AVAILABLE
5-STAR MATCH

# DESCARTES™
## MacroPoint

The Intelligent Way To Source
and Secure Carrier Capacity

GET STARTED  >

# Introduction

Securing capacity can be tough in today's environment with rapidly-changing volumes, shifting distribution models and a driver shortage.

Brokers with fast-growing organizations often find it challenging to find the right strategic carriers for new customers, lanes, modes, and geographies. That's because finding capacity the old way -- using phone calls, tribal knowledge, carrier portals, and load boards with unverified data -- is inefficient.

To gain a competitive edge, leading brokers are using intelligent capacity solutions that allow them to be more pro-active, drive more loads and make more money with better qualified carriers.

In this eBook, we'll explore how you can expand your tools to find quality carriers, secure more strategic carrier relationships and access a growing network of untapped capacity.
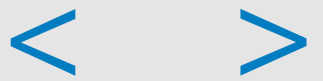
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# How Carrier Sourcing Has Evolved

In today's highly-competitive market, industry-leading brokers are turning to advanced technology for carrier sourcing.
They are replacing traditional, time-intensive ways of sourcing with intelligent capacity sourcing solutions that empower brokers to:

- Find, certify and easily onboard new carriers and know their preferred lanes/specialties
- Book carriers faster with fewer calls, better rates and improved margins
- Build strong carrier relationships and increase their utilization with fewer deadheads and more backhauls costs
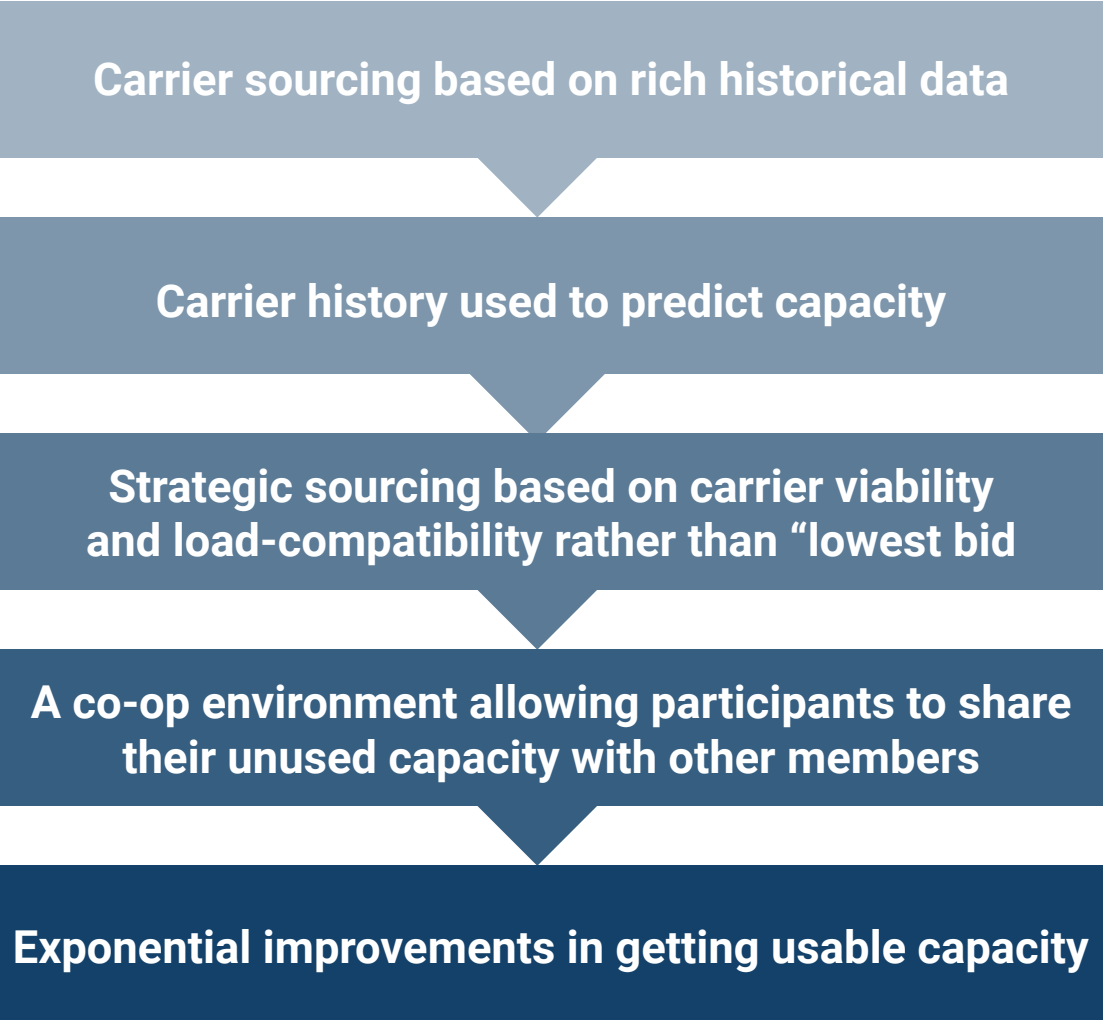
## THE OLD WAY

"Blast" 100's or 1000's of lane records out to candidate carriers

Wade through a 1 to 3-week process where carriers submit lane bids

Repeat process for 2nd, 3rd, etc… rounds of bidding

Spend days or weeks analyzing & awarding the bids

Hope for the outbound lanes from carriers who won the bid cover loads tendered to them

### ISSUES WITH THE OLD WAY

- Little or no intelligence behind carriers and the lanes that they are invited to bid on
- Any weighting or filtering of bids dependent in individual/tribal knowledge
- No assessment of actual carrier performance and coverage in the lanes that they won
- Frequent tender rejection based on overly aggressive bids from winning carriers and/or overly optimistic capacity projections by carriers

## WITH MACROPOINT CARRIER CAPACITY

Carrier sourcing based on rich historical data

Carrier history used to predict capacity

Strategic sourcing based on carrier viability and load-compatibility rather than "lowest bid

A co-op environment allowing participants to share their unused capacity with other members

Exponential improvements in getting usable capacity

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# The Case for Sourcing Automation

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Automated sourcing processes can significantly improve the productivity of brokers,
which translates into financial and operational benefits.

Spending less time on the phone, tracking, tracing and tendering loads, provides brokers more opportunities
to engage in value-added activities that improve customer satisfaction and grow the business.

Take a look at a "day in the life" of a broker today compared to one in the future with automation.

**TODAY'S USE OF TIME**

**THE FUTURE WITH AUTOMATION**
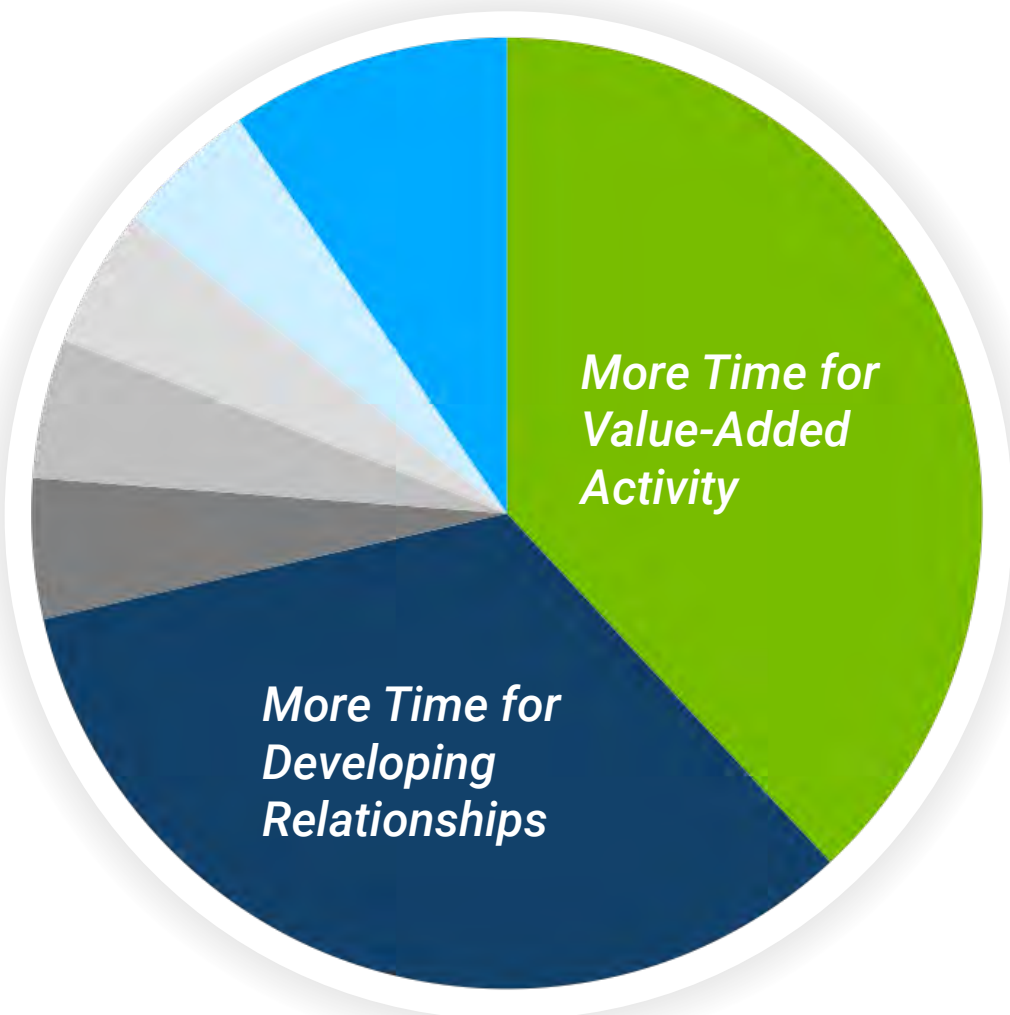
- Value-Added Time
- Develop Relationships
- Tender
- Track & Trace
- Carrier Selection
- Phone Calls
- Customer Service

*More Time for Value-Added Activity*

*More Time for Developing Relationships*

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# Intelligent Capacity Sourcing Solutions
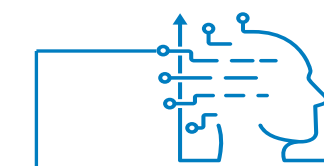
While many brokers are already using some form of automation, top performers are going a step further to achieve the ultimate goal of finding and booking the most qualified carrier. They are adopting advanced, intelligent AI-driven capacity matching solutions to source new carriers, view overall market capacity and automatically match loads to open capacity.

The capacity matching algorithm leverages historical data gathered daily, including on carriers, equipment, lanes travelled, reverse lanes, forward-looking capacity, as well as average rate per mile. The AI-based expert solution uses facts and rules to present options to select, and adjusts recommendations as new facts are presented. In this way, the solution system provides a list of recommended "best fit" carriers based on multiple verified factors, measured in real time.

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# Intelligent Capacity Sourcing Solutions

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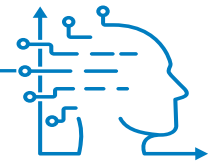
**Industry-leading, AI-driven solutions enable brokers to:**

## VISUALIZE MARKET CONDITIONS

- See available capacity for open loads both inside and outside your carrier network
- View a heat-map rendering of open loads
- Review most viable carriers and carrier history

## STREAMLINE OFFER MANAGEMENT

- Receive and manage offers from one place
- Manage individual trucks
- Quickly negotiate with your network
- Seamlessly accept offers

## AUTOMATE COMMUNICATIONS

- Target the best carriers using an AI-driven capacity matching ranking
- Select multiple carriers to offer
- Select grouping of carriers
- Send system-generated emails to streamline communication

## EXPAND YOUR CARRIER NETWORK

- Access consolidated information from a connected, scalable network
- Share information with trusted partners to gain new-found capacity
- Leverage verified data collected from actual truck moves, electronic logging device (ELD) data, and other freight visibility options; manually entered data quickly becomes stale and can be inaccurate

## CREATE VALUE FOR YOUR BUSINESS

Capacity sourcing solutions that provide both market information and the ability to share verified data will bring efficiency to the sourcing/booking process and add value to your operations. Here are some examples.

- **Increase revenue and margin**
  Organizing carrier data and prioritizing target lists will free up employees to book more loads each day.

- **Cover loads faster**
  By reorganizing the booking process to begin with available capacity information, employees can focus on booking loads rather than the labor-intensive process of gathering that data.

- **Lower freight rates**
  Getting visibility to capacity 24-72 hours ahead of pick-up time allows you to book loads in advance. This offers a price advantage by finding optimized rates with ideal booking windows, protecting margins in competitive lanes and not competing in the day-of pickup, or spot markets.

- **Expand new business**
  Accessing capacity outside of your current network on lanes and in geographies that could not be previously covered will provide growth opportunities.

- **Reduce service failures**
  Having access to verified data helps ensure the most qualified carrier handles the load, lowering the risk of service issues.

# A Capacity Matching Success Story

## Automation Drives Growth

Sunset Transportation, a 3PL that moves over 30,000 shipments annually and 670 loads monthly, built its success on five customer promises: savings, visibility through technology, data-driven decisions, continuous improvement, and relationships. In alignment with these promises, Sunset implemented a real-time freight visibility and automated capacity matching solution to meet rising customer expectations and unlock its growth potential.

### THE CHALLENGE

- Manual load tracking practices were draining productivity and hindering growth
- Customers required more frequent updates on shipment status
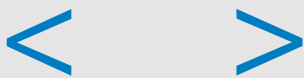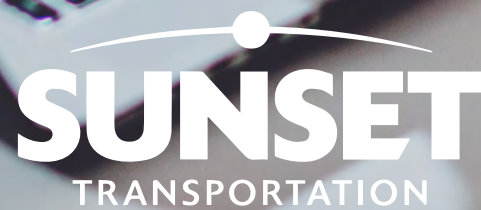- Operations needed to be more agile

### THE SOLUTION

- A combined visibility and AI-based capacity matching solution to improve agility, drive growth and boost customer satisfaction
- The capacity matching tool automatically matches open customer loads with available forward-looking capacity in Sunset's existing carrier network

### THE RESULTS

- Time-consuming check calls were reduced by 60%
- Customers received updates every 15 minutes
- The company gained visibility into carrier capacity 2-5 days out
- By leveraging an automated capacity solution, 12 additional loads per day were covered and 4,500 carriers were activated on the trusted network

➜ **Learn more about Sunset Transportation's success story**

**SUNSET** TRANSPORTATION

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# Get a Better Return from Your Data

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By sharing data, you will gain capacity in the areas where you want to grow and make sure that you have the right carriers in those growth areas. In fact, for every load they share, small and mid-size brokers typically increase the number of matches they get back by 5-20 times. And that is just one of the many benefits of sharing capacity data.

### THE TRUTH ABOUT SHARING DATA

In general, brokers don't want competitors to see their customer information and don't want their prime carriers "stolen by other brokers."

While brokers and carriers may express reservations about sharing their data, many are posting to load boards, blasting e-mails and updating multiple portals. So, they are already sharing data. At the same time, it's unclear how often brokers use the data. Best of breed brokers only get 10-15% backhaul on outbound loads or any sort of continuous move.

Pooling data in a secure network with trusted partners provides more chances for all participants to find opportunities, leading to better rates.

### ENRICH YOUR DATA

While your data is valuable, it's limited to transactions within your network.

You can complement that data and get better recommendations by participating in a capacity network that provides AI-based match rankings. As a result, you will end up with the most qualified carrier for each load.

An intelligent capacity solution can enrich your data with additional history, increasing its value. Brokers report better reliability and service using an automated capacity sourcing solution versus load boards 2 days out. Plus, if capacity is tight, carriers may take a better offer.

### SECURE YOUR DATA

Protecting your valuable data from competitors is an important concern. When considering capacity sourcing solutions, ensure that your strategic carriers will be completely protected and the data you contribute to the network is double-blind. That means masking the shipper name/address and which broker is moving the load.

Additionally, make sure network participants can protect their strong lanes, protect their best carriers and share only where coverage is more of a challenge.

### GET MORE HIGHER-QUALITY DATA

Companies using an industry-leading capacity sourcing solution report receiving quality data on 4-20 times more carriers than with their own data. Plus, the data is third-party validated, which means it is much more accurate and valuable. With load boards there is no verification that a posted truck is actually available.

The most successful brokers are using this expanded carrier information to strengthen weaker lanes and expand their business to new customers and geographies.
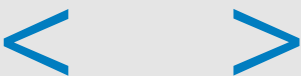
# How Descartes MacroPoint™ Can Help

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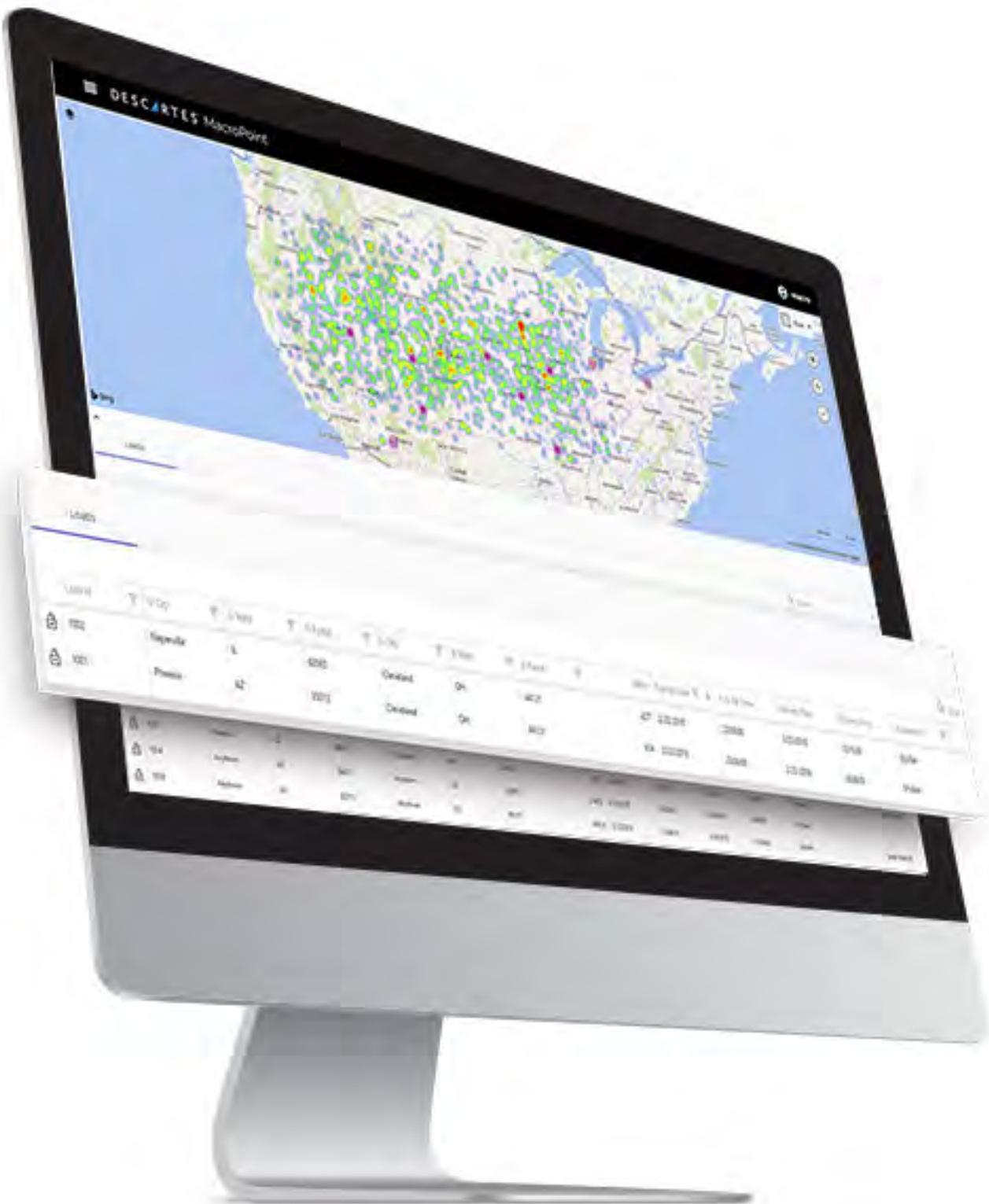
Descartes MacroPoint™ provides advanced carrier sourcing and capacity matching capabilities including:

- Strategic carrier sourcing
- Automated capacity matching
- Market visualizations
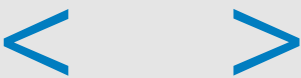- A capacity network of shared carrier data

Now, more than ever, logistics service providers need help finding available trucks to handle loads as quickly as possible. We can help you source carriers that fit your network quicker, resulting in stronger, more profitable relationships.

Our strategic sourcing uses history to establish the best carrier candidates to cover lanes where you move regular volumes. A better match with a carrier's network results in improved performance, increased predictability and greater margins.

With dynamic sourcing, available capacity from your trusted carrier network is automatically matched to open loads. If no trucks are available, we can exponentially expand that network with verified capacity from our industry-leading capacity sourcing solution.

We empower brokers by furnishing the verifiable capacity data you need to book freight more intelligently and operate more efficiently. By automating your processes, we can help you provide greater capacity, enabling you to reduce costs, expand margins and increase your value to customers.

➔Learn more about our capacity matching for brokers

# About Descartes Systems Group

Descartes (Nasdaq:DSGX) (TSX:DSG) is the global leader in providing on-demand, software-as-a-service solutions focused on improving the productivity, performance and security of logistics-intensive businesses. Customers use our modular, software-as-a-service solutions to route, schedule, track and measure delivery resources; plan, allocate and execute shipments; rate, audit and pay transportation invoices; access global trade data; file customs and security documents for imports and exports; and complete numerous other logistics processes by participating in the world's largest, collaborative multimodal logistics community. Our headquarters are in Waterloo, Ontario, Canada and we have offices and partners around the world.

Learn more at www.descartes.com and connect with us on LinkedIn and Twitter.

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