

Make Your Customers Happier and Spend Less Time Doing It: Solutions for Freight Payment Companies Frustrated with Software That Doesn't Work

Third-party logistics companies, as a whole, face substantial pressure to adopt new technologies to stay competitive. According to the latest study by the Logistics Institute at Georgia Tech, customers are raising their expectations and demanding broader, more sophisticated service offerings from their 3PL providers as the third-party logistics industry matures.¹ Freight payment companies must handle a barrage of data and documents as efficiently as possible in order to maximize their profits and furthermore, lure customers with increased monetary savings over in-house bill-payment.

Despite advances in information technology, many freight payment companies still rely heavily upon out-dated programs, time-consuming manual entry, and decentralized paperwork. According to a freight payment executive at the Transportation Specialist's Group (TSG) in Atlanta, GA:

“Prior to getting the right software, a big challenge was customizing our services based on our individual customers' needs. Software limitations forced us into a manual process when customers asked for something that wasn't standard.”

– Gary Smith, Partner, TSG

Smaller third-party logistics companies (under \$50MM) have been the slowest to adopt effective software due to the significant up-front investment required for many systems. The lack of effective technology can stifle growth as it becomes difficult to efficiently handle new customers.

- Employees may spend unnecessary effort trying to use inflexible software programs poorly designed for the needs of their company. For example, some freight payment employees must enter two separate audits by hand in order to compute comparisons for benchmark pricing.
- Customers and carriers don't always have convenient, instant access to bill payment status.
- For the freight payment companies that assist their customers in the claims process, lack of the proper tracking technology can lead to ignored claims and non-payment.

The newest software tools for freight-payment professionals streamline auditing, payment, and batching by eliminating double-entry and providing further automation throughout the entire process. The process is not only more efficient, but also more reliable as data-entry errors are minimized. These software tools allow for centralized data, which can provide far-reaching benefits such as:

¹ Langley, John C. “Third-Party Logistics Study: Results and Findings of the 2004 Ninth Annual Study,” 2004, The Logistics Institute at Georgia Institute of Technology, 6 February 2005
<http://www.tli.gatech.edu/downloads/TLIGT-2004_3PLStudy.pdf>.

- More responsive customer service due to more easily accessible information
- Insightful reporting on past transactions to assess performance, outline future goals, and analyze trends
- In-depth information to back-up bid negotiations with carriers

The latest generation of software solutions also exhibit simpler to use interfaces than their predecessors, the ability to seamlessly integrate with other software, and advanced e-mail and communications capabilities for connecting all the parties involved in complex transactions.

The costs of implementing new software are becoming less prohibitive, as some software providers are switching to the Application Service Provider (ASP) model. An ASP provides remote subscription-based access to an application, generally over the internet. Freight payment companies can avoid significant hardware and software costs by using an ASP.

To address the above challenges while providing a higher level of automation, efficiency, and service Top Flight Concepts created TFConnect, its newest software product. Basic features for freight payment companies include:

- fully automated rating and auditing using CzarLite and customizable rate bases and profiles
- sophisticated batching and invoicing
- high visibility for tasks that need follow-up and important transaction information such as check numbers, amounts, and dates
- information easily exported into accounting software (QuickBooks) or Excel
- flexibility to tailor reports and other features to individual customer specifications
- advanced communications features such as e-mailing reports directly out of the system

Beyond these basic features, TFConnect has comprehensive tools for managing the shipping process from making quotes for new shipments to work-flowing claims. Third-party logistics companies provide a variety of services to their customers, and TFConnect provides the flexibility for the broader service offerings that many freight payment companies need to perform in today's market. Companies that use TFConnect can easily tailor their services to meet individual customers' needs. Because it is a web-based ASP, TFConnect is a realistic option even for small companies.

Freight payment companies seeking a competitive edge and sustainable growth need to exploit sensible technologies designed for their needs. Especially for those freight payment companies frustrated with inefficient software systems and a reliance on manual entry, TFConnect is a solution which can lower operating costs while providing customers with value-added services, resulting in higher profits.