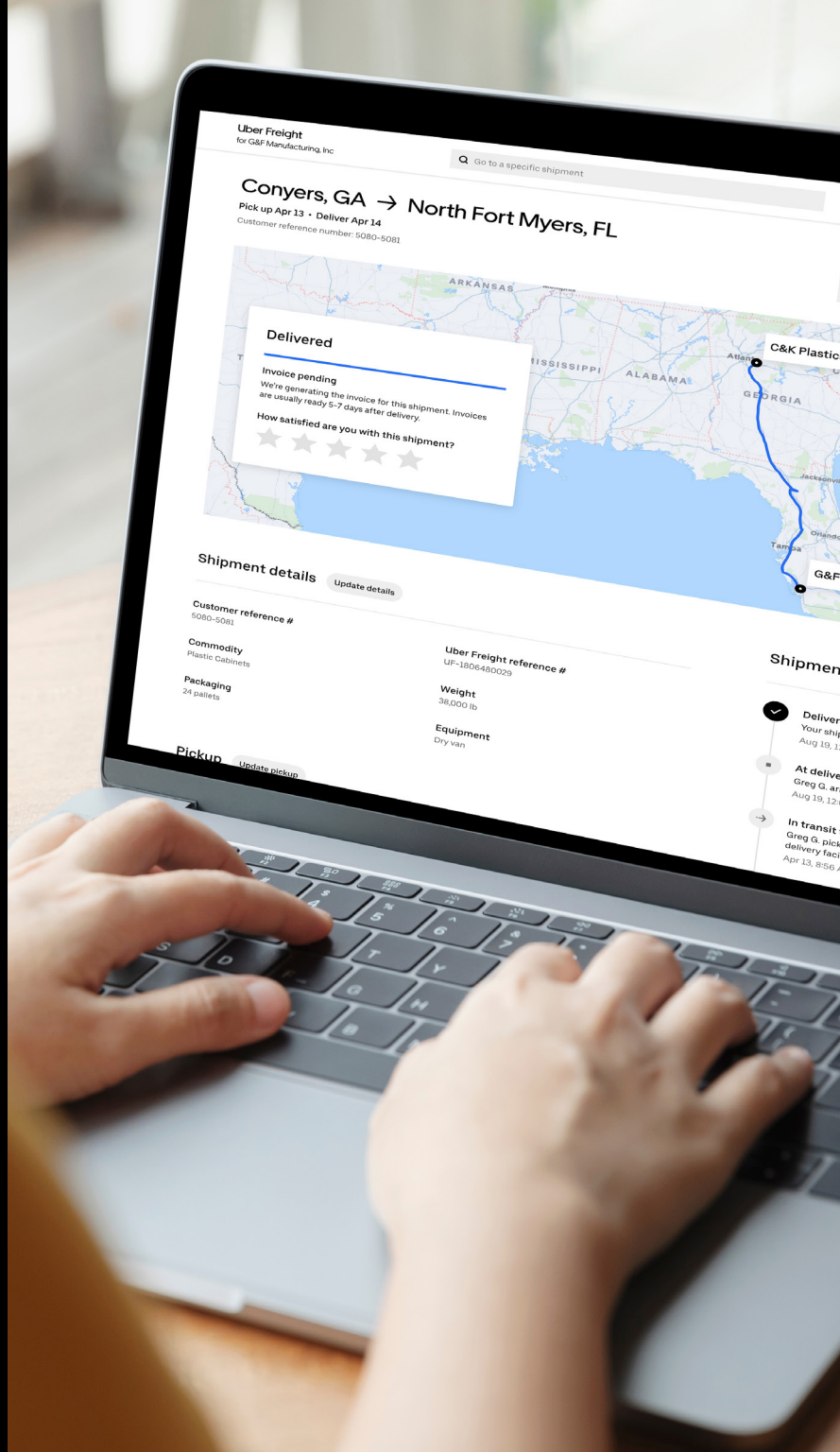


# Uber Freight

How to achieve  
high-quality service  
without sacrificing cost

How shippers  
can improve  
supply chain  
profitability



## How to achieve high-quality service without sacrificing cost

Keeping costs down is a priority for any business, but cutting corners isn't the answer. To ensure profitable service at every stage of the market cycle, shippers need to set a strategic action plan and transportation budget that accounts for fluctuations in carrier rates, fuel prices, and accessorial fees.

With the help of a logistics partner, shippers can optimize their toolset to make the most out of every dollar they spend. From benchmarking rates and avoiding extra shipment charges, to improving payload utilization and building essential carrier relationships, there are concrete steps that businesses can take now to reduce costs without sacrificing performance.

How to achieve high-quality service without sacrificing cost

Here are just a few ways your business can keep transportation costs down:



Benchmark rates to make competitive bids



Improve vehicle utilization with better load planning



Streamline carrier communications to boost tender acceptance



Invest in the right tools to track and compare fuel surcharges



Automate shipment execution to limit accessorial charges

## How to achieve high-quality service without sacrificing cost

### Structure competitive bids with benchmarking

Bolstering the Request for Proposal (RFP) process with line-haul benchmarking is a straightforward approach to reduce costs. Benchmarking helps shippers compare their own contract bids against real-time market rates and ensures that they aren't overpaying for their shipments.

Businesses can make the most of their industry benchmarking insights by automating data flows, accessing valuable market insights to optimize modes, lanes, and loads, and creating more visibility to empower better decision-making.

They can also tap domain experts for 24/7 support on managing the bidding process and setting an effective transportation budget. Nailing down a balanced, comprehensive bid strategy is essential to keeping costs down. Leaning on informed recommendations, shippers can source a favorable mix of carriers that best suit their transportation needs based on incumbency, geography, available routes, and ability to coordinate live or drop-and-hook hauls.

To secure advantageous rates, staying up to speed on the freight market is crucial. Shippers should reference the most recent available data when benchmarking lane rates to source the right capacity at the right price. A logistics vendor can provide the real-time insights and expertise needed to drive down contract costs while ensuring carrier performance with enhanced operational transparency.

## How to achieve high-quality service without sacrificing cost

### Get more product on the truck

Load planning is key to cost-effective transportation. To create long-term savings, shippers want to have fewer trucks handling the same (or higher) amount of volume. They can streamline their transportation process with tactics like evaluating potential mode shift opportunities, consolidating loads, and organizing multi-stop shipments.

Uber Freight's Uber Freight Pool is a tech-enabled service that identifies cross-customer collaboration opportunities for less-than-truckload (LTL) or partial truckload freight. It's a strategic way for businesses to work together and create mutually beneficial multi-stop shipping arrangements using LTR (Load to Ride) or through a cross-dock network. Similarly, Uber Freight customers can utilize collaborative strategies like planned continuous moves to optimize their dedicated fleets.

Streamlining upstream planning and deployment can also drive significant improvement in utilization. A logistics partner can help catalog deployment rules, identify systems or process gaps, and even calculate the savings potential from leveraging new tools or technology. Leveraging these strategic recommendations, shippers can deliver materials to manufacturers more efficiently.

Scaling operations while navigating uncertain market conditions requires an intricate understanding of the evolving freight industry, as well as a robust suite of services to ensure consistent service levels. With the right tools, technology, and expertise, shippers can unlock next-level performance.

## How to achieve high-quality service without sacrificing cost

### Keep tender acceptance rates up by bolstering carrier communications

Businesses can improve their profit margins by adhering to a timely shipment schedule while maintaining high operational efficiency. To get there, they will need to minimize occurrences of load failure and set consistent tender acceptance rates. Working closely with core carriers is the first step toward achieving this goal.

In many cases, tender rejection is caused by a lack of visibility around service requirements. Staying ahead of seasonal demand fluctuations, unexpected facility disruptions, and productivity issues is important for carriers to plan and provide the right capacity.

Transportation is a relationship-based industry. To guarantee a smooth delivery process from point A to point B, shippers have to foster trust within their existing network. Cement relationships with repeat carriers by building reliable communication channels, sharing accurate shipment details ahead of time, allocating proper lead time to schedule driver appointments, and ensuring real-time access to paperwork 24/7 through a shared web portal. Operational transparency is a must-have to boost tender acceptance.

## How to achieve high-quality service without sacrificing cost

### Stay on top of fuel surcharges

Fuel is one of the most unpredictable sources of expenditure for shippers. To keep costs down, regular assessments of the fuel surcharge program need to be conducted. For example, the average surcharge levied by major carriers can run up to **15% of the base rate**, which can add up quickly for a large shipper that deals with a high volume of shipments.

Not only should businesses benchmark their bids against real-time freight rates, they should also keep a close eye on their fuel surcharges and compare them to market prices. Integrating a comprehensive transportation management system (TMS) can also arm them with access to actionable insights around miles driven, fuel usage, and vehicle idle time.

Reducing fuel waste, improving equipment utilization, and optimizing routes is essential for shippers to make sure their networks are operating within an optimal budget while also delivering on productivity targets. To cut back on transportation costs and improve performance, invest in the right tools and resources to track fuel prices and consumption levels, as well as driver behavior.

## How to achieve high-quality service without sacrificing cost

### Automate shipment execution to limit accessorial charges

Don't underestimate the impact that accessorial charges can have on a transportation budget. From bill of lading (BOL) corrections and out-of-route miles, to limited access or layover charges accounting for congestion at pick-up or delivery sites, shippers often have to pay for unexpected disruptions and human errors within their networks.

While it's virtually impossible to eliminate all accessorial charges, shippers can take better control of the cost. With automation, businesses can streamline their tendering processes, provide accurate shipment details to carriers in advance, plan for enough space and personnel at each facility across different routes, and negotiate for special equipment when needed.

Standardization of accessorial schedules also drives significant value for shippers. When accessorial schedules vary widely across a carrier base, it makes it difficult to identify underlying cost drivers. The added operational transparency allows for faster, more accurate carrier rate comparisons, enabling shippers to keep track of individual charges.

For shippers handling a high volume of orders, automation can make a huge difference in reducing booking errors and simplifying on-site operations. Not only does it help avoid excessive accessorial charges, it also improves service by ensuring on-time arrivals and departures and, ultimately, creating a better experience for the end-customer by adhering to a timely delivery schedule.



In logistics, balancing cost and service is all about making the most competitive bid, improving tender acceptance rates, optimizing vehicle utilization, and ensuring on-time delivery. This requires access to real-time market intelligence and expert-level insights to streamline existing processes and keep costs down.

But a strong framework must be established before changes can be made. Shippers need to take the time to evaluate their budgets, set productive KPIs, and invest in the right technology and strategic partners.

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Talk to an Uber Freight expert today to explore what's possible for your business.

[Learn more](#)

Uber Freight

## With the help of a logistics partner, your business can improve service while keeping costs down by:

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Benchmarking line-haul costs to ensure contracts are aligned with market rates

Creating and aggregating transportation documents through a shared web portal

Providing dynamic dashboards that track carrier KPIs and freight movement

Identifying and solving operational inefficiencies by conducting assessments