

# Four Cornerstones of the Digital Freight Broker Tech Stack

Transforming into a digital freight brokerage can help address supply chain challenges & produce major benefits unseen with traditional brokerage strategies.



# Digitization of the Freight Brokerage Industry

The freight brokerage landscape is changing. Supply chain disruptions and bottlenecks are prompting freight brokers and 3PLs to rethink the way that they operate, provide information to customers, and connect with carrier partners. Transforming into a digital freight brokerage produces major benefits unseen with traditional broker strategies. Here are 4 technologies that freight brokers and 3PLs can use to enable digitization and better compete.

## What Are Traditional Freight Broker Challenges?

Freight brokers who aren't using a digital platform like Descartes must rely solely on the knowledge and experience of their employees. This creates multiple challenges when operating a traditional brokerage:

1. Brokers do not have the security, accessibility, nor power of 'The Cloud.' Managing a brokerage by paperwork, manually, or through a locally installed system means more physical tasks, less agility and versatility.
2. Without a digital platform, brokers do not have access to real time tracking & updates which end up costing them more money and time.
3. Brokers have limited networks, relying primarily on their current carrier network. This restricts brokers' ability to respond to tight lane capacity and the ever-changing availability of their primary carriers.
4. Brokers are not using high value analytics and business intelligence. The rate at which a traditional freight brokerage can grow and view actionable insights is significantly hindered.



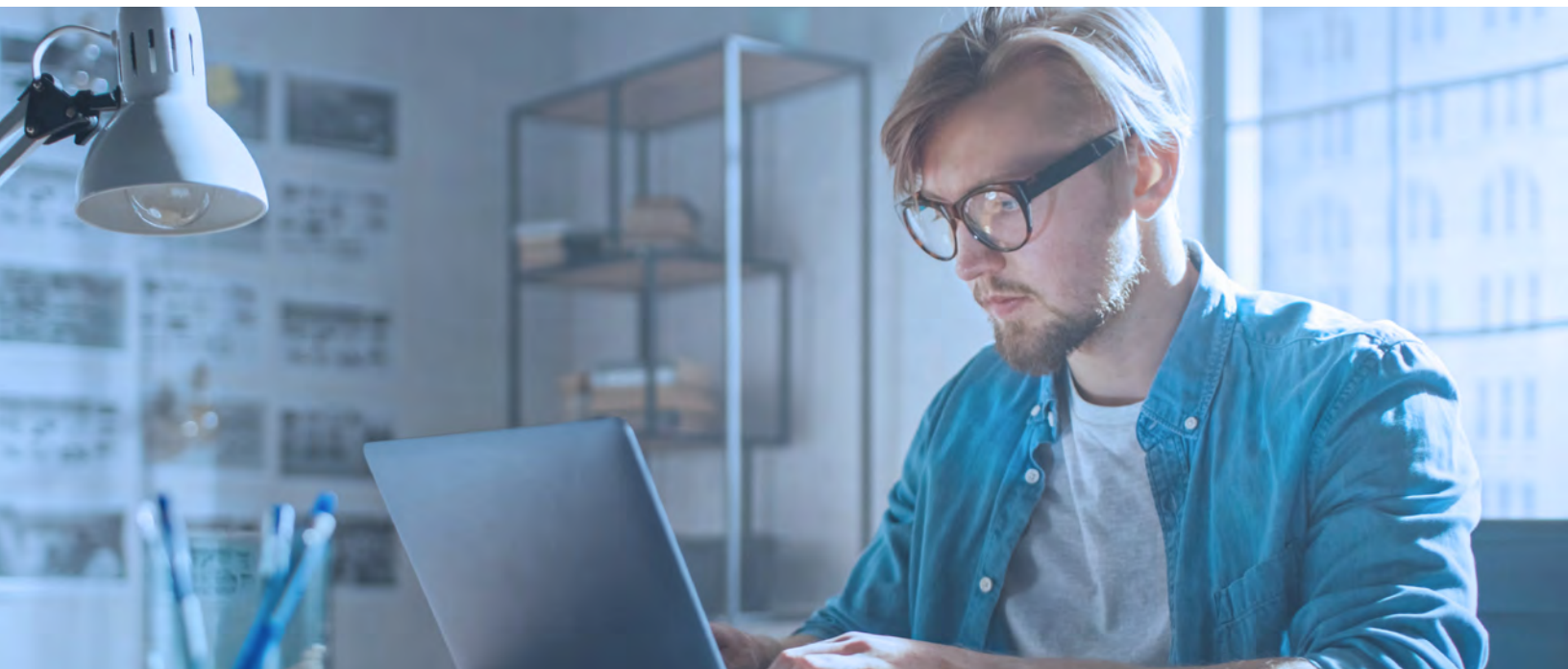
*By switching to a digital freight platform, brokers experience a paradigm shifting change in business operations and capabilities.*

# #1 Cloud-Based TMS

Free of any one location, cloud-based platforms like Descartes Aljex allow brokerages to securely access freight and transportation management data from anywhere with an established connection. Easily scalable with any brokers' network, Descartes Aljex continues to grow as a brokerage grows. Our TMS provides value to brokers of all sizes, serving small brokerages with just a few employees to massive operations with hundreds of employees.

## What are the most important capabilities of a cloud TMS?

<b>Order Capture &amp; Management</b>	More efficiently execute the order life cycle from any location
<b>Automated Carrier Bid &amp; Tender</b>	Automatically identify and offer carriers loads faster than a hosted platform
<b>Back Office &amp; Document Management</b>	Improved communication, centralized access, single source of data, enhanced security measures & loss prevention
<b>Carrier Invoicing</b>	Automated payment processes for less manual tasks and quicker carrier/order fulfillment
<b>APIs, Plugins &amp; Integrations</b>	More connectivity and options for expanded capabilities from 3rd party platforms





## What are the benefits of a cloud-based TMS?

The benefits of a cloud-based TMS, like Descartes Aljex, is in part due to the wide array of capabilities and connectivity that is not accessible in hosted TMS platforms:



**Quick Time-to-Value** – Cloud-based transportation management solutions are easy to implement with a quick time-to-value. Brokers that sign up for Descartes Aljex are up and running within a few days of order completion.



**Tighter Security** – Over 90% of businesses claimed that they've seen improvements in security as part of utilizing a fully integrated cloud system. Improved security means better encryption and better disaster recovery/loss prevention in the rare cases where breaches happen. Keep up with round the clock data security and accessibility to key information. Reduce downtime and delays.



**Lower Costs & Improved Growth** – Cloud-based systems operate your brokerage at higher efficiency, meaning increased ROI and lower costs. Brokers using TMS have noted up to 50% increases in their revenue growth.



**Accessibility** – Descartes TMS doesn't require any additional hardware or effort on the broker's part. Broker and their employees can access a cloud-based Descartes Aljex from any device and anywhere they have an established wireless connection, improving mobility and flexibility.



**Superior Operational Control** – Having access to a large amount of enriched data provides firms with increased control. It also allows for quicker and more informed decisions making, leading to fewer mistakes and better business decisions.

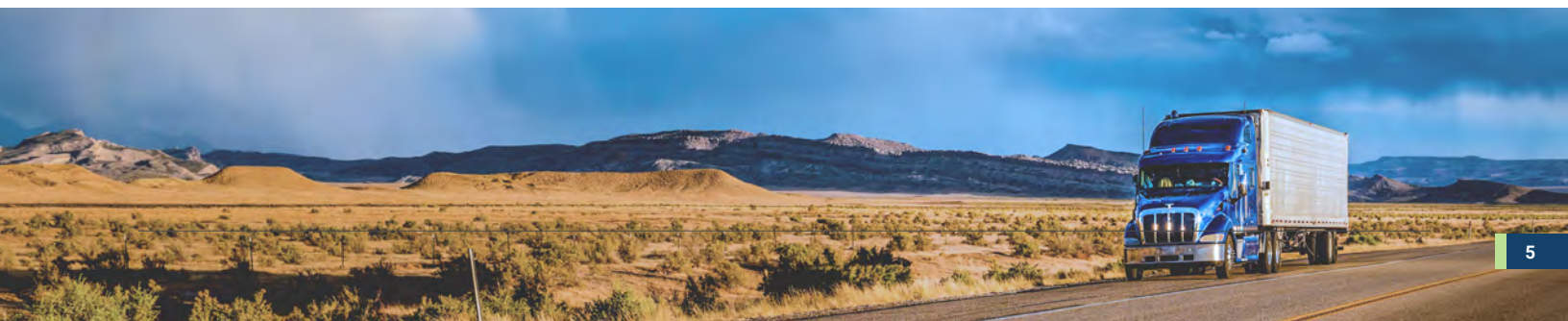
All of Descartes TMS services offer integrations and extended capabilities that enhance your business operations and improve ROI. To learn more about Descartes capabilities and benefits, [request a demo here](#).

# #2 Real-Time Transportation Visibility Platform

Knowing the status of shipments in real-time means everything for a brokerage. Transforming to a digital freight brokerage gives instant access to tracking capabilities. Freight visibility not only reduces time consuming communication like check calls and emails but also helps you forecast future needs to mitigate any potential risk or disruption.

## What are the benefits of an RTTVP?

<b>Fewer Penalties and Increased Savings</b>	With predictive ETAs, companies can identify at-risk shipments and work collaboratively with their customers to reduce late deliveries. The Descartes solution helps companies minimize detention fees and realize a sharp reduction in late penalties.
<b>Increased Operational Efficiency</b>	Streamline track-and-trace processes, simplify workflow, and increase communication speed and agility across the carrier network by replacing inefficient manual check calls with real-time freight tracking and automated alerts.
<b>Improved Customer Service</b>	Predictive ETAs, proactive alerts, and load tracking data consolidated in a single interface enable customers to make the necessary adjustments to dock schedules and labor distribution in the event of delayed deliveries—saving time, resources, and money.
<b>Better Carrier Relationships</b>	With geofencing alerts providing real-time visibility into carrier departures and arrivals, automated audit trails minimize disputes with carriers, leading to improved collaboration and future relationships.



*“The Descartes MacroPoint capacity tool has been the biggest factor in keeping us ahead of the game, given the changes in the current carrier environment. We’ve had wins finding carriers that were not set up in our system that turned out to be wonderful assets to use on big projects that we wouldn’t have otherwise known existed.”*

- Connie Morgan, Director, TL Pricing and Procurement, Sunset Transportation

## #3 Carrier Capacity Network

In current market conditions, traditional brokerages without an integrated capacity network are finding sourcing carriers to be difficult and time consuming. It’s also noted that the freight industry is also **facing a driver shortage**. According to the ATA (American Truck Association), the truck driver shortage is expected to exceed over 1 million drivers in the next decade. Brokers will struggle to source and match capacity with high rates, tight margins, and capacity shortages.

That’s why digital freight brokers are benefiting greatly on capacity matching through an intelligent carrier network.



*Intelligently match loads with ideal-fit carriers based on availability and equipment*



*Ability to cover more than one million transportation lanes in North America*



*Combine real-time lane scoring, carrier history and auto-offering to book carriers faster than ever before*

## How have traditional brokers sourced carriers in the past?

Common practices include load boards, phone & email, tribal knowledge, and unverified and old data. All of which are considered highly inefficient or unreliable.

With Descartes MacroPoint capacity sourcing tasks can be automated with artificial intelligence. With **over 280,000 carriers in the network**, brokers have access to an unprecedented number of resources.

## Here's what a capacity network can do

<b>Find New Carriers</b>	Descartes MacroPoint provides a visualization portal that shows user their open loads, mapped against capacity in the MacroPoint network. Users get a prioritized list of carriers to cover capacity and can see history to further assess the best option, even during a driver shortage.
<b>Rapidly Book Loads</b>	Our platform automatically identifies and suggests carriers that <b>match open loads at 15x the rate</b> compared to manual booking. Set your own parameters and filters to tender shipments within seconds. Target the best carriers by utilizing the AI-based ranking.
<b>Develop Relationships</b>	Have carriers that you've already worked with? MacroPoint takes note and will show previous carriers and lanes you've run to provide the best possible capacity options. Prioritize carriers based on relationship and build new ones while you're at it.
<b>Create Tailored Offers</b>	Define your own outreach strategy by utilizing custom triggers and offers to source carriers. Users can define outreach strategies based on pricing, carrier performance, available trucks, location, and other metrics.



# #4 Business Intelligence Tools



*Deliver insights to customers and strengthen service value by empowering their logistics productivity and customer experience.*

Today, companies are relying heavily on forecasting and benchmarking information that is revealed by analyzing data. Having all the tools to report (Cloud TMS, Visibility Platform, Carrier Network) is a great start, but business intelligence tools help drive improvement and informed decision making. Analytics help brokerages understand business operations and gain insights into carrier performance.

By utilizing Descartes Analytics, customers can use the information for further analysis and gain insight into certain aspects of your supply chain. Descartes Analytics combines Microsoft Power BI with standard integration to Descartes' solutions and domain expertise to help your organization exploit the valuable information that exists in Descartes and other solutions.

If your supply chain has a high level of complexity, you may need a more flexible and dynamic approach to analyzing your data. More information and the time taken to conduct the necessary analysis may cause you to end up sacrificing more time than necessary.

#### **That's where business intelligence tools come in:**

- **Source transport data to any level of interest**
- **Explore the associations in your data**
- **Visualizing data with engaging graphics**
- **Search across all data—directly and indirectly**
- **Interact with dynamic applications, dashboards, and analytics**

Online and real-time dashboards give direct insights to help logistics professionals quickly evaluate money-saving transportation and shipping options.



# What are the benefits?



## Drive Productivity and Save Time

Automating carrier visibility and utilizing a digital freight network helps automate time-consuming tasks, that without technology, would be tedious and highly manual. Our customers now can easily identify inefficient operations to better understand time-wasting processes and reduce costs.



## Lower Rates

Traditional freight brokers can get stuck to the carriers they've already built relationships with. This limits brokers' ability to match capacity and find cheaper rates when they're only evaluating a few options. Now, brokers can automatically choose and source carriers based on performance and the lowest rates to ensure profitable ROI's and improved business decisions.



## Improved Experience

Accessing a carrier network ensures brokers have all the right data and information to make quick time-dependent decisions. The decision-making process helps improve logistical flow, improves both customer and employee experiences, ultimately leading to an improved operation, and in-turn leading to profitable growth.



## Deepened Insights

Digital freight brokers have access to extremely large amounts of a data and capabilities that are not accessible to non-digital brokers. Descartes allows for brokers to uncover hidden relationships with powerful analytics. Dashboards and portals are easy to operate and allow for an increase understanding of your freight operations. Improving how companies can digitally collaborate with supply chain data.



## Changing the Playing Field...

For small brokerages, competing at the highest level is difficult considering the largest brokers have more time, labor, and resources. Joining a carrier capacity network allows for the smallest brokers to select from a much larger carrier network they may not have had previous access to. Allowing operations to expand capabilities and provide insights never seen before.

For larger brokers, this means being able to increase your efficiency, do more with the same resources, and uncover opportunities to increase margins, making a major impact on revenue (Descartes currently offers more than 280k carriers within our network).

## Digital Freight Solutions For Brokers & 3PLs

Descartes offers TM solutions to freight brokers and 3PLs of all sizes. From massive billion-dollar enterprises to small brokers with 3-6 employees and everything in the middle.

Our clients continue to reset the standards for efficiency, collaboration, and savings across the global supply chain. As the transportation market evolves in response to global pressures, it is important to have a proven technology partner like Descartes on your team.

[Click here to schedule a demo with Descartes](#) and learn more how transforming a traditional freight operation into a digital freight brokerage will improve productivity and profit for logistics-intensive businesses.

## 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](http://www.descartes.com) and connect with us on [LinkedIn](#) and [Twitter](#).

## Uniting the People & Technology That Move the World.