, it is becoming a key factor in the decision to choose a carrier partner. Advanced and integrated pricing technology that fosters transparency not only meets customer requirements for carriers, but it also makes it possible for them to maintain and win new business that best fits the carrier's network.

Transparency leads to stronger relationships between carriers and shippers, so it is essential to think strategically about how freight management technology can help meet that objective and achieve that goal. The agility it provides helps build true partnerships that maximize effectiveness and lead to measurable benefits for all supply chain stakeholders and their customers.

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.



#1

API IN THE MARKET WITH
NEARLY 3X THE CARRIER
CONNECTIONS THAN ANY
OTHER PROVIDER

12%+

CUSTOMERS' AVERAGE
SAVINGS ON FREIGHT SPEND
WITH BANYAN

95%+

LTL FREIGHT MOVED BY
CARRIERS CONNECTED
TO OUR API



“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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