



## Expense Reduction Analysts

## Freight Review Covid-19

The COVID pandemic has created a high demand for freight carriers to meet the demands of new clients and existing clients to deliver on-time freight. Pressure has mounted due to an increase in volume for home deliveries – not only for consumers but also staff working from home. Business to Business freight has slowed, and therefore there may be some capacity for your carrier to re-negotiate rates.

The most significant inhibitor to the success of delivering and servicing your clients is when your current supplier's contract is locking you into utilising their services at rates that may be above market rates.

### Questions to consider...

1. **When was the last time you went to the market for freight services to ensure that your business is keeping up with market-related pricing and “best practice” technologies to track your freight?**

The Freight-industry has consolidated in the past five years with big players taking a stakeholder in local domestic freight companies, e.g., Toll Group/ Japan Post, Couriers Please/Singapore Post, TNT/ FedEx. ROI is essential, so competition is high, and new business is paramount to achieving a return.

2. **How do you know you are getting a balanced, market-leading contract from your suppliers? ERA's extensive database can benchmark your rates against similar business size and spend.**

Do you need help with benchmarking your spend across your Freight Service contracts? Are you receiving meaningful reporting to help with benchmarking and or effective management of your Freight?

3. **Do you need help with defining business requirements and the writing of an RFP?**

Too often, tenders are sent out to suppliers with a focus being on Headline Rates only. It's important to note that servicing customers, carrier deployment, on-time delivery and ROI of Capital are considered as a holistic approach to freight services.

4. **When was the last time you reviewed your logistics and supply chain?**

Many plans are out-dated, don't include digital enablement and are focused more on just getting product out the door – is it being done efficiently? Are your customers happy with delivery times, are you tracking your parcels, what about damage to stock once the items leave your premises?

**Expense Reduction Analysts can assist.**

For more information please contact

Michael Salih

M: 0412 923 188

E: [msalih@expensereduction.com](mailto:msalih@expensereduction.com)

In: [linkedin.com/in/michaelsalih/](https://www.linkedin.com/in/michaelsalih/)