



# Measuring a freight forwarders value

Identifying a freight forwarder that aligns with your supply chain goals



# How much value can a freight forwarder add?

As you go out to tender, looking for the right space, rates and trade lanes is a must. However, there is so much more a freight forwarder should be providing you to add value to your supply chain.

From a platform that gives you the competitive edge through end-to-end visibility to experts in customs, procurement and solutions, freight forwarders should be providing you with the ability to improve your supply chain and make agile decisions.

To ensure that you find the right freight forwarder for you, use our checklist to identify which freight forwarders align with your goals, meet your supply chain needs and go the extra mile to ensure supply chain success.



# Operational Excellence

With the right people and the right tools, a freight forwarder should be able to do more than get your cargo to its end destination. A modern freight forwarder should be providing you with a service that has little to no errors, highlights when issues occur and acts as a digital twin on your supply chain.



Question	Score
<p><b>To what extent do they help manage at-risk SKUs?</b></p> <p>Management of at-risk SKUs ensures that stock arrives on time and when needed. Identifying these SKUs allows you to make informed decisions to reduce delays and meet consumer demand.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Data is not provide at SKU level, so you are unable to manage at-risk SKUs.</p> <p>10 = At-risk SKUs are highlighted through reporting to give you insight into what SKUs need addressing and how to fix the problem. If, for example, at-risk SKUs originate with the same supplier, you can work with your freight forwarder to make improvements.</p>
<p><b>Can they flag problems when they occur?</b></p> <p>Knowing when there is a problem as soon as possible allows you to fix the issue and make quick decisions to minimise delays and costs.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Problems are not automatically flagged.</p> <p>10 = Problems are flagged through their platform so you can make quick and easy decisions. They can also provide you with advice and solutions for fixing issues.</p>
<p><b>How advanced is their KPI reporting?</b></p> <p>KPI reporting can help you to identify areas for improvement and ensure that you are still on track to hit targets and goals.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = No KPI reporting is available.</p> <p>10 = Reporting capabilities that provide you with a view of lead times, origin dwell times, speed of booking and the time it takes for issues to be resolved. Experts then help you to understand this data and how it can be used to improve your supply chain.</p>

# Visibility through technology

All freight forwarders will provide a platform. But the question is: how much value can that platform add? The platform should provide you with visibility throughout your cargo's journey so you can make quick and easy decisions if disruption occurs, and identify problem areas within your supply chain to make improvements.



Question	Score
<p><b>What degree of information can you extract from the platform?</b></p> <p>To make your supply chain your competitive advantage, you need a platform that offers information such as shipment delays and updates down to the minute.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Very basic information can be checked on the platform.</p> <p>10 = The platform shows you exactly where your cargo is at all times, you know the reason for any delays, as well as where those delays occur. SKU-level data is available on the platform. You can communicate with suppliers via a simple chat function, giving you increased origin visibility. The platform offers real-time updates on collections and deliveries.</p>
<p><b>How much collaboration does their platform provide?</b></p> <p>You can share information and act on these insights all in one place. For example, approval to ship allows someone to let you send goods off and in the same place so you say yes or no to shipments. Additionally, suppliers have access to updates, giving you more complete information earlier.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Limited sharing of information between stakeholders.</p> <p>10 = Stakeholders can update milestones as well as set the reason for delays so you can keep on track of your cargo.</p>
<p><b>What level of in-transit reporting do they provide?</b></p> <p>Being able to see where your cargo is at all times, rather than updates every week, helps you to plan for arrival, see where and when delays occur and implement alternative options if need be.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Manual, delayed reporting with few regular updates.</p> <p>10 = Real-time, to the minute in-transit reporting capabilities so you know where your cargo is from order creation to order delivery. The freight forwarder can help you to understand what issues have occurred, where they have taken place and how to improve your supply chain to target these issues.</p>

# Ways of working



Establishing what information, guidance and support a freight forwarder provides can help you to understand whether they offer basic A to B freight services or can act as an extension of your team, as well as an excellent operator.

Question	Score
<p><b>How extensive are their customer resources?</b></p> <p>When you need clear answers quickly, you don't want to have to go through a call centre or speak to multiple people before you get your answers. Having a clear point of contact ensures that you're speaking with someone that understands your account for fast resolutions.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Slow responses and no clear point of contact.</p> <p>10 = You have a clear point of contact for account management support. There is a dedicated customer service resource such as a key account manager. You have access to experts in procurement, operations and solutions.</p>
<p><b>How much can they help you with specialist services?</b></p> <p>Your forwarding partner should be able to go beyond the basics. For example, instead of simply handling the flow of customs information to a broker, can your forwarder also offer end-to-end customs management?</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Information is passed onto a broker with no further guidance.</p> <p>10 = You have an expert that can help you to, for example, coordinate custom regulations and declarations without disruption. Management services are available to offer bespoke solutions to help you mitigate processes into your strategy.</p>
<p><b>How will they help you to solve problems?</b></p> <p>With constant disruption, you need someone that can help you plan for sudden changes in the market and unexpected challenges such as unforeseen increased consumer demand.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Basic and generic help is provided but this is not bespoke to your specific supply chain problems.</p> <p>10 = Using their advanced data capabilities, they can provide bespoke solutions to problems you are having with your supply chain: for example, if there are better trade routes that can get your stock to the final destination quicker than the original route. When market disruption occurs, they are there to help you find solutions to work around the disruption or to minimise its impacts.</p>

# Ways of working

Question	Score
<p><b>To what degree do they help you to understand data?</b></p> <p>It's great having advanced data capabilities, but knowing what to do with that data can unlock added value within your supply chain.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = They don't have complete information and no help is provided to understand the data available.</p> <p>10 = Use data from the platform to identify key areas for improvement and offer you bespoke solutions. Your key account manager helps you plan for potential disruption for easier decision making.</p>
<p><b>How much support do they provide for current and future disruption?</b></p> <p>The market is constantly changing, so having access to updated and frequent market information is vital for running your supply chain and business.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = No help is provided for market disruption.</p> <p>10 = Market updates are provided to give you insight into current issues to help with planning. For major disruptions, such as the Suez Canal blockage, they offer you a chance to speak with experts to get bespoke guidance on what to do. Guides and other assets are also available and regularly produced to offer insights into events that could or will affect your supply chain, such as Brexit.</p>
<p><b>Are their service level agreements reliable?</b></p> <p>It's all fair and well for a freight forwarder to say that they can achieve the service level agreement, but being able to monitor how effective the freight forwarder is, gives you transparency and clarity.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = A service level agreement is in place but there is no way of monitoring or tracking their performance.</p> <p>10 = Personalised service level agreements that are backed by their platform where you can see response times, costs and lead times.</p>

# Development and achieving business outcomes



Knowing where and how to improve your supply chain helps you to meet business goals and targets. A freight forwarder should be helping you to understand complex data to find the root cause of problems and offer a bespoke solution.

Question	Score
<p><b>Can they understand your priorities and act accordingly?</b></p> <p>If you have high margins and are growing really fast, are they thinking about how they can help you make those sales? Can they understand the impact of changes on you as a highly volumetric business?</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Little understanding of your business and no help provided to grow your business.</p> <p>10 = They take the time to understand your customers' needs to ensure that your supply chain performs to meet their expectations.</p>
<p><b>To what extent can they help you create an agile supply chain?</b></p> <p>An agile supply chain allows you to identify where changes need to be made, such as using an alternative mode because the port you planned to go to is congested. It also allows you to easily and quickly make real-time changes to avoid delays.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Their platform limits their ability to improve agility and there is no planning help.</p> <p>10 = Experts work with you to create bespoke scenario planning so that you have alternative options when needed. Using the data provided by the platform, experts can analyse your supply chain and make improvements that can help you make quicker and easier decisions.</p>
<p><b>What goals can they help you to achieve?</b></p> <p>While they may be able to provide you with advice and tools, you need to know that they can help you to achieve your goals so you can improve and scale your business.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = A basic service that only gets your cargo on and off the ship with no guidance on how you can improve processes to meet goals.</p> <p>10 = They work with you to understand your goals and KPIs. Using data and expert advice, they can help you to find solutions that work towards achieving your goals. For example, their platform allows you to see how much you are spending and where you can make cuts to costs. Other goals they can help you to achieve may also include lowering carbon emissions, reducing lead times and increasing container utilisation.</p>

# Development and achieving business outcomes

Question	Score
<p><b>Can your forwarder keep up with rapid growth?</b></p> <p>Your company wants to expand its product range and supplier base, but can your forwarder match your pace?</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = A standard process for all of their customers limits their ability to adjust operations to match your growth.</p> <p>10 = They take the time to understand your business and growth plans. The forwarder can adapt processes to meet your rapid growth, allowing you to expand your business and tailor your supply chain to meet consumer demand.</p>
<p><b>How effectively can they help you analyse performance?</b></p> <p>By analysing the performance of your supply chain, you can observe supplier capabilities and watch your spending.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = You are unable to analyse performance as there is incomplete and unreliable data.</p> <p>10 = The platform allows you to see which suppliers are taking longer and causing delays by capturing all supply chain data in a structured, analysable format; for example, the time between a milestone being expected to be achieved, and when it was actually achieved. Lead times can be analysed as well as the spend per trade lanes and modes to keep track of spending.</p>
<p><b>How much of your analytics is tailored to you?</b></p> <p>You need to be able to see where things are going wrong and where to make improvements, which can be achieved by tailoring analytics.</p>	<p>1 2 3 4 5 6 7 8 9 10</p> <p>1 = Any analytics provided is not tailored to your business.</p> <p>10 = Your analytics are tailored to specific suppliers, trade lanes or warehouses. Experts will help you to understand this information to improve your supply chain and enhance agile decision making.</p>





If you have any questions or would like to speak to our experts,  
please feel free to get in touch via our website

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