

## Visibility in the Supply Chain

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Instant gratification is something we're counseled to get over as we grow older. And for the most part, we do. Except when it comes to e-commerce. In that case, we're as impatient as a hungry infant crying to be fed. When it comes to our online orders, whatever they may be, we want them today, or no later than tomorrow. Not only do we want to know when that package is going to arrive, we want to know where it is right now.

That heightened consumer expectation has moved up the supply chain to include all the players along the way — shippers and receivers, brokers, logistics companies, and trucking companies. Whether you are engaged in last-mile delivery or hauling containers from a port, your customers and their customers want to know where their goods are in real time. And they want to be able to get this information easily, from a smartphone app or a web browser.

As has been made obvious by empty shelves during the COVID-19 pandemic, supply chains can be complicated things. Manufacturers move raw materials and parts in and finished products out. Retail companies move product from overseas producers to domestic ports and then to warehouses, stores, and, increasingly, the consumer's front porch. Whether a rail car load, a container, or a single package, all parties involved want to know where along the chain their particular freight is located.

Ultimately, the technologies now being used by shippers and receivers will help create a connected supply chain, one in which all participants are privy to real-time data that will streamline functions all along the chain.

## Customer Expectations

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Why are shippers more interested today in real-time visibility of their freight? Call it the “Amazon effect,” even though that’s an overused term, says Dan Clark, Kuebix founder and Trimble vice president of product innovation and strategy. Whatever you want to call it, “it’s changed the way we expect our deliveries,” he says. “What was once two-day is now one-day. We also expect a high level of service.” It’s the power of those expectations that has transformed the industry.

Shippers want two things, according to Hunter Yaw, VP of product management and business development for Loadsmart, an online freight matching service that specializes in truckload movement.

The first thing shippers want is to “dictate when they receive their freight,” he says. Second is visibility of the freight. “They want — whenever they need — to look at where the freight is and when the load will be delivered.”

He agrees that much of that interest may have been driven by the consumer side. Since we are all consumers, it’s natural to think that, “if I have this visibility on the last mile, why can’t I have it on the truckload side as well?”

But while the original interest in visibility data from the shipper side may have seemed like a “solution in search of a problem,” Yaw says, now he thinks that the data is being put to use in areas such as dock scheduling.

The recent electronic logging device mandate has made freight visibility easier to obtain, according to Cindi Hane, vice president of product management for Elemica and general manager of TMS provider Eyefreight Transportation Management, which was acquired by Elemica earlier this year. “Now there is a source for real-time data for almost every commercial vehicle. That gives the possibility of real-time shipping data to be fed back to the shipper.”

That has led to new business opportunities as “third-party networks are popping up to buy data from carriers and then sell it to the shippers,” she says.

Elemica was founded 20 years ago to provide a digital network for a group of chemical manufacturers. Since then the company has branched out to also provide process automation at the enterprise level. Most of its customers are manufacturers.

## What’s Different Now?

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Shippers have always wanted to know the status of their freight, haven't they? There have always been scheduled delivery windows, and over the last decade or so most carriers have offered ways for their customers to check on loads, whether that was through a web portal, email or text messages. Most of this was based on exceptions, meaning that the carrier's customer would not receive a text or email unless something had happened that would cause the driver to miss his appointment.

Not all carriers had that capability, and even for those that did, there often might be communication failures along the line. Jason Eversole, director of carrier strategy at supply chain tracking software firm FourKites, came from the shipper end of the business. As a shipper, if a load doesn't arrive and "I get a call from my customer before I get a call from the carrier — that shouldn't happen."

That's part of what has been driving shipper desire for better visibility.

And even if their carrier partners all have great customer service portals for getting updated ETAs, most shippers of any size work with hundreds of carriers, brokers, or 3PLs. That makes it almost impossible to manually check on each load.

Enter tracking software. Up until recently, only a handful of early entrants were marketing visibility apps to shippers and carriers. But as technology has improved, more players have entered the space.

"Shippers have always been interested in visibility, but technology has advanced to the point that it is much easier," says Ashley Lewis, director of product management for California-based Next Trucking.

This logistics services company offers an online marketplace that connects shippers with carriers using a combination of a smartphone app for carriers and web services for shippers. The company also has a drayage operation serving the ports of Los Angeles and Long Beach, as well as warehousing and freight-forwarding services for both TL and LTL shipments.

In today's environment, there is more pressure for shippers and carriers alike, she noted. "Delivery times are shorter, delivery dates need to be more precise, and inventory levels need to be more precise." Technology has helped automate much of the process.

Some shippers are asking their carrier partners to use specific applications to provide improved visibility and gain efficiencies. For instance, Connecticut-based e4score targets shippers and brokers with its visibility and automation software, but also offers trailer tracking and yard check-in solutions for carriers.

Chuck Irwin, e4score's president, says his company's TrackAssured product was "custom-built for shippers." The product uses telematics data submitted by carriers, generally from the carrier's TMS system, to track shipments. Another product, EZCheck-In, allows drivers to report delivery site events, such as arrival, unloading/loading and leaving, via a smartphone's web browser. Combined, the two products provide not only in-route and

ETA data, but in-yard data as well. E4score's products integrate with most transportation management systems in the marketplace, from full-featured enterprise systems to web-based and smartphone apps used by smaller fleets and owner-operators. "Integration is incredibly essential to success in this space," Irwin says.

## A Connected Supply Chain

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Integration with all types of TMS and enterprise systems is the key to future efficiency gains.

In addition to visibility of a particular load, the technologies used in the supply chain also allow shippers and receivers the opportunity for added flexibility and increased efficiency, which also benefits carriers.

A truck may arrive earlier than expected, or it may arrive late. In the past, the receiver might get a call from the driver or a customer service agent or dispatcher at the carrier. But having real-time information about a truck's location means the receiver can plan for an early or late truck. Delivery spots can be re-arranged, with the early truck and late truck trading places, for instance. All of which can be accommodated via the many apps and software packages shippers and their carriers now use.

"Shippers/receivers want to make sure they have the right number of staff on hand for trucks," says Next Trucking's Lewis. Technology provides the kind of data that allows better planning.

The technology also gives logistics providers data they can use to evaluate carrier and shipper performance, she says. In Next's drayage operation, they collect data from their trucks as well as from other sources "to figure out turnaround times at various ports. Carriers are interested in always moving."

Trimble's Clark says it has been a struggle for some trucking companies to meet the new customer expectations, but it's clear why shippers want more visibility of their freight.

"If you look at the shippers, they have to move their freight to their distribution centers faster, they have to have more SKUs on hand faster." That's why visibility is so important and goes beyond estimated time of arrival notifications. A shipper can know the location of freight that has already been picked up, but may also want to know when that truck or another truck will be available to pick up another load.

"The word available is a term that has become more important," Clark says. "If I'm a shipper and I need to source freight, I want to know where the truck is and when it becomes available."

And that, by itself, is reason enough for a connected supply chain with visibility throughout, he says. A connected supply chain — with shippers, carriers, intermediaries, shippers, carriers all having access to this data — "can create incredible efficiencies across the supply chain."

“When a shipper is efficient, the carrier is efficient as well,” FourKites’ Eversole adds. “You are getting more turns in a dock, more trucks in and out, reducing paperwork.”

A connected supply chain is exactly what providers such as Cleo offer. “We provide end-to-end, business-to-business integration in the cloud,” says Vidya Chadaga, Cleo’s vice president of products. The company has been focused on the supply chain over the last few years, she says, and “can connect any business to any business.”

The advent of e-commerce was a huge disruption for both shippers and carriers, Chadaga says. “We shifted to e-commerce faster than we were really ready for it.” Now, consumer and customer expectations are making carriers and shippers alike think about how they can meet these expectations, and technology provides a way.

“Any of these of companies (shippers, carriers, etc.) want real-time information presented in a way you can make decisions and take action, to change course if needed,” Chadaga says. A supply chain with all participants connected allows the various entities to keep up with their customers and avoid future problems.

In the end, the carrier’s job essentially remains the same — to move freight from here to there.

“It’s not really complicated,” Clark says, “but we tend to make it complicated.” Increasing the visibility of a load from order to delivery, using technology to move data between shippers and carriers, takes a lot of the “friction” and complications out of the job and helps to meet consumer expectations.

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