INDUSTRY BRIEF

Third-Party Logistics Industry

Innovation and customer service to keep supply chains moving

www.e2open.com
State of the third-party logistics: Feeling the squeeze while rising to the occasion

Global disruptions, volatile consumer demand, and economic uncertainty are putting extreme pressure on everyone in the supply chain and squeezing margins. Shippers are outsourcing to experts with diverse services and connections, such as freight forwarders and third-party logistics providers (3PLs), to help successfully navigate these complex challenges. The winners in this space will adopt next-level technology to serve increasingly demanding shippers while protecting their margins.
3PLs, freight forwarders, and other logistics services providers face increasingly complex challenges.

Retaining and acquiring customers
Shippers have loads of options to plan and execute their logistics operations. For third-party providers to thrive, they must prove their value daily with a foundation of building and nurturing strong customer relationships, and be supported with modern systems to drive efficiency and resiliency. Capabilities once thought a luxury are now table stakes, such as real-time shipment visibility and holistic regulatory trade compliance. To meet (and exceed) their customers' growing expectations and become their essential partner, logistics providers can adopt best-in-class logistics and supply chain management technology.

Trade compliance complexity exposes risk
Risk levels have increased with the onslaught of sanctions and restricted party lists. Missing or inaccurate screening, customs filings, and product classifications lead to unnecessary delays and costs when moving goods across borders. When supplies are already constrained, extra delays at the border are not acceptable. And paying the right duty is critical when materials and carriers' prices are on the rise. The right technology can help you avoid delays on the front end of shipments with cargo and restricted party screening, accurate customs filings, automated and streamlined product classifications, and relevant updates on ever-changing trade policies with current and accurate global trade data.

Manual processes inhibit visibility, erode margins, and limit growth
Relying on email, spreadsheets, and phones to manage operations and collaborate with customers puts you at a competitive disadvantage. Manual workflows consume resources and introduce errors, putting logistics providers at risk. Legacy systems and manual processes limit your target market because only high-volume customers are economically viable. A modern system can streamline workflows to open doors to long-tail, lower-volume customers efficiently and profitably. Also, legacy systems prohibit end-to-end visibility, leading to surprises when shipments don’t arrive on time. Such disruptions lead to frantic firefighting with customers and shippers, which means advisors aren’t working on more value-added services and relationship building. Adding more resources helps, but at a high cost. A system that enables full visibility across all-modes delights customers and allows you to proactively address issues before they strike.
Complexity issues call for a more connected supply chain

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What if you had a connected supply chain?
Delight Customers
Can your customers see what you see?
Shippers demand a lot, because consumers demand a lot from them, and it starts with visibility into their shipments. But they really seek to know the impact on their business when changes and disruptions occur. High customer satisfaction is the cornerstone of the logistics services industry. Leading providers know this and use technology to strengthen relationships, provide transparency, and enable the shipper’s go-to-market strategies.

Attract and retain more customers with better technology
Shipper satisfaction is paramount in the services arena. Technology that differentiates your offerings from your competitors helps build trust in your organization and strengthen your relationships with shippers. The right technology helps you gain visibility and accurately predict the estimated time of arrival (ETAs), so you can run interference when disruptions and potential delays occur. Improve your margins while delighting customers by sourcing at the best carrier rates to contain freight spending and ensure capacity.

Shippers across industries are expanding their e-commerce capabilities in response to their customers’ expectations. Help your shippers meet their growing e-commerce demand through a robust last-mile fulfillment that connects to a vast set of parcel providers to help optimize cost, capacity, and service.

Operate Efficiently
Are your people working on the right things?
Manual processes built on email, phone calls, and spreadsheets rob you of time and money. Worse, manual processes tend to be more error-prone, further eroding margins and customer satisfaction. The effect is constant firefighting and expediting, and more complex problem-solving suffers, leaving your customers dissatisfied.

Improve efficiency with streamlined workflows
Simplify and optimize logistics activities so that you can focus on the customer. Save time and eliminate redundant data entry by handling all shipments on one platform connected to the industry’s largest carrier network. Best-in-class applications and a purpose-built transportation management system (TMS) for freight forwarding provide incomparable planning, booking, shipping, and real-time tracking capabilities across all transport modes—ocean, air, rail, road, and parcel. And don’t let idle equipment be a drag on your operation; keep goods flowing with more control over empty container and trailer moves, reduce handling costs, and eliminate empty runs and wait times.

A modern, connected supply chain platform connects a vast network of shippers and carriers while leveraging intelligent applications to enable greater visibility across shipments to save money and eliminate hassles.

CASE STUDY
Raben Group Centralizes Transport Management to Handle Critical Capabilities
Global logistics services company, Raben Group, needed to standardize and modernize its transportation management process across 15 countries and over 160 locations. E2open helped them reduce supply chain complexity by standardizing best-practice processes. Employees have access to the right information at the right time – providing real-time visibility for goods and items throughout the entire network.
Navigate Trade Compliance with Confidence

Are you managing the risks of cross-border trade non-compliance?

International trade agreements, country-specific import and export regulations, trade sanctions, and restricted party lists create an increased web of complexities in moving goods across borders. Furthermore, ongoing regional conflicts and trade wars exacerbate the challenge with frequent changes. Relying on manual processes to understand these regulations and accurately complete documentation can erode margins with inefficiency, delay shipments, and expose you to unnecessary risk.

Export and import with confidence

Access the most comprehensive and current trade content database to help ensure regulatory compliance. Governments worldwide constantly issue new and updated restrictions; protect yourself and your shippers by automatically screening every transaction for parties restricted by authorities.

Streamline and automate your global trade compliance processes – including customs declaration filing – across multiple countries, all in a single platform. Lower duty costs by complying with increasingly complex trade agreements. A leading global trade management platform will speed up cross-border shipments and minimize your risk of non-compliance on every shipment.

CASE STUDY

GEODIS gains advanced trade compliance and value-added service capabilities

GEODIS can now automatically handle high volumes of trade compliance and complex supply chain data. The company reduced supply chain and logistics risks along all trade lanes by receiving up-to-date, multi-country trade content into the GEODIS TMS multiple times a day. Customers can confidently sell and deliver internationally, knowing compliance risks are minimized when GEODIS fulfills them — no matter how many and where they go. This also helps safeguard time-to-market by preventing border clearance delays.
Innovate and Grow

Are you shipper’s partner of choice?

According to the 2023 3PL Study1, 75% of shippers reported that technology solutions play a greater role in their 3PL partnership evaluations and selection process. Shippers know that modern, advanced technology is required to navigate today’s fragile and disruption-prone supply chains. Legacy solutions are the Achilles heel; they are ill-equipped to address the rapid change of pace and increasing complexities that characterize today’s supply chains.

**Adopt technology that grows with you and attracts customers**

Bolster the strong shipper relationships you’ve worked so hard to cultivate with advanced supply chain management technology to provide the resiliency and efficiency you need today and to grow with you into the future. Only through a connected supply chain platform with AI-enabled applications can you start to address end-to-end emissions reductions and other environmental, social, and governance goals internally and for your customers.

Expand your customer base and broaden your offerings. A connected supply chain platform with a network at the core and system integration in its DNA can help streamline and automate processes to profitably support long-tail, lower-volume customers. Offer your customers more advanced services with supply chain planning, execution, and optimization capabilities, all on the same platform.

Shippers have lots of choices when it comes to filling their logistics needs; therefore, third-party logistics providers need to differentiate through technology, innovation, and customer service to survive and grow in a highly competitive industry.

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1. 2023 3PL Study: https://www.3plstudy.com/ntt3pl/nttds_3pl/nttds_2023_3pl
End-to-end visibility and control have long been key challenges to making better business decisions. While the supply chain itself is inherently connected, the processes are inherently siloed. This is due to disparate data sources and disconnected processes and systems across vast supply chain networks.

Enter the pandemic. In a relatively short period of time, we’ve witnessed unprecedented disruptions in demand, supply and logistics. What was a fairly free-flowing, demand-driven process, became restricted and supply-constrained. Factory shutdowns. Supply disruptions.

E2open is a world-leading provider of networked, cloud-based supply chain technology and services focused on providing supply chain resiliency during supply and demand volatility.

The company’s connected supply chain platform and multi-enterprise networking technologies represent a unifying and composable system — a system giving you the ability to see, forecast, act, and advance in the most informed and intelligent manner, optimizing making, moving and selling across the entire value chain when certainty isn’t certain.

The combination of an integrated end-to-end platform, best-in-breed applications, and harmonized decision-grade data from a holistic network of four ecosystems comprised of over 400,000 enterprises provide a single source for real-time insight and actionable information across the entire supply chain.

Connected processes and systems provide a secure connection to this decision-grade network data, empowering companies with the visibility and capability to optimize efficiencies and manage supply chain volatility in real time. All of this enables suppliers, manufacturers, transporters, and fulfillment channels across the supply chain to operate as one, optimizing supply, demand, and delivery efficiently and sustainably while the world we live in is in constant motion.

E2open — the value is in our name — an open supply chain ecosystem of record, from planning to execution to sales and fulfillment, providing you next level supply chain efficiencies and a roadmap to business transformation at a pace that is right for you.

E2open. The Connected Supply Chain. Moving as one.™
Network Architecture

Supply chains are complex. They are global. And they are outsourced to hundreds, if not thousands, of partners to make, move and sell goods around the world. Consider the hundreds, thousands, even millions of hand-offs testing the integrity of a company’s supply chain everyday — suppliers, manufacturers, transporters, and fulfillment channels.

While supply chains are connected in theory, oftentimes the processes and data for true connection are not. Organizations are often siloed, and supply chain technology purchases frequently follow this fragmentation. This lack of coordination creates the environment for disconnect and therein incomplete and inaccurate data and information. Time and again, the structural challenges of today’s supply chains lead to indecision or uninformed decision-making. These hasty decisions and delayed responses often lead to inadequate business outcomes.

What if you had a single source for real-time insight and actionable information enabling automated response and better decision making across the entire value chain? What if you had a solution that brought together all aspects of the extended supply chain while addressing supply chain volatility, disruption, excess cost, and waste?

Imagine an open, end-to-end cloud-native platform, with best-in-breed supply chain applications, and harmonized, decision-grade data from the world’s largest multi-enterprise network. A multi-tier network of suppliers, manufacturers, transporters, and fulfillment channels all connected through business processes and uniform data.

The following architecture visual represents the connected supply chain platform from e2open.
The world’s largest network

Clients oftentimes expand the capability of their supply chain technologies one point solution at a time. E2open embraces that mindset, but advocates for the progression to include complete connectedness through an open platform. The connected supply chain platform from e2open provides access to hundreds of thousands of trading partners across four ecosystems (demand, supply, global trade, and logistics).

The value of access is only as good as the data that is traded. Harmony® from e2open, normalizes this vast amount of data into a single source of truth, guiding the supply chain through potential volatility.

Intelligent applications, informed through field-proven AI, provide a unifying capability across the entire value chain — Channel, Planning, Global Trade, Logistics and Supply. All applications and data are exposed through a single pane providing visibility across the entire supply chain.

The world’s largest network of interconnected partners

Key Benefits

- Unified supply chain technology platform and interconnected partner network
- Timely, accurate, and complete data establishing decision-grade information
- Real-time decision-making capabilities and automated responses
- Business transformation through a supply chain working together as one
With e2open, supply chain professionals gain better visibility, collaboration, and control supporting a connected supply chain, moving as one.