

Pedal to the metal:

A guide for small-midsize trucking operations to accelerate business

Trucking operations are the lifeblood that flows through America's network of roads. Case in point: if you see an item on a shelf, chances are it was transported on a truck at one point.

Despite being a massive industry that supports commerce in every other sector, most trucking operations are small businesses. According to the American Trucking Association, 91.5% of small trucking fleets in the U.S. operate six or fewer trucks. About 97.4% of fleets have 20 or fewer trucks. If you're one of these vital small companies and you're ready to accelerate your business, this guide offers key ways to level up your trucking operation.

Provide outstanding customer service

Customer service is an essential part of your trucking brand. Too many trucking operations think that if the cargo is delivered on time, then the job was done correctly. That's not enough to stay competitive today. If you want to grow your business, you'll need to go above and beyond for customer service.

One of the best ways to offer service is through real-time shipment tracking. For better or for worse, the industry has experienced "Amazonification" when it comes to real-time communications about location and delays. Customers are expecting the same visibility with commercial freight as they do with their personal orders online. This can become increasingly difficult if you are not leveraging technology and are getting manual updates from the driver over the phone. Offering real-time visibility and tracking for your cargo and automatically sending updates to customers is one of the best ways to offer transparency. This is great customer service, and as a bonus for you, it will cut down on calls from frustrated customers asking when their delivery will arrive.



"In the world of freight, anything and everything can happen. You can't control the weather. You don't have control if the shipper is running late or if the driver calls out sick or whether there's traffic. The one thing you can control is your customer service. If you can provide a good customer service experience even when things aren't going right, that's the key to a successful trucking business."

Michal Yariv VP & GM of Omnitracs

Use smarter tools to improve your fleet utilization

Level up your trucking operation by maximizing the fleet you already have. Before spending money buying another truck, build your business by getting the most out of the trucks you already have. Improving fleet utilization is one of the most effective ways to move more freight, finish more contracts, and save money without making large restructures to your company.

One of today's top utilization challenges is having drivers available for your trucks. Many carriers are reporting that their trucks are sitting idle because they have no one to drive them. If you know what kind of freight you'll be working with or if you're working with repeat business, you can leverage tools to incorporate the route into your driver planning easily. This can give drivers more visibility and predictability into their schedule, helping to retain top drivers.

In addition to creating recurring routes, you can maximize fleet utilization by using tools to move freight more effectively. Use smarter tools, such as a TMS, to uncover potential backhauls and optimize backhaul efficiency. The trucking industry hauled 72.2% of all freight transported in the U.S. in 2021, so there's huge potential in making that transportation more efficient. Fully utilizing your fleet means finding and adding additional pickup stops where possible and making load planning more efficient—both of which require real-time updates.



Fast facts about TMS utilization

- About 35% of businesses use a TMS platform for managing their transportation network
- Canada is projected to be the fastest growing sector in the TMS market
- The COVID-19 pandemic grew the transportation management system market by 3-4% in 2020 as companies had to make their supply chains more efficient



Shift with the economy by networking

The saying about networking applies heavily to the trucking industry: It's not what you know, it's who you know.

As the economy shifts, you need to be nimble, too. Some days may have more freight than you can handle; other times, you may find yourself slow on business and looking to transport goods for someone else. Either way, you'll need to rely on your connections. The best way to be flexible with the economy is to have good relationships with a solid network. The Trucker highlighted how networking for some truckers includes <u>building</u> relationships with truck maintenance and equipment control companies.

Another way to network is to use load boards to find capacity or freight when you need it. However, some load boards are low-quality and are filled with requests that aren't worth your time. In some cases, you might consider joining a freight alliance. This is where carriers work together in private partnerships. Rather than taking a gamble on a stranger from a load board, you and another carrier can work together. If one of you is light on business, the other may need help moving extra cargo. Relationships are key to making your business more competitive. Having an "in" with someone in your network can help you skip the bidding process for freight and cut down on competition for loads. For tips on using load boards and choosing trustworthy business partners, visit our blog on how Solera can help you grow your fleet.



"Sylectus provides steady freight for our expedited trucks where and when we need it. We have formed many high-quality relationships with brokers and carriers on the platform. I can't imagine this industry without Sylectus."

Brian Pearlman
Fast Service LLC



Grew fleet size from 6 trucks to 70+ with Sylectus

Submit invoices quickly to get paid faster

Making sure you get paid and are paying your drivers is vital in tight labor markets. One key way to help your business thrive is to submit invoices quickly, which will usually result in you getting paid faster.

Missing documentation is one of the top reasons payments don't happen on time. Having prompt invoicing systems helps you complete your financial checklist, lessening the chance of your driver losing paperwork and you having to chase down Proof of Delivery in order to invoice your customer. Many forms of payment software also come with payment and invoicing features to help with this process. Automated quotes, electronic data interchange (EDI) communication capabilities, and other attributes help to ensure financial transparency with customers throughout the entire relationship. Getting paid on time also means you can pay your drivers on time, which prevents driver turnover.

Prompt billing can even be considered customer service. In fact, 35% of **businesses** say their biggest challenge inhibiting collections is difficulty communicating with customers. Sending clear invoices quickly shows that you're professional and organized. If the invoice is branded with your logo, that's even better. The faster and simpler the payment transaction can be, the better experience the customer will have.

As you level up your business this way, you can filter your own network by this metric. Watch who pays you on time. This helps you decide who to do business with; if you have a bad experience and get paid late, you don't have to carry for that company again. Focus your time on growing the business instead of spending time resubmitting lost invoices or pestering others for payment.



Find a TMS that fits you, rather than fitting into a TMS

A TMS is a must if you want to streamline your trucking operation. Making phone calls and manually entering information in a spreadsheet takes too much time and doesn't communicate quickly enough with other stakeholders for you to run your business effectively. In fact, having a robust TMS is a key feature that **can attract more sophisticated** customers - and even attract more drivers to your business.

A TMS can help with many of the above-mentioned strategies to grow your business, such as automating scheduling and tracking cargo in real time. Many TMSs can also integrate with other kinds of tech. Load boards, EDI or API communications, fuel cards, and ELDs can all plug into your TMS to make sure you have a holistic, end-to-end view of your operations for more supply chain visibility.

As you look for a TMS, keep an eye out for features that will handle the nuances of your specific trucking operation needs. Make sure that the TMS options you are reviewing are compatible with your existing platforms. You should be fitting technology to your business, not squeezing your business into the way a technology provider thinks you should be running your business. We suggest using an existing, robust technology rather than having one built for you from the ground up. Custom-made TMS software is expensive and time-consuming to create and is often not much better than off-the-shelf solutions.

If you've outgrown spreadsheets and are ready to accelerate your capabilities, check out the Sylectus Alliance Pro fleet solution.

Next stop: Business growth

Small- and medium-size trucking fleets make up the vast majority of the trucking industry, so even small changes can make a big difference for your business. The tips in this guide are meant to help you think strategically about how you can grow your company and stand out in the industry without having to completely overhaul the way you run your company. Whether you're interested in improving your customer service approach or eager to implement a TMS, there are a lot of ways to accelerate your small- to midsize-trucking operation. Ditch the spreadsheets and start taking your share of the trucking industry's \$732.3 billion in revenue.

How you know you're ready to move from spreadsheets to a TMS



You've missed more than one backhaul opportunity in the last month



Spreadsheets are taking too much time to fill out and are detracting from bigger strategic planning



You're busy all the time, but your business isn't growing the way you'd like it to



There are too many software tools for you to keep track of, and you're struggling to figure out how your shipping platform integrates with other software



Many of your tasks are repetitive, such as scheduling, mapping out routes, and handling customer service calls





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