

This company transformed significant freight losses into a 10% profit margin



RESULTS

- 5% increase in actualized savings
- 10% profit margin gained from a baseline of significant freight losses
- Customers satisfied with reliable rate forecasting and an easier sales experience

SUMMARY

When freight pricing uncertainty threatened a heavy equipment manufacturer's profitability, they approached IL2000 for a solution. We built a pricing tool that allowed our client to accurately forecast freight costs. Today, the company is making a 10% profit on freight, and their total actualized savings have increased by over 5%.

CLIENT

A heavy equipment manufacturer servicing the construction industry.

CHALLENGE

Finding a way to accurately forecast freight costs.

APPROACH

Leveraging big data to accurately forecast freight market fluctuations.

PAIN POINTS & SOLUTIONS

OUTBOUND FREIGHT OPTIMIZED

Salespeople in this company had to quote freight costs months in advance, often with minimal shipment information. With freight cost volatility spiking in 2020, the company urgently needed a better approach to pricing.

IL2000 leveraged big data to build a better pricing tool. By analyzing small amounts of shipment information against a vast body of industry-wide data, this manufacturer was able to produce fast, accurate quotes. The company saw net freight losses swiftly transition to a 10% profit margin.

CRITICAL DATA TRACKED

Shipping rate unpredictability was making it harder to close a sale. Fluctuating sales costs were undermining customer confidence and jeopardizing repeat business.

IL2000 developed the pricing tool to work seamlessly within the company's in-house ERP system. Salespeople could maintain accurate customer quotes in real-time, streamlining the customer journey and bolstering confidence.

INBOUND SHIPMENTS STREAMLINED

Because of the shape and weight of its product line, the company had limited freight options. Relying on flatbeds meant premium rates and greater shipping uncertainty.

IL2000's TMS opened more shipping options, empowering the company to choose from a wider range of carriers and more competitive rates.