

EXECUTIVE SUMMARY

Transportation and logistics companies sit at the intersection of increased technological capability and heightening imperative to innovate. They must optimize operations to stabilize costs while delivering on the rising expectations of their customers—who demand faster, cheaper delivery on behalf of their customers. As such, a sector that is traditionally slow to move when it comes to technology, and has enjoyed relative stability in the market, has been quick to latch on to technologies that will help them innovate at the pace today's business climate demands.

As the industry sprints to find new efficiencies and deliver valuable new services, transportation and logistics companies must cement a solid foundation for transactional processes—a foundation that serves as both a springboard and a cushion for process-based innovation. According to a recent survey by PWC, 20 percent of transportation and logistics CEOs want to strengthen their companies' digital and technology capabilities in order to capitalize on new opportunities. Executives are realizing that full visibility into key operations is crucial to success, whether to track utilization, shorten transportation journeys or to have a consolidated view of financials.

KEY DEFINITIONS

Freight Forwarder: Firm specializing in arranging the shipping of merchandise on behalf of its shippers. A freight forwarder does not actually move freight itself. The freight forwarder acts as an intermediary between a shipper and various transportation services such as ocean shipping on cargo ships, trucking, expedited shipping by air freight, and moving goods by rail. Forwarders are specialists that focus on the cost and logistics of transportation.

3rd Party Logistics (3PL): A firm that provides outsourced logistics services to client companies for part, or all of their supply chain management functions. Among the services 3PLs provide are transportation, warehousing, cross-docking, inventory management, packaging and freight forwarding. 3PLs provide a one stop shop for managing inventory and shipping customer orders, offering clients savings over managing the warehouse themselves.

KEY TRENDS AND CHALLENGES

FREIGHT FORWARDING

- **Global Expansion:** Freight forwarders often try to manage multi-currency, multi-language, foreign exchange rates and global subsidiaries.
- **Tight Margins:** Freight forwarders work to provide shippers the lowest price possible, but it's impossible to determine opportunities for better margins or more competitive pricing without visibility into business.

3PL

- **Added Operational Cost and Inefficiencies:** 3PLs who are trying to rapidly respond to market opportunities and competition end up spending even more time and money away from meeting the customer's needs when other costs are rising in the business.
- **Growth:** 3PLs may be gaining recognition amongst manufacturers and distributors who want to add warehouse capacity, but are running software that doesn't offer the flexibility or customization needed to scale quickly enough to meet the demand.

BOTH

- **Real-time Financial Visibility:** Many T&L companies struggle to gain insight into profitability by customer, product or service category and it's preventing them from optimizing their go-to-market strategy.
- **Identifying New Revenue/Margin Opportunities:** T&L companies need to build out new service offerings to cope with competitive pressures and market forces, but struggle to get them off the ground because the existing finance and accounting structure cannot account and bill for them.
- **Exchange of Information:** With multiple software applications to run the business (accounting, HR, fleet management, WMS, contract and freight rate management), T&L companies cannot communicate in real-time across the disparate applications.

INDUSTRY RESOURCES

TYPICAL REQUIREMENTS

FINANCIALS

- End-to-end visibility into receivables and payables.
- Real-time insights into budgeting, and expense allocations and amortization.
- Complete fixed asset lifecycle tracking and reporting from acquisition to depreciation to retirement.
- Flexible revenue analysis—by customer, service, route or product line.

ONEWORLD

- Multiple entity management and consolidation.

INTEGRATIONS

- Contract and Rate Management Integration (freight forwarding only)
- 3PL WMS Integration (3PL only)
- Fleet and Carrier Management Integration (3PL only)

OTHER

- CRM
- HCM

MORE INFO

- **Data Sheet:** [Freight Forwarding](#)
- **Data Sheet:** [3PL](#)
- **White Paper:** [Buyers Guide to ERP for Transportation & Logistics Companies](#)
- **Ebook:** [Drive Innovation: Realized Benefits of ERP for Transportation & Logistics Companies](#)

KEY MESSAGING

A unified, cloud-based platform creates the foundation for the type of innovation the transportation and logistics industry is on the precipice of leading. NetSuite has been adopted by decades old transportation and logistics companies to those born in the Internet age alike, to fuel digital transformation. Specifically, NetSuite's unmatched knowledge of accounting and financials helps us deliver a unique set of processes, activities and systems specifically designed to deliver value to transportation and logistics companies. We provide our customers with a strong framework around which to transform their business, using a pre-configured solution and phased pathway that enables faster and smarter success.

QUESTIONS TO ASK

- How are you currently billing/invoicing your customers?
- Can you currently handle multi-currency transactions?
- Are you planning to continue to add headcount?
- Do you have plans for international expansion?
- Are you adding any additional revenue streams?
- Projected revenue/Projected growth?
- How much time are you spending doing manual consolidations?
- Do you use any industry-specific solutions or homegrown applications?
- How/how often do you currently report? Do you have specific reporting requirements?
- How are you creating financial and operational transparency across the company?

TARGETS AND KEY BUSINESS GOALS

CIO and CTO

- Retire legacy systems and avoid multiple integration points.
- Infrastructure that supports growth and scalability.

CFO

- Efficient business processes.
- Approval workflow to reflect audit requirements.
- Real-time consolidation.
- Accelerate cashflow.

COO

- Complete 360-degree view of the client.
- Real-time reporting to increase client satisfaction.
- Unified platform to encourage collaboration.
- Integration with TMS or 3PL WMS.

VALUE STATEMENT

- Flexible platform to allow for new business models and new products.
- Global financial, tax & compliance functionality for international expansion.
- Real-time analytics to understand current and future state of business for quick decision-making.
- NetSuite helps implement strong auditable approval processes and improves performance with dashboards that provide clear visibility into process performance, bottlenecks and improvement opportunities.
- Ease of use and integrated capabilities across the business.
- Streamlined billing for more accurate and timely invoices.
- Reduced days to close.

CUSTOMERS