Full Speed on the electronic highway

E-Logistics: Weapons for a New World!

"E-commerce is highly desirable in areas where providers and consumers can collaborate to derive productivity gains. Increasingly, transportation providers will be expected to adapt to e-commerce in order to stay in business"

E-LOGISTICS SYSTEMS, tuned to each individual shipper, is becoming a must for dynamic and customer-centric logistics providers

What is e-Logistics?

E-Logistics systems integrate the service provider with the shipper and the receiver into mutually beneficial processes. All three complement each other where duplicate and non-value added processes are eliminated and productivity gains are achieved. The biggest benefit is derived by the service provider whose

What does it do?

Schedule pickups on-line

Present freight invoices electronically

Track/trace shipments on-line

Provide shipment analysis functions

Handle claims on-line

On-Line Proof of Delivery

Quote on-line/participate in auctions

Driver Reporting

Interact with Receivers' Systems

Work on-line with other carriers

On-Line Forms Library

Make on-line cost calculations

Key Variables of Growth & Profit

Utilization

Profitable pricing

Cost management

Utilization of resources and the ability to charge Fair prices on a consistent basis require collaboration with shippers and Receivers. Shippers can choose from a large market—one global village-. Carriers can now utilize a larger market to provide services to.

The ability to charge fair prices depends on the carrier's ability in conveying its special competency in providing the service—and providing a quote based on an activity based model.

Specialized systems provide the necessary tools to handle the new requirements.

"Are you telling me that my current system will not allow me to compete fairly in e-market place? Why not?"

Your current system is most probably batch oriented. It probably does batch functions well including the EDI, Fleet maintenance, Invoicing, AR and so on. The new requirements necessitates a web-powered system which can seamlessly integrate with your customers system like an exchange.

Traditional Order Booking /Shipper Satisfaction Systems, and Customer Relationship Management Systems handle traditional processes very well. However, the Internet has changed this environment and traditional relationships are no longer enough.

New relationships involving new processes are evolving. Therefore, **systems to handle such new processes are necessary.**

Organizations with an **eye to the future** are building on these new relationships. The customer now has a bigger market to buy from - the global village—and organizations have a bigger market to sell to. The emphasis is now on collaboration, the **vendor and the consumer collaborate to improve the collective value** — meaning that functions once important may now be irrelevant and vice versa.

Defining Moments of Truth—each interaction is important

Customer value is no longer measured in product alone; the whole customer experience goes towards customer value.

Each interaction the customer/shipper has with the company can be said to be the defining moment of truth. The cumulative experience during these interaction is termed as customer satisfaction. Whether it is a pickup, or an invoicing or a simple POD request, we have to manage it to give the best results.

In the Global Village, the carrier works as an extension of the shipper, and it is important to manage the delivery process also.

Managing the expectations of the customer goes a long way towards meeting those expectations. The primary task of managing expectations is telling the customer explicitly what are their rights and responsibilities are.

Collaborative systems is the way to manage customer expectations. Collaborative systems offers a level of transparency which the shipper and receiver feel comfortable with.

The Benefits of e-Logistics:

- Increased Customer Satisfaction
- Increased utilization due to collaboration
- Ability to sell backhaul
- Consistent pricing based on cost models avoiding unprofitable loads
- Elimination of non-value added processes, resulting in decreased cost .

How to charge a fair price and still compete?

"It is alright to charge different prices for the same service if we can substantiate those differences. Remember, perceived need is still what we try to satisfy."

The customer value is the sum total of the customer experience. It is no longer the product/ service alone.

The marketplace will become more chaotic before it settles down. Carriers will end up making pricing decisions on the fly.

The best pricing strategy is still the same. Charge a healthy price. Be adaptive to give consistent price and service.

Are auctions the way to go?

Auctions are there to stay but corporations like to have contracts in place. More and more contracts

Will be signed because collaboration work well when the behavior is predictive.

Possible market scenarios:

- Market churning will be high
- Companies will try to have more contracts in place to get around the market fluctuation
- Multiple Tariffs with same customer
- Conditional pricing—if something else takes place, price then is such and such.
- Cost plus pricing
- Pre-paid freight—shippers buy in at specific tariff.

Can your system capture the full value/Cost of the interaction? Can your system adjust to the vagaries of the e-marketplace?
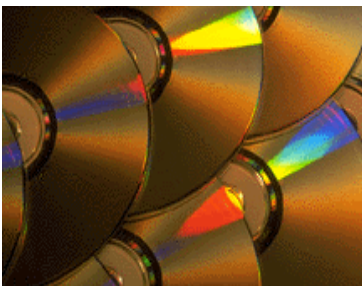
Systems must capture each distinct interaction within its context to correctly detail the rights and responsibilities of all parties concerned.

? The system must present the full value of the interaction to its customer.

? The system must know the full cost of the interaction, so it can extract a fair return.

? The system must adapt to appearing as extension of the shipper.

? The system must record the full set of obligations of all the parties so that compliance can be carefully monitored and claims can be easily settled.

? The system must record all the related transactions of the shipment so that information is readily available to all who require it to plan and process.

Web Front-end

A web front-end to the world providing

- ? Company Description
- ? Equipment Description
- ? Types of Services
- ? Customer Support
- ? Help/FAQ
- ? Company News
- ? Contact Information

Service Details

Detailed Description of services involving instructions of requesting service

- ? Products and Services
- ? Market Lanes
- ? Types of Contracts—How to get started on
- ? Tariffs, accessorial
- ? Surcharges
- ? Transit Times

Quotes, Bookings

Whether the rate request is customer specific or from a general pool (auction), ability to provide the rate information is essential.

- ? Customer specific Quote (contract or Tariff based)
- ? Auction Response
- ? Bookings
- ? Pick-up Scheduling
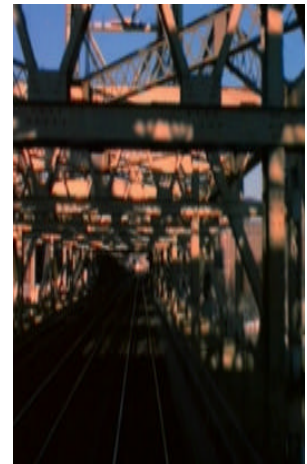
E-Forms/ Tracking

Electronic forms eliminates the transcription process and provide accuracy. The forms can be shared between carrier and shipper

- ? BOL/Manifests
- ? Service Analysis Reports
- ? Document Library/Image
- ? Proof of Delivery
- ? On Line tracking/tracing

Invoicing/Claims

Billing and presentment saves time and money for carrier and shipper

- ? E-bills and presentment
- ? Pro-Bill Corrections
- ? Account Statements
- ? Payment Processing
- ? On-Line Claims
- ? Customer Communications

Special Services

- ? Appearing as a one stop shop for the customer providing special (premium) services
- ? Consolidation
- ? Pool Distribution
- ? Expedited Service
- ? Dedicated Fleet
- ? Special Equipments

Harness the Power of the Internet to improve Reporting / Fleet management

Internal processes can be improved by instituting on-line reporting via Internet/Intranet or proprietary networks.

- ? Driver Scheduling
- ? Driver Reporting
- ? Proof of delivery imaging
- ? Sales force communications

Ability to model and capture cost and analyze them to the revenue-unit level is constrained by the internal systems like

- ? Acquisition Systems
- ? Vehicle maintenance, Fuel Reporting

" When you are competing in the e-marketplace, you have to match or better your competition's tactics - which will include customer loyalty programs—Collaboration is the key."

The Road to Customer Satisfaction is Customer Centric

Keep focus on the **customer**. Collaborative processing with the shippers' and receivers' systems is a market requirement.

An agile, adaptive and responsive information which appears as an extension of the customer's system will improve productivity and profitability.
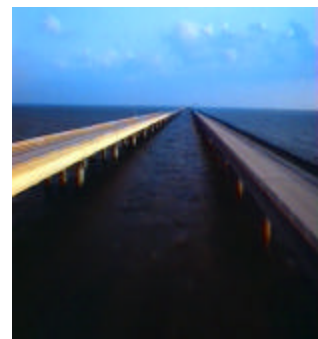
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e-Logistics systems consulting, development, and application services

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Synergy Software Corporation provides e-Commerce systems consulting, development, and implementation. Synergy is in partnerships with top technology providers such as IBM, Oracle, Bea Systems, Allaire, Progress, Microsoft, Netscape.

Synergy offers pre-packaged and custom solutions for e-business. With the US and overseas development facilities, Synergy is able to handle complex programming projects and commit resources round the clock, trimming down cost and development time.

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I-synergy e-Logistics Solutions

Every business system on the internet is required to communicate with other systems in pre- defined formats (why else would you be on the net?), and all backend processes must adapt to it. It is important to **look into the future** before we embark on serious internet development.

Synergy provides e-business consulting including

? Strategy studies

? Technology evaluations

? Development frameworks

? Custom development

? Implementation

? Training

Synergy has pre-packaged solutions in the areas of **Customer Loyalty Systems, e-Logistics Solutions, Payment Systems, Inventory and Warehouse Management, Planning Systems** and **Activity Based Costing.**

It is your vision that matters; technology is just the vehicle.