

What Do Freight Brokers Do & And How To Hire Them?

Ecommerce marketing is increasing every day, and so is the competition. To stay among the top companies, you need to hire the best e-commerce marketing strategies and be careful about all the steps you take.

Satisfying your customers is the most important part of any business. And to keep your clients happy, you must get your products to them safely and as fast as possible.

But shipping goods is a complex and expensive process, especially from an international logistic point of view. If you are a small business, how can you manage the cost? And if you are a large company, how can you handle the time and all the orders from your customers?

That requires spending a lot of time and money looking for shippers and carriers, finding and hiring the best ones, negotiating with them, signing contracts, tracking the process, and so on. And still, your cargo may get lost, damaged or arrive late at its destination.

So what's the solution?

This is where freight brokers come in. You no longer have to worry about any of the above challenges. But what do freight brokers do? Who are they? How can they handle the transportation process? Are they reliable? And if so, how can you hire one?

Read on to get the answers to all your questions about freight brokers.



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Who Is a Freight Broker?

Before we answer the question, "What do freight brokers do?" let's first find out who a freight broker is.

A freight broker is like a hero in your e-commerce business who tries to satisfy you and your customers by handling all the tasks in product transportation.

Freight brokers are professionals who match shippers with carriers. They act as intermediaries in the transportation industry, trying to help companies move their products by connecting them with carriers.

Freight brokers do not ship the goods themselves. Rather, they facilitate the transaction process and ensure that both parties are satisfied with the final result.

Freight Brokers vs. Freight Dispatchers: What's the Difference?

You may still be wondering, "What do freight brokers do? And how are they different from freight dispatchers?"

There are many professions in the trucking industry; two of the most common are brokers and freight dispatchers.

While both play an important role in moving goods from one place to another, there are some important differences between them.

Freight brokers work with both shippers and carriers to connect and facilitate the flow of freight. They also negotiate rates and handle all the paperwork associated with the transaction. On the other hand, freight dispatchers work for trucking companies and coordinate the movement of their fleets.

This includes assigning loads to carriers, scheduling pickups and deliveries, and monitoring vehicles. They work closely with drivers to ensure loads are delivered on time and without problems.

Brokers are typically better suited for long-term planning and strategic decision-making, while dispatchers excel at keeping day-to-day operations running smoothly.

Depending on the size of your business and freight volume, you can decide which of the two is best for your company. To make a better decision, let's look at what exactly freight brokers do.

Freight Brokers' Day-To-Day Responsibilities

Now you know the answer to the question, "What do freight brokers do?" But what is their exact job, and what do they do on a daily basis?

In general, freight brokers are responsible for coordinating the transportation of goods by truck, rail, ship or air. Their job is to match shippers, companies that need to move goods, with carriers, trucking companies, railroads, shipping businesses and airlines.

A freight broker communicates with companies and customers, assesses their needs, and negotiates rates to match the shipper with the most appropriate carrier.

Once the broker finds a carrier that meets the shipper's requirements at a mutually beneficial rate, they book the load.

The freight broker handles all the paperwork, constantly tracks the shipments and makes sure everything is in order.

When the cargo is delivered, the freight broker contacts both parties to ensure that the entire process has gone smoothly and that the shipments arrive at their destination on time.

Finally, the freight broker streamlines the process and keeps records for future transactions. In short, a freight broker saves you a lot of time and headaches by handling the entire process.

How much do freight brokers earn?

Most freight brokers earn a base salary and a commission or commission only.

The size of the shipment and the distance it travels affect the commission. However, freight brokers' commission rate is usually 10-15% of the total cost of the shipment. So if it costs \$1,000 to broker a shipment, the commission will be between \$100 and \$150.

Brokers' base salaries also depend on their experience and location. While the national average [salary for a freight broker in the United States is \\$65,749](#), most freight brokers earn between \$30,000 and \$100,000 per year.

Now, let's go through some factors that affect the brokers' salaries:

- Experience: The most important factor in determining a freight broker's salary is the broker's experience.
- Certificates: The more certificates a freight broker has, the higher their salary. Certified brokers will earn more than other brokers.
- Location: It is another significant factor that affects freight broker salaries. For example, since the demand for transportation services is higher in New York City, brokers who work there tend to earn more money than those who work in smaller cities.
- Gender: Gender can also influence how much money a freight broker makes. Studies have shown that men tend to earn more than women in this profession.

Other important factors are the size of the company they work for, the number of customers they have, and the type of goods they specialize in.

You may also be interested in [Freight invoice factoring for trucking companies](#).

Benefits of Hiring Freight Brokers

Now that we know what freight brokers do, it's time to find out why they are so important. As an e-commerce business owner, working with a freight broker offers several benefits.

For example, a freight broker can perform the functions of a shipping department without the expense. Additionally, you won't have to pay for invoices, audits, and training (certificates, seminars, etc.)

Some of the many benefits of hiring freight brokers include the following.

Market Knowledge

Freight brokers have extensive knowledge and experience in the shipping industry. That's why they can provide insights and recommendations that can help you avoid potential problems.

Also, a freight broker's network of carriers is one of his most valuable resources. That's also why freight brokers maintain good relationships with carriers, so they can negotiate better packages on your behalf.

Negotiation Skills

Through their networks, freight brokers can wield enormous buying power. Creating partnerships with transportation brokers enables them to negotiate rates that are more competitive than those offered by their competitors.

The shipping company is there to serve you, which means they can offer discounts for bigger orders and give you a lower shipping cost. Moreover, they can provide capabilities that would otherwise be unavailable or unaffordable for an internal shipping department.

Saving Time & Efforts

Finally, freight brokers take care of all the paperwork, saving time. Don't forget that freight forwarders have extensive connections throughout the world. Using a freight forwarder will save you the time and effort of hiring multiple people to complete different tasks.

You may have to wait for some time before your consignment reaches its destination. The risk of losing merchandise is a major concern for companies too. A tracking system also makes them feel more secure when it comes to their cargo.

Handling The Paperwork

The lack of accurate and comprehensive documentation may cause long delays, causing banks to put your money on hold. It is the duty of freight forwarders to maintain impeccable paperwork, handle your documents, and deliver cargo in compliance with the law.

When Should You Use a Freight Broker?

There are several reasons why you might need a freight broker for your business, including:

1. If your cargo is oversized or overweight, a freight broker can be helpful. They can match you with the right carrier and give you peace of mind that your shipment will be handled properly.
2. Working with a freight broker can help you simplify the shipping process, especially if you are a beginner. The broker can provide you with advice and assistance every step of the way.
3. Since freight brokers are experts in the industry, they have relationships with various carriers and know how to negotiate the best deal for both parties. By finding the most efficient and cost-effective way to ship your goods, they can help you spend less money.
4. Time is worth its weight in gold for any business owner, especially in the world of e-commerce and shipping. Using a middleman who can quickly find the best option for your

shipping based on price, transit time, and level of service, and handle the paperwork for you, can really help you save time.

If any or all of the above situations apply to you, hire a freight broker.



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Qualities of a Good Freight Broker

Hiring an inexperienced or unqualified broker can result in unwanted costs and wasted time. That's why you should consider a range of characteristics when hiring one.

- All freight brokers must be registered with the [Federal Motor Carrier Safety Administration \(FMCSA\)](#).
- A good freight broker has excellent communication skills to work effectively with carriers and customers. They must be able to negotiate well to get the best prices for their clients.
- Good freight brokers must be very organized to complete the process promptly and keep track of all shipments for which they are responsible.
- They also need to be meticulous and pay attention to every little detail of every order.
- They also need to be experienced and able to handle different situations. Freight brokers should solve any possible problems in the shipping process as quickly as possible.
- Since freight brokers have to keep all the records and keep track of everything, another qualification that a good broker should have is their computer skills and familiarity with technology and different applications.

- Finally, a good freight broker should always look for new and better ways to improve the efficiency of their operations so that they can provide the best possible service to their clients.

How to Hire a Freight Broker?

Here are some beneficial tips on how to hire a freight broker:

1. check the broker's qualifications: the first step in hiring a freight broker is to check if the broker is licensed and insured.
2. Inquire for recommendations: The next step is to talk to other companies that have already used the broker's services. Inquire about their experiences and ask whether or not they had any problems with the transaction.
3. Get a written contract: One of the most important things about hiring a broker is to have a contract in place and all the details spelled out. This will protect you in case of problems.
4. Make sure you understand the fees involved: Do not forget to ask for an estimate, so there are no surprises or disputes later.
5. Discuss your transportation needs in detail with the broker: you need to find someone who meets your needs. Be clear about what you expect from the freight broker, and make sure they agree with all your requirements.
6. Keep the lines of communication open: Make sure you can reach the broker at any time and that they respond in a timely manner. You also need to be reachable if the freight broker has any problems or questions.

How to Become a Freight Broker?

We have mentioned all the qualifications and requirements of a freight broker, but anyone with an entrepreneurial spirit and a logistical mind can become one.

Since freight brokers play an important role in the supply chain, the demand for their services is high. However, those successful in this career field are usually very detail-oriented and can handle multiple tasks simultaneously.

Here are two initial necessary steps you must take to become a freight broker:

1. Obtain your license from the Federal Motor Carrier Safety Administration (FMCSA). The first requirement to become a broker is to pass the licensing process, including an exam.
2. After you receive your license, you can work as a freight broker independently or for a brokerage firm. Many large companies require that their brokers have experience in the industry. In this case, working as a truck driver or dispatcher for a short time may be helpful.

You May Also Like: [How to Find Loads for Your Trucking Business](#).

Once you obtain a license and gain experience, you can begin a successful career as a freight broker.

After you have completed the first two steps above, you should also consider the following tips.

- Learn the industry inside and out: You should familiarize yourself with the different types of freight, carrier terms, modes of transportation, etc. The more you know about the transportation industry, the more likely you will be able to find transportation solutions for your customers.
- Develop good relationships with both shippers and carriers: As a broker, you need to build trust with both sides of the industry to be successful. So once you know how freight brokers work, build your own network by connecting with industry experts.

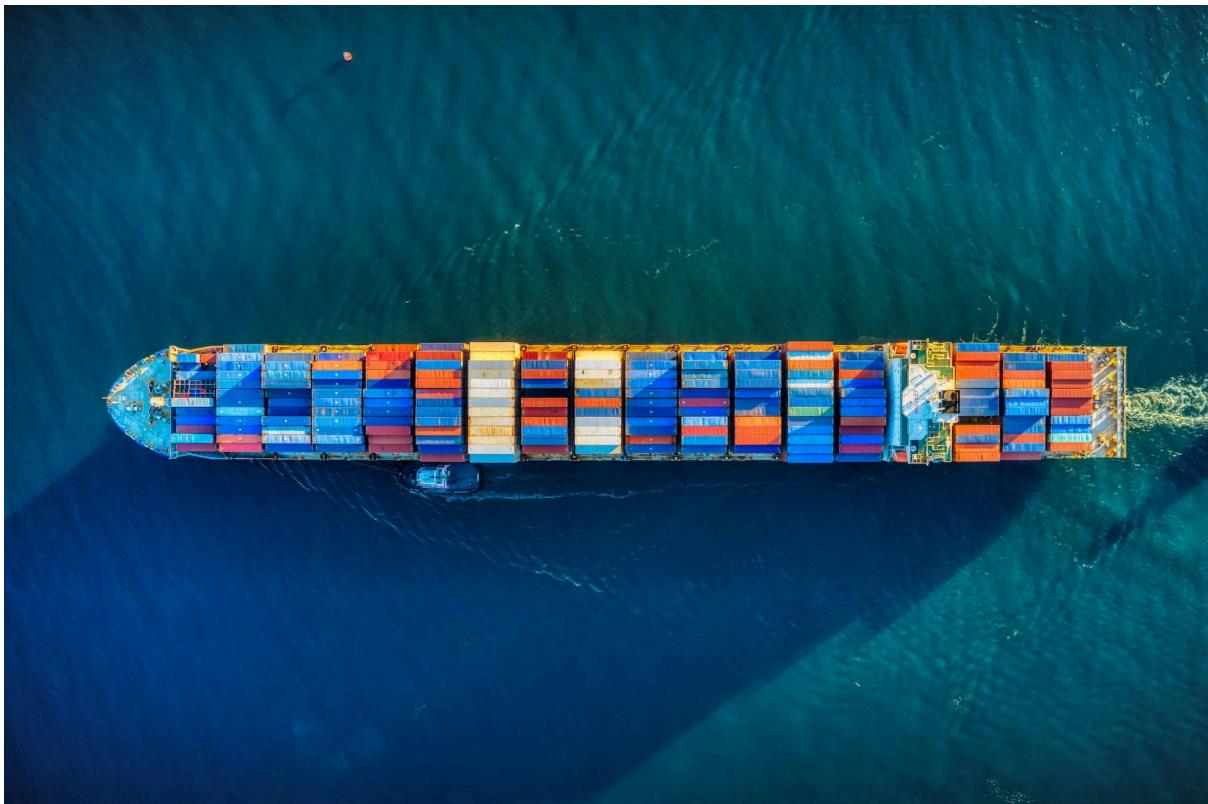


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Conclusion

Freight brokers are one of the most important components of the transportation industry. Hiring a freight broker can benefit companies, saving them time and money.

If you want to track your cargo, you should hire a licensed freight forwarder like We Load Trailers. As freight forwarders, we have a deep understanding of the regulations, and we provide transparent lawful services.

Experienced freight brokers are well-versed in the transportation process. They can match shippers with the best carriers and advise them on how to ship goods efficiently and get them safely to their destination.

If you are an e-commerce company looking for a freight broker, keep these tips in mind and contact us at (609) 388-9430 for more information.