FACT SHEET - **AUTONOMOUS PROCUREMENT**

Autonomous
Procurement

Applying advanced analytics to the spot market challenge:
No procurement or logistics department likes spot buying. But the best teams plan for it. Autonomous Procurement replaces traditional spot procurement with an approach that is built on behavioral and data science. Rather than asking your carriers for a bid, we propose targeted rates with a high degree of differentiation by carrier and over time. It's innovative, data-driven and helps to achieve sustainable cost advantages.

With Autonomous Procurement customers already spanning five continents, the principles of behavioral and data-science are proven effective in every major global freight market.
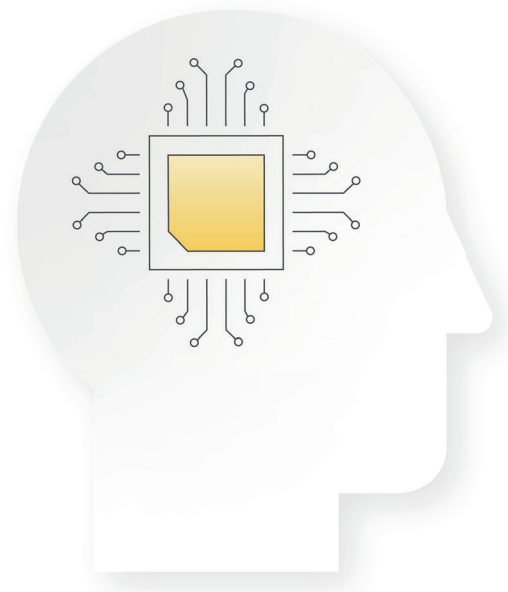
INDUSTRY CHALLENGES

SUPPLY CHAIN DISRUPTION
Between a pandemic, a rise in natural disasters, and shifts in consumer buying, recent years have exposed the vulnerabilities of the global supply chain and sent market prices spiraling. Spot freight buyers have little option but to ride the upswings and downturns in the market. As many are experiencing, a strategy of pure avoidance becomes problematic and costly when capacity shrinks.

MARKET FRAGMENTATION
Fill one truck, fill a thousand trucks, and that next truck is as hard to fill as the first. The trucking industry is made up of thousands of players, none of which make up more than 1% of the total market. With little economy of scale and the high dimensionality of trucking services, finding and pricing spot capacity is a game of bilateral negotiation – one that takes time, and in which scale is not always an advantage.

PRICE UNCERTAINTY
Is our pricing in line with the market? Could we be doing better? With the time-sensitive nature of spot freight, all buyers are forced to make trade-offs between time and price. Investing in benchmarking data helps to set guardrails, but provides little actionability in the here and now. Bid collection tools are the market standard, but offer no way to adequately probe the market and collect and action real-time data. As a result, shippers today are price takers: anchored to market rates, overexposed to fluctuations, and painfully aware they are leaving money on the table.

FEATURES

Match rate > Savings Rates > Speed to match
When compared to freight auctions and other bid collection tools

MATCH RATE
- 80% touchless execution of volumes transacted through the platform
- 70-90% success rate in securing capacity

SAVINGS RATES
- 8-12% average savings rate

SPEED TO MATCH
- 2 Hours average time to match
- +20% throughput per team member

+ ADDITIONAL BENEFITS WITH CARRIER ENGAGEMENT AND TEAM PRODUCTIVITY

GO BEYOND BID COLLECTION

CARRIER PROFILING AND PRICE PREDICTION

- Software-driven price predictions
- Profiling on each carrier, their preferences and bidding patterns
- Load bundling
- Pricing guidance for planner team

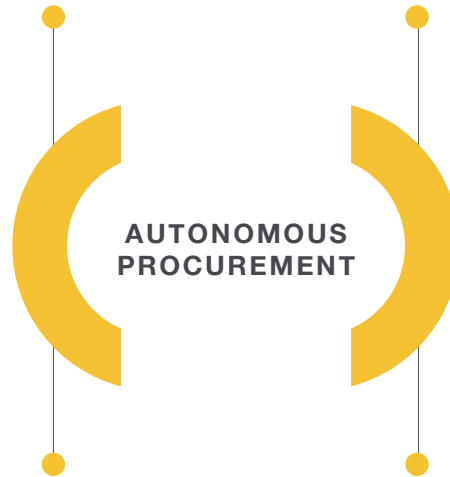**AUTONOMOUS PROCUREMENT**

AUTONOMOUS FREIGHT MATCHING

- Software-defined 'match-now' offers, counterbidding, and carrier selection
- Overbid management
- Carrier communications and notifications
- Integration with TMS and other business tools

PERFORMANCE INSIGHTS

- Tracking across key performance and savings metrics
- Carrier engagement tracking
- Lane analysis

ADVISORY & EXPERTISE

- White-glove approach to solution design and implementation
- 24/7 global support

BENEFITS

AN ADVANCED APPROACH FOR BETTER SPOT BUYING

〉 Reduce your exposure on the spot market and become a more strategic spot freight buyer

〉 Increase savings through a direct reduction in spot freight rates

〉 Improve back-end office processes and productivity rates of your planner team

〉 Learn about your carriers, their buying behaviors, and better engage with them in online formats

〉 Gain insights into market behavior and trends to inform spot definition and RFP

> Autonomous Procurement has helped us mitigate our exposure to the spot market and rethink how we were addressing it. **We've seen big improvements in our rates and back-office as a result of switching platforms.**

DIRECTOR OF TRUCKLOAD AND RAIL
FOOD AND BEVERAGE COMPANY

WANT TO FIND OUT MORE?

GET A DEMO