



## Expense Reduction Analysts

## Domestic Freight Review Covid-19

Domestic freight in Australia has been hugely impacted by the COVID19 pandemic. While freight is considered an essential service by the Government, it isn't business as usual by any means in the local freight industry.

Online shopping has increased dramatically, seeing companies like Australia Post/Startrack and many "Parcel" carriers bursting at the seams and experiencing large service delays. Yet on the flip side, many "Bulk" and "Carton" carriers have seen dramatic falls in volumes going through their freight networks, as business to business transactions shrink noticeably.

All of this has had a massive impact on the composition of networks and reach of many transport companies. Some have reduced footprints; others have increased networks adding to their existing setup. What this means is that the time is right to ensure that you utilise these changes and make sure you are still operating the best service possible for your clients and customers, but also doing so in the most economical fashion.

There are many great deals available at present into the new increased or reduced footprints. (NOTE: these are still profitable to the freight companies as their footprints have changed, not a fire sale due to COVID19). This is on top of the typical reductions in freight costs that we can identify just in ensuring the correct processes, service types and space utilisation is used.

### Questions to consider...

1. Are you servicing clients to the full potential available?
2. When was the last time you performed a comprehensive freight review? (not just in this current environment)
3. What are the current freight opportunities for improvement for your company in this environment?
4. Do you need help in understanding your true freight profile and defining an RFP to gain the full benefit of the exercise?
5. How do you know if your service and pricing deal is competitive in the marketplace?
6. Are you making typical freight despatch unknown errors, which regardless of rate cards, cost most companies between 10% - 30% extra?
7. How do you know you are getting a balanced, market-leading contract from your suppliers?

For more information please contact

Tim Woods

M: 0424 288 999

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

In: [linkedin.com/in/timothy-woods-87164a31/](https://www.linkedin.com/in/timothy-woods-87164a31/)