



E-BOOK

How to Optimize Intermodal Delivery Operations

The ELD (Electronic Logging Device) mandate had a significant impact on the U.S.' intermodal transportation industry since its implementation in December 2017. While it put strict restrictions on a driver's HOS (hours of service) & improved fleet tracking to a certain extent, it also increased the need for more drivers at a time when the country is facing acute driver shortages. For the US' intermodal industry this resulted in further capacity challenges, poor response to demand spikes & increasing shipping costs.

KEY CHALLENGES

Plaguing the U.S. Intermodal Industry

Did You Know?

60% Freight across the U.S. is carried by trucks

51% of carriers say they have lost drivers who did not want to operate under Electronic Logging Devices

16mins on an average is how much an American driver spends per day idling

Dispatching Issues

Dispatching work orders to independent fleet owners or third-party logistics providers remains a major challenge. Lack of interoperability between disparate logistics platforms like TMS, WMS, 3PL systems among others results in poor visibility of data and makes manual dispatching a mammoth problem. In the case of short-haul, the problem becomes even more acute as most businesses restrain from using ELD-systems. Another drawback of executing dispatching manually is lack of flexibility. It becomes difficult to accommodate changes on the fly and scale processes.

ELD Limitations

ELD solutions have inherent limitations when it comes to integrating with multiple logistics providers. Also, dispatching via an ELD solution in most instances requires a premium and expensive plan resulting in increased operating expenses. Another challenge that intermodal providers face happens to be truckers not willing to integrate ELD devices in their vehicles. According to a recent survey, 51% of carriers say they had to let go drivers who did not want to operate under ELDs.

Inefficient Routing

Businesses still use traditional methods of planning routes while executing intermodal logistics. These methods are not driven by data and fail to consider past performances of the planned routes. This increases transportation risks, fuel costs, and delivery turn-around-time. It also makes tracking delivery fleet difficult owing to the absence of real-time visibility. According to a recent survey, 51% of carriers say they had to let go drivers who did not want to operate under ELDs.

Poor Customer Experience

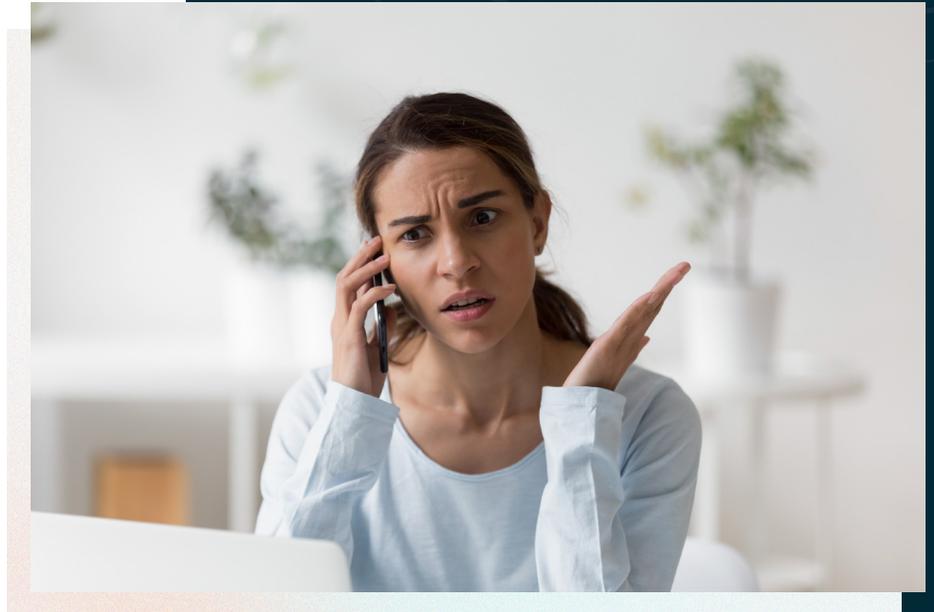
The likes of Amazon have taken customer expectations to a whole new level. But a lot of businesses in the U.S. fail to match up to the new standards of delivery expectations as they lack the tools to allow customers to choose and change delivery location and time, provide end-to-end transparency of delivery progress and more. Also, these businesses fail to provide adequate visibility of delivery processes to customers. Customers barely have any idea where their orders are and when will they arrive.

Increasing Intermodal Costs

Dispatching today incurs fixed monthly operational costs not suited for fluctuations in demand. This means that businesses end up paying more for intermodal operations even when demand is low. Operating costs also rise significantly owing to a high degree of manual dependency.

Driver Shortage

The U.S. is facing acute driver shortages. According to American Trucking Associations, the driver deficit swelled by more than 10,000 to 60,800 in 2018. The association estimates that 160,000 driver positions will go unfilled in a decade. The shortage is most acute for long-haul drivers, where the average age is 46, and workers are on the road for weeks at a time. The shortage of drivers results in immense capacity crunches and makes it harder to respond to demand spikes.



Did You Know?

- 7062 retail store closure announcements were made in the U.S. during the first half of 2019
- 33% of small fleet owners are yet to fully integrate Electronic Logging Devices
- 160,000 driver positions will go unfilled in a decade in the U.S.

FAREYE'S IMPACT

How FarEye is Improving Intermodal Transportation For Global Businesses

Did You Know?

84% Carriers report reduction in a driver's hours of service & logging violations owing to Electronic Logging Devices

\$4.19 Billion in sales were generated during Amazon Prime Day

15% Increase in fleet productivity can be achieved by FarEye's route optimization capabilities

✓ Seamless Mobility Experience

Most drivers in the U.S. own smart devices that are powered by data plans. The FarEye mobility application, both the Android and iOS versions, can be downloaded with zero costs. This significantly increases the chance of the app being downloaded and used by the drivers. The FarEye software can also be easily pushed to all users through a mobile device management (MDM) solution. Once the application onboards drivers or users, shippers, and intermodal providers can gain real-time access to a vehicle's status.

✓ Flexible Pricing

Usually, businesses are forced to invest in fixed monthly plans for dispatching deliveries. These plans are far from being cost-effective. Demand for intermodal providers can be highly seasonal. It does not make sense to pay the same price for using a solution when transactions are low. It directly impacts the bottom-line.

FarEye allows intermodal providers to pay for only what they use. With FarEye, customers can buy transactions in bulk. Once these bulk transactions get exhausted, they can buy more transactions based on their requirement. Once all the transactions are exhausted, businesses can replenish the same by buying more transactions in bulk based on their requirement.



✓ **Amazon- standard Delivery Experience at Low Costs**

Executing workflows through ELD systems is an expensive proposition for intermodal providers and ensuring an Amazon-standard delivery further increases costs. On the other hand, FarEye's workflows are transaction-based. With every transaction comes a feature-rich Amazon type of delivery experience. The cost of one transaction includes features like delivery updates, automatic arrivals, notification messages, real-time updates on delays, proof of delivery, digital signage, capturing alternative time of deliveries and locations and more. In short, intermodal providers can ensure customers an Amazon-standard last-mile delivery experience at highly efficient costs.

✓ **Workflow Automation**

A lot of companies today send jobs to be done over a phone call or email the night before delivery execution commences. It's difficult if not impossible to scale this process. Imagine calling and sending emails to hundreds of drivers. FarEye automates delivery workflows and keeps all the information ready for a driver's consumption well in advance. Once a driver logs into the FarEye application he can immediately act on the assigned tasks. Through intelligent integrations, all the delivery information, on a per driver basis, is quickly fed to a digital control tower for intermodal stakeholders to track, trace and control delivery operations.

✓ **Route Optimization**

FarEye's route optimization capability is powered by machine learning algorithms that analyze historical data to suggest the most efficient routes for delivery as opposed to the shortest ones—saving time, as well as fuel costs. By optimizing routes in real-time intermodal providers can improve fleet productivity by 15%.

✓ **Onboarding Drivers**

Non-asset-based logistics businesses lack visibility of available drivers. They tend to manually reach out to truckers to allocate loads without adequate assurance that the task will be taken up. It's also important for these businesses to provide adequate visibility of delivery progress to customers. Something that's lacking in the intermodal industry right now.

FarEye makes delivery operations extremely customer-centric by keeping them updated with real-time information on ETAs and delays. It empowers customers to change delivery time and location according to their convenience. These changes are instantly captured by FarEye's engine and workflows are updated accordingly. This makes business processes flexible and increases the ability to scale.

✓ **Real-time Tracking**

The average American driver spends over 16 minutes a day idling their vehicle. Not only does this cost intermodal providers extra fuel but it also slows down delivery schedules. FarEye overcomes this hurdle by giving delivery stakeholders real-time updates regarding your vehicle's position. A delivery manager can contact drivers directly and ensure they do not take any unnecessary breaks on the way.

First Choice for Last Mile

REQUEST A DEMO

About FarEye

FarEye's Intelligent Delivery platform turns deliveries into a competitive advantage. Retail, e-commerce and third-party logistics companies use FarEye's unique combination of orchestration, real-time visibility, and branded customer experiences to simplify complex last mile delivery logistics.

FarEye is helping 150+ customers in more than 30 countries improve their delivery happiness score and boost customer loyalty. To learn how FarEye can help you, sign up for a quick demo.

LEARN MORE:

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