



CLIENT SUCCESS

Global Omni-Channel Retailer Realizes 18% Savings, Improves E-Commerce Service Across 27 Business Units

Business Challenge

This global, omni-channel retailer generated more than \$40 billion in annual revenue with transportation spend of \$108 million. As one of the largest retailers in the world, it employed a workforce of more than 180,000.

The large, growing retailer was looking for ways to drive out operational costs in order to reinvest in its core business.

To improve working capital and its overall transportation network, the retailer planned to re-evaluate shipping programs for its 27 separate business units worldwide. Due to its domestic and international shipping profile, its current processes were very complex and needed the analysis of an experienced logistics partner.

The retailer engaged with a global consulting firm to outsource its supply chain needs. The consulting firm leveraged Transportation Insight's team of parcel logistics experts, known across North America for its best-in-class parcel engineering services.



Solution

With decades of parcel industry experience on staff, the Transportation Insight team leveraged proprietary parcel software with logistics modeling tools to analyze more than 130 unique variables within data collected from the client's 27 business units. In-depth analysis revealed multiple program improvement opportunities.

- Based on the retailer's shipping characteristics and transportation needs, Transportation Insight helped optimize competitive agreements, effectively aligning its operations network without interrupting the complex day-to-day business activity.
- With global expansion identified as a priority, Transportation Insight helped the client tune its international transportation plan to utilize each foreign market's most efficient modes.
- Understanding the client's desire for continued growth in omni-channel operations, Transportation Insight's shipping experts helped the client directly align its small package program with short- and long-term business goals.
- By implementing Transportation Insight's recommendations, the retailer increased productivity, reduced cost and ensured it had the most competitive parcel and less-than-truckload (LTL) shipping program.
 - Transportation Insight formulated a strategy to help the retailer utilize its internal driver network for line-haul inventory distribution in concert with national parcel carriers' networks for localized deliveries to end customers.
- To improve customer service for online orders, Transportation Insight helped the retailer leverage its brick-and-mortar presence as e-commerce fulfillment centers for seamless in-store pick-up.

Through client collaboration, the Transportation Insight parcel experts delivered solutions that yielded substantial savings, increased speed to market and improved the customer delivery experience.

"We are extremely pleased with the help Transportation Insight has provided and the savings we realized from the partnership."

Freight Manager, Global Retailer

 **Insight Parcel**[™]

Results

The retailer's 27 optimized shipping programs enabled it to reduce its transportation budget by 18%, equivalent to approximately \$10 million in just six months' time. With better alignment to the carrier network to support the specific shipping needs, the retailer is now confident it is achieving the best shipping cost possible and can move forward in meeting its strategic business goals with additional working capital for investments.

