What You	r Customers
Want to Kno	ow From Their
Supply (	Chain Data

WHITE PAPER

Exploring How Logistics Providers Can Bring Tangible Business Value to Importers and Exporters



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#### About Logixboard

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# **Overview**

Today's supply chain professionals expect more from their logistics service provider (LSP) than simply transporting goods from point A to point B. They are actively searching for partners who can help them make efficiency gains, reduce costs, and enable quicker, smarter decision-making.

This is difficult for them to achieve independently because much of their freight data is scattered across multiple systems or not surfaced in a usable way. In some cases, the data needed to truly optimize their supply chain is completely unavailable. These limitations make it extremely difficult to analyze and derive insights from their data.

LSPs have a lot of their customers' supply chain data at their disposal, but the crux is leveraging it strategically to reveal inefficiencies, performance shortfalls, and unnecessary costs—and even spell out solutions for closing those gaps. Providers who unlock these opportunities can build deeper customer relationships and position themselves as essential partners in their clients' success. This white paper examines the insights that would drive the biggest impacts for importers and exporters, and therefore should be prioritized by LSPs as analytics to provide to their customers. The findings are based on interviews with importers and exporters in the US, UK, and Australia who contract LSPs to help them order and distribute goods—both domestically and internationally.

Through these interviews, we uncovered five key categories of data analytics for LSPs to focus on:

- Freight volume
- Freight spend
- Vendor metrics
- Trade lane metrics
- Transit time data

# **Freight Volume**

A foundational element of supply chain optimization is understanding the current state of logistics operations. Importers and exporters need to measure the overall freight being moved by:

- Volume
- Weight
- Number of shipments
- Number of containers

Beyond the raw numbers, they must be able to easily break the data down and visualize trends over specific periods of time—whether these numbers are growing or shrinking, year-over-year or quarter-over-quarter.

Basic analysis of the amount of freight being shipped may seem like tablestakes, yet many importers and exporters struggle to track this. This is often due to the inability to accurately tie purchase orders to their associated shipments and containers—a relationship that could be made much more explicit in the customer portals provided by LSPs.

#### **Mission-Critical Analysis**

Participants cited the need to easily break down their freight volume data by **transport mode**, **region**, **trade lane**, and **carrier** for further analysis.

# **Freight Spend**

Many supply chain teams also lack details on their overall freight spend. Similar to freight volume, they need to break the data down by:

- Transport mode
- Region
- Trade lane
- Carrier

Additionally, they need to know the full landed cost and the line items that make up those costs (e.g. product price, freight cost, duty exposure, insurance).

Providing shippers with these extra cost analysis capabilities can help them make better budget decisions, and highlight areas for potential savings. "I can't see how much we spend on sea, I can't see how much we spend on air... I don't even know how much we actually spend on logistics because that's handled by a separate cost center. I'm sure it's a huge number."

#### MATERIALS PLANNING MANAGER

- 15 years in supply chain
- Automotive manufacturing (heavy duty trucks)
- Melbourne, Australia
- Materials imported from US, Netherlands, China, India, and Taiwan

## **Vendor Metrics**

To optimize supply chain efficiency and cost, organizations must evaluate their carriers and suppliers on an ongoing basis. Many of the shippers we interviewed discuss the performance of their vendors in team meetings, sometimes as frequently as every two weeks.

Here are the most common metrics used to evaluate vendors:

- On-time delivery The percentage of deliveries made on time. The ideal target varies among shippers. The highest target metric noted in our interviews was 95%.
- Delay times Related to on-time delivery, shippers are also measuring the severity of the delays (i.e. number of days or hours).
- Transit times Understanding the typical duration for shipments handled by specific vendors can help organizations estimate more realistic timelines and expectations.

In order to evaluate the ROI of working with various vendors, organizations are also comparing these metrics against the cost metrics mentioned previously.

Additionally, breaking this data down by transport mode, region, and trade lane can enable even more granular analysis. "If some carriers tend to do better moving freight from the East coast than the West coast, or some handle LTL better than FTL—I have to work with them for months or years to get a sense for that. It would be much more efficient and reliable to use the actual data for this."

#### SENIOR LOGISTICS COORDINATOR

- 6 years in supply chain
- Retail apparel (clothing subscription)
- Los Angeles, CA (USA)
- Materials moved domestically and imported internationally

## **Trade Lane Metrics**

Companies can leverage trade lane metrics and historical data to identify optimal routes that not only save time but also lower freight expenses. Examining trade lane metrics such as transit times and delay times can reveal which routes are consistently more reliable and efficient. For example, understanding the typical delays associated with specific regions can help companies make better routing decisions and mitigate potential disruptions.

The shippers we interviewed were largely skeptical of fully AI-based route optimization solutions due to the complexity of speed and cost trade-off decisions that they make on a daily basis. For example, they cited company-specific KPIs that they have to consider with each decision they make, like sustainability objectives, or extreme cost-saving measures after a challenging year in their sector of retail.

Alternatively, they simply wished they had more trade lane data at their disposal to help them make better-informed routing decisions.

# Data-Driven Routing Decisions

Supply chain professionals know they can make smarter route decisions with historical average **transit times** and **delay times** as inputs to the larger equation. But most don't have the resources to piece that data together in a usable format.

### **Transit Time Data**

It's widely understood that shipping delays cause countless ripple effects in a business's supply chain. But LSPs who are zeroed in on the transit stages of their client's supply chain can easily lose sight of just how detrimental this can be. The shippers we interviewed were extremely vocal about the importance of reliable ETAs and insights into potential delays.

Despite this importance, most shippers expressed distrust in fully predictive, Albased ETAs—similar to their skepticism around leveraging AI for route optimization. Instead, participants were more interested in receiving contextual data that could give them a sense for the reliability of the stated ETA. Examples include:

- Historical average transit times (based on past performance by that carrier)
- Current dwell and transit times compared to a "normal" baseline (ideally broken down by region)
- Proactive awareness of disruptive events like port strikes, weather events, and political turmoil

"When shipments arrive late, we are in jeopardy of shutting our manufacturing lines down. Then we miss our delivery schedule. That impacts our delivery metric, which is used to determine whether or not we get awarded new contracts. If a customer drops us, there's a huge financial impact to the business.

Since we're always worried about delays, we always add some padding to them —usually a few extra weeks."

#### SUPPLY SUPERVISOR

- 21 years in supply chain
- Automotive manufacturing
- Pontiac, MI
- Materials moved domestically and imported from Asia

## Conclusion

To get ahead in today's competitive market, LSPs must build deeper, more consultative customer relationships, adding strategic value to their clients' supply chains. This requires a new focus on data-driven insights that help importers and exporters improve their supply chain operations. By empowering shippers to improve efficiency, reduce costs, and make more informed decisions, LSPs can achieve a competitive advantage in the marketplace and set themselves up for future success.

# **About Logixboard**

Logixboard is a SaaS company enabling LSPs to unify all of their services and systems into a single pane of glass for their customers. With Logixboard, shippers can book, track, and manage their entire supply chain from a single platform that is purpose-built for their needs. Logixboard serves over 200 freight forwarding companies across the globe.