

**FREE** GUIDE TO  
SIMPLIFY YOUR  
CARRIER  
NETWORK  
EVALUATION

# AMX

## SHIPPERS GUIDE TO SIMPLE

# 2 PART GUIDE



**AMX**  
TRUCKING

**AMX**  
LOGISTICS

**AMX**  
DRAYAGE

**AMX**  
ACADEMY

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The AMX logo is rendered in a large, bold, white, sans-serif font. It is centered horizontally and partially overlaps the background image of AMX trucks. The background image shows several white AMX semi-trailers parked in a lot, with a semi-truck cab visible in the center. The entire scene is overlaid with a semi-transparent red filter.

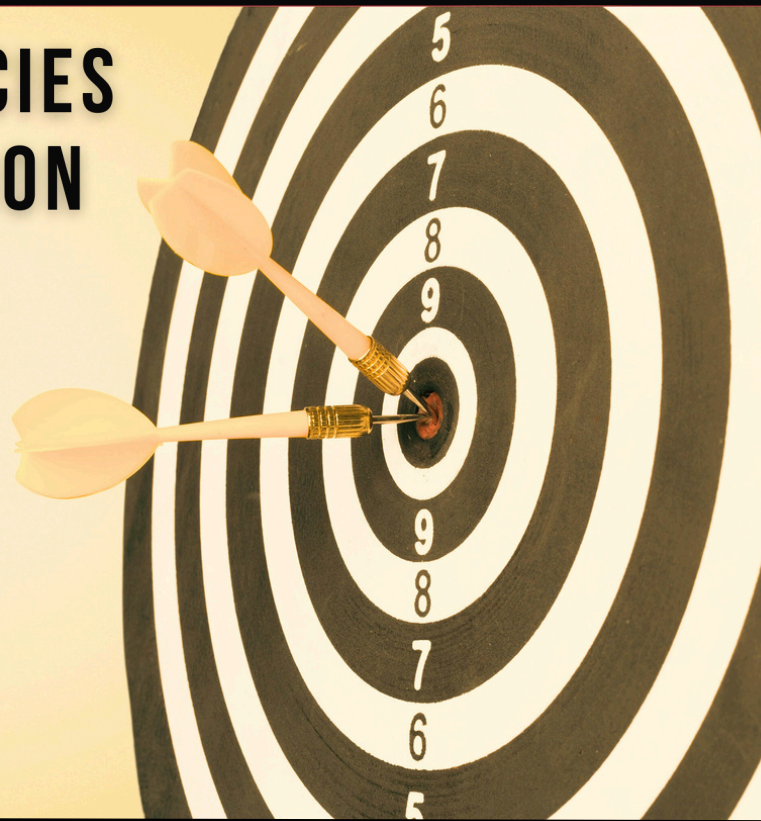
# AMX

SHIPPERS GUIDE TO SIMPLE

## PART 1: EVALUATION

TARGETING INEFFICIENCIES  
IN YOUR TRANSPORTATION  
NETWORK DURING...

- ✓ Procurement & Onboarding
- ✓ Communication & Carrier Relations
- ✓ Pricing & Assignment



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# NETWORK DRAINS

## TARGETING INEFFICIENCIES



Taking our quiz might have you questioning your providers. But we are happy to help you understand your score.

Haven't taken our quiz yet? No worries!

[TAKE QUIZ](#)



We get it. It feels like each day brings a new challenge and sometimes there are delays on top of delays, backing up your production and causing you non-stop headaches. It's not great. You chase down updates. You struggle to drive down rates. You watch your profit and hairline shrink. The same obstacles pop up over and over again, making you wonder where you went wrong. The truth is that it takes a certain kind of person to thrive in the transportation industry because, let's face it..."We're all mad here."

I'm sure you can easily pick out carriers that are difficult to work with or rattle off pain points draining your transportation budget, but how easy is it for you to adapt or pivot around these obstacles? Simple fixes can help calm the chaos, mild the madness. Our quiz was created to identify just which fixes you might need. Addressing these common mistakes will tone down that voice inside your head that constantly has you second-guessing your entire network.

**BEFORE YOU GO DOWN THE RABBIT HOLE OF WAYS TO IMPROVE...**

**AVOID THESE**

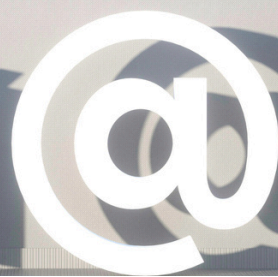
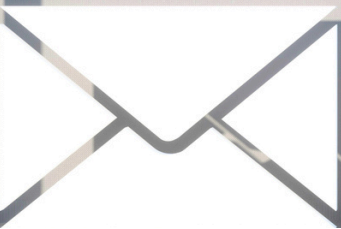
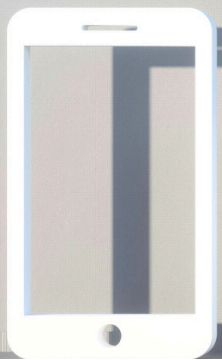
**5**

**COMMON INEFFICIENCIES**

**1** NO Standard Onboarding Procedure: If you don't have a standard onboarding procedure, you are setting yourself up for headaches. The starting point provides time for introductions, sharing expectations, and establishing a solid relationship between shippers, vendors, and transportation providers.

- Standardize onboarding and stick to it. Create a standardized set of questions or forms for providers to fill out. Share this across all parties from the start.
- At onboarding, provide clear expectations for carriers. Sharing your business goals and budget sets the standard for providers, helping them make informed decisions to better serve you. Goals, vision, mission, and values are important to have for every company, so aligning yourself with carriers that have similar values can build a strong foundation of trust.
- Create a standardized contact sheet. Make sure you keep it updated - set a reminder to update provider contact information quarterly.
- A group email is not enough. It is not the final solution. Make sure you know who is in the group email:

Who is your primary contact, who you can reach out to after hours, who handles escalated issues, what time zone they are in, who is the billing contact, etc.?



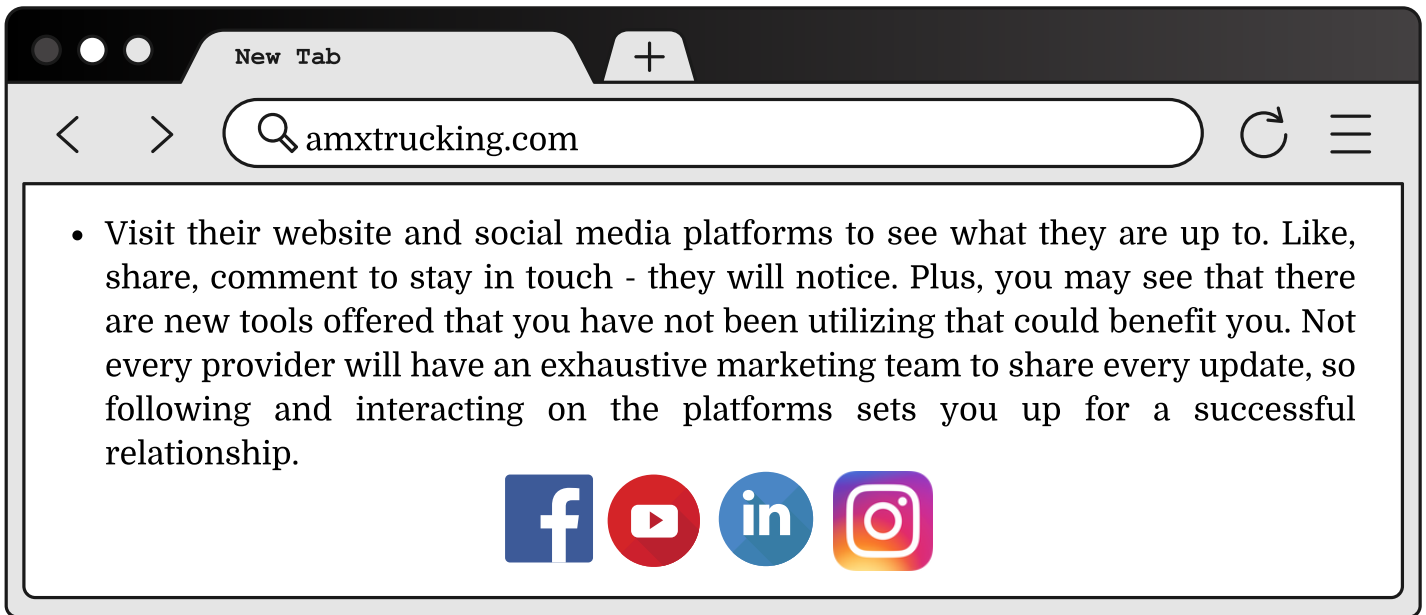
**STOP**  
GUESSING  
THE BEST  
CONTACT

- Reciprocate contact information. Once you have this information together, share it with your entire transportation network.
- Don't skip the introductory calls. Make them a habit and a requirement. Intro calls are vital in building a transparent relationship.

2

**NO Transparency:** Gaining a transparent line of communication with your providers is an ongoing process since it requires building trust. Your providers shouldn't elude you, disappearing and reappearing at the next RFP.

- Have conversations that go beyond day-to-day updates or operations - and have them as often as possible. If you aren't giving your providers the opportunity to converse with you, then you lose the chance to build a transparent relationship.
- Be direct. Sometimes, you will be stuck reading between the lines with providers and, likely, those same providers have felt the same about working with you. Try "Is the pricing on this lane no longer mutually beneficial?" when tender rejection goes up. Follow up with open-ended questions. Ask the provider what they suggest be done about it. Doing it this way accomplishes two things:
  1. You start a conversation or dialogue, which creates opportunity for providers to open up to you. This helps cut down on their hesitation to reach out.
  2. You set the expectation. Make the provider expect this kind of directness from you. Set the tone. You want answers, not excuses.



- Ask for and give feedback often. Google reviews and testimonials from employees, drivers, or other clients can help qualify carriers but it also provides visibility. Read & write reviews or testimonials for providers. It helps create accountability.

3

NO Diversity in Your Network: All of the above help you get to know your providers, so you may find that your network is not as diverse as you previously assumed. We all know it's important to have asset-based carriers and brokerages in your network, but having diversity among each is just as important. You can diversify by looking at a few different areas.

- Each carrier will have their own area of expertise, so if you can't easily identify that for each provider, you should narrow that down first. Make sure their equipment and standards match your expectations and requirements.
- Your network should have carriers that can handle last-minute shipments and carriers that can provide long-term contract pricing. You get the best of both worlds.
- Pay attention to locations and hours of operation. Ideally, you want providers that operate during the same hours as you, your team, and your common shipping and receiving locations. Whether they are located in the same time zone or simply offer an after hours team that takes over, you should know and share your peak service hours.

4

NO or Lack of Data Sharing: The exchange between customers and providers is increasingly more transparent as freight tech leads us into the age of data sharing.

- Explore options for freight tech that allows you to easily share information with your providers. If your system isn't equipped for integration or data sharing, you may not be capable of data integration with providers.

- Start asking providers for more information. Chances are they have hopped on the bandwagon when it comes to live data sharing, or maybe they have integrated with an emerging freight tech software. This will also help point you in the right direction if you are trying to choose new software because you will want one that works with your highest volume providers.
- Motivate your providers - get data together to share with them such as what % of freight they move for you, what areas are lacking visibility like OTP/OTD or invoice accuracy, or what other providers have done to bridge the gap. Share your data so they are motivated to share theirs. You'll need carrier insights for budgeting.

5

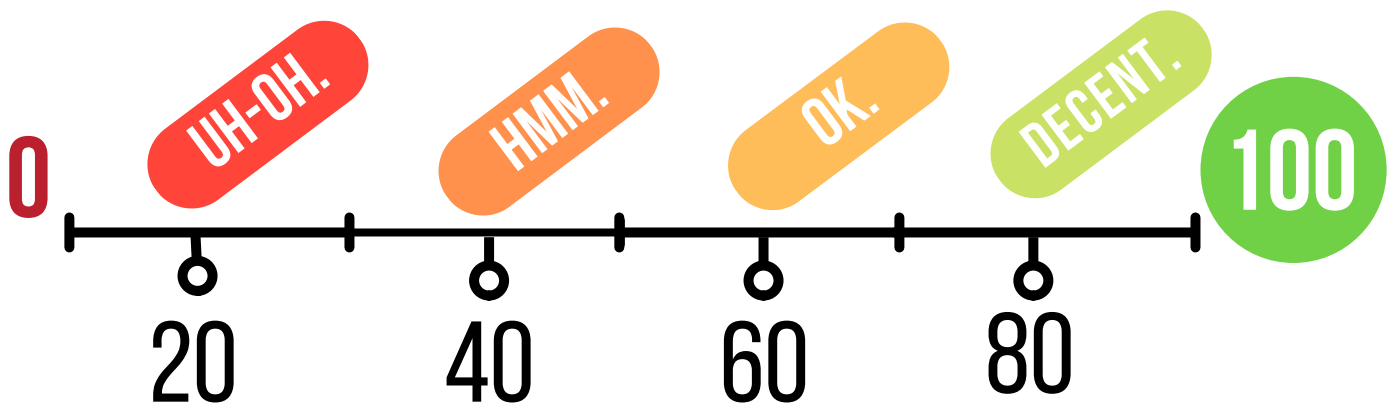
**Treating All Lanes the Same:** Some lanes require higher service and more visibility. The non-stop fear that choosing the cheapest rate will compromise quality service. Part of this can be avoided simply by knowing the market, your lanes, and your network better, but you can also take action yourself.

- Scorecards and data sharing are important for you to keep. It is a two-way street. If you have clear service expectations, providers can export data from their system to provide you insight on their service. Take the time to compare this. It takes their service and quantifies it, which makes having conversations around pricing easier to navigate and makes choosing carriers easier.
- Sharing Market Insight: If you can build transparency and trust into the relationship, providers will not hesitate to seek out conversations about market shifts. This helps you make more informed decisions when awarding volume or bids. It adds credibility to the provider, eliminating those chasing a quick buck and lowering last-minute fall offs. It also helps you identify which lanes are more volatile. Listen to their feedback in addition to your own research.
- Get comfortable with having uncomfortable conversations about repricing. After all, providers want you to meet your transportation budget but they also want to meet their goals, so that means talking money. If you can be more direct and provide data when discussing pricing, you will better understand the true cost to service your lanes. We all want to budget better, not more for transportation costs.

# ARE YOU READY TO UNDERSTAND YOUR SCORE?



# WHAT DOES YOUR SCORE MEAN?



Hopefully this doesn't come as a shock, but you might need to take a serious look at your processes and consider taking immediate action. It's never too late to start!



It seems you are aware of some of these mistakes. That's the first step! Now, where do you start? Maybe the next step is reviewing your top providers or sticking to the procedures you already have in place - don't let these things slide. You want to be organized from the start!



You can see the potential in these solutions and are trying your best. Perhaps you just need to get a little more organized and set some clear goals to get the ball rolling a bit faster. Who else at your company can assist you? What areas could you focus on to make the most impact?



You are moving ahead and taking action because you have seen first hand the importance. While it's an ongoing pursuit for improvement, you have already made some headway and have a good idea what your focus should be. Make sure you are sharing this with your team and keep going. Now is a great time to evaluate your progress and re-align your goals with your providers!



Very impressive, you obvious perfectionist. What's next? No, really, tell us! You are ahead of your time and we want to hear from you: What are you focusing on now? You've covered a lot of ground and we'd like to know what is still causing you headaches because there's always more to be done in this industry.

You might be eager to start adopting some of these changes into your business, but before you do, start with a conversation with one of our AMX experts.

We can share with you what we have done with our customers to help avoid these mistakes, such as:

- **Introductory Calls (& not just one):** Start off with an onboarding call. We insist on intro calls for you to meet with our operations team as well as an intro call between both your billing team and ours to ensure accurate and timely invoicing. We will also request an intro call to review any portals we are unfamiliar with when needed. We want to make sure we check all the boxes.
- **Data Sharing:** EDI/API Capability, Live Tracking, Customer Portal, Scorecard Metrics
- **Logistics Solutions** - We aren't in the business of saying no. We provide solutions so that you can make an informed decision. That's why it's important we begin our relationship with a conversation. Schedule a consult with one of our AMX Experts like Drake Reinke, President of Logistics.
- **Clear Company Goals, Vision, Mission and Values** so that you can join the AMX family and see how your business fits into our future.



**Drake Reinke**

## VISION

Changing commerce across the country by conquering distribution chain challenges

## PURPOSE

To provide our employees, business partners, and communities the resources and support required to positively impact their lives.

## VALUES

Challenge  
Achievement  
Loyalty  
Integrity



**Christina Davis**

- Ensure we have your email set to receive our company updates so you don't miss out on any new features, equipment, locations, or services we add - only pertinent info! A lot is changing. Schedule a call with our VP of Marketing & Business Relations, Christina Davis, to review your communication settings. Already a customer? We want to make sure you are taking full advantage of every service we now offer.

**THE FUTURE OF FREIGHT STARTS WITH A CONVERSATION.**

**TALK TO AN AMX EXPERT**



# PART 2 : APPLICATION

## LEVERAGING CARRIER INSIGHT DURING TRANSPORTATION BUDGETING

- ✓ Transportation Budget Basics
- ✓ Carrier Insight
- ✓ 5 Ways to Leverage Insight





# TRANSPORTATION BUDGET

Transportation budgeting is a critical aspect of supply chain management, and shippers can benefit from using carrier insights to make informed decisions. You don't have to be a CFO to understand the basics.

The basics of procurement don't vary much between shippers. You ask carriers for rates and make cuts based upon rates and service. How you carry it out can either be transactional or interactive. You choose. Just keep in mind...

## THE COST OF INEFFICIENCY ▶

FREIGHT RATES CAN FLUCTUATE 40% THROUGHOUT THE YEAR.

TRUE CONTRACT RATE =  
RATE + RFP COST + OVERHEAD FOR SPOT SOURCING

THE AVERAGE RFP PROCESS TAKES MORE THAN A QUARTER (4 MONTHS).

CONVOY FOUND THAT A SHIPPER'S TRUE CONTRACT RATE IS ANYWHERE BETWEEN 3% & 21% HIGHER PER MILE.



### WHAT YOU ASK FOR...

Price for service on either all or specific lanes.

Volume commitment.

Insurance coverage.

### WHAT YOU GET...

RPM or LH (numbers).

Inflated volume estimate.

COI (document).

### WHAT YOU MISS...

Cost of operation.

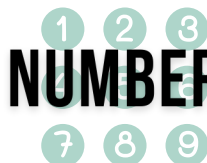
Carrier capacity constraints and preferences.

Claims procedure, carrier or driver vetting procedure.

**PRICING.**

**NUMBERS.**

**~~SOLUTIONS.~~**





# CARRIER INSIGHT



Gaining insight from carriers can be difficult as their budgeting looks different than your transportation budget. It's important to note the differences so you can gain carrier insight. You can apply this insight to optimize your network.

## CARRIERS

1. Equipment Costs
2. Personnel Costs
3. Fuel and Maintenance
4. Insurance
5. Regulatory Compliance
6. Miscellaneous Expenses
7. Revenue Sources

## SHIPPERS

1. Freight Costs
2. Carrier Contracts
3. Equipment Expenses
4. Personnel Costs
5. Technology and Software
6. Insurance
7. Fuel and Maintenance
8. Miscellaneous Expenses
9. Contingency Fund
10. Revenue Sources

## CARRIER COST OF OPERATION



**31.75%**  
\$0.67  
FUEL

**27.49%**  
\$0.58  
DRIVER WAGES

**18.96%**  
\$0.40  
EQUIPMENT PURCHASE

**7.58%**  
\$0.16  
REPAIRS & MAINTENANCE

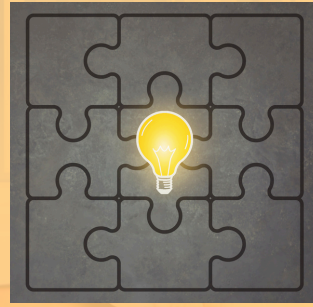
**7.11%**  
\$0.15  
BENEFITS & ADMIN

**3.79%**  
\$0.08  
INSURANCE

**3.32%**  
\$0.07  
PERMITS/LICENSES/TOLLS



# 5 WAYS TO LEVERAGE CARRIER INSIGHT



Here are five steps shippers like you can apply during transportation budgeting to adapt to carrier insight you've gathered throughout the process:

- 1** Data Analysis: Start by collecting and thoroughly analyzing historical shipment data. This data should include details on past shipments, carrier performance metrics, costs, delivery times, and any service disruptions. This analysis will provide a solid foundation for making informed decisions.
- 2** Carrier Evaluation: Take a close look at your carrier relationships. Examine carrier performance metrics such as on-time delivery, damage rates, and communication effectiveness. Identify carriers that consistently perform well on specific lanes, as well as those that might struggle or face operational challenges. This evaluation helps you identify reliable carrier partners.
- 3** Lane Assessment: To maximize profitability and efficiency, assess each shipping lane individually. Use carrier insights to determine which lanes are most profitable for carriers and where they might encounter operational strains. Consider factors like transportation rates, carrier operational costs, and demand levels for each specific route. This analysis guides your decision-making regarding carrier selection and lane optimization.
- 4** Cost Optimization: Work collaboratively with your carriers to optimize transportation costs. Leverage the insights you've gathered to negotiate favorable rates based on mutual lane profitability. Explore opportunities for cost reduction, such as load consolidation, route optimization, and efficient load planning. This step is crucial for achieving cost savings while maintaining service quality.
- 5** Risk Management: Develop a robust risk mitigation and contingency plan based on carrier insights. Identify potential risks, such as carrier instability or lanes where carriers often face operational strains. To mitigate these risks, consider diversifying your carrier portfolio, securing backup carriers for critical lanes, and having contingency plans in place for disruptions. This proactive approach ensures the resilience of your supply chain.

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