SONAR USE CASE

How enterprise shippers use SONAR

SUMMARY   Modern freight management can be a siloed process with those involved waiting for the next event. At the same time, demand for visibility grows. However, it's not visibility itself that makes a difference – it's what is done with it. In transportation management, shippers can apply FreightWaves SONAR data to realize increased efficiencies across departments and through typical freight cycles. Using SONAR increases operational awareness and creates a more decisive competitive advantage from initial bidding processes through performance measurement, as well as executive-level insights and QBR procedures.

SONAR enables freight forecasting that streamlines RFP season processes—creating more lucrative business opportunities

Across the spectrum of SONAR functionalities, shippers can hasten decisions in anticipation of and in looking back at bidding processes. Critical features of SONAR that are valuable to help manage bidding processes include:

• Lane Scorecard provides snapshot views for RFP strategy.

• Increased access enables insights into lane attractiveness and value.
• Improved understanding of the diversity of carriers and 3PLs across lanes.

Take this example of a typical Lane Scorecard:

This application was built specifically for pricing and management teams to identify forward-looking insights based on longer-term pricing and capacity commitments. How? Consider these critical opportunities to use Lane Scorecard as a shipper:

• Seamless integration with your TMS or other platforms to pull Lane Scorecard data directly into your platform.
• Customizable forecast timeframes to prepare annual RFPs, consider mini-bids and review current dedicated services' contracts, if applicable.
• Immediate access into the rate of directional forecasts and lane attractiveness.

- Analysis of origin and destination market fluctuations.
- Value as a study tool to identify high benefit transportation strategies, reallocation of inventory to maximize the use of most profitable lanes, and more.

- Treemap functions that can help shippers understand markets and plan accordingly, securing the most competitive rates during annual and mini-bidding processes.

Origin Markets | **Destination Markets** ✕ | chart 1 | chart 1

% Change time period **As of Last Value** ⌄

	MIA ⌄	MSY ⌄	OKC ⌄	PDT ⌄	SEA ⌄	ALB ⌄	AUG ⌄
VHAUL ⌄	0.6% -53.25	5.8% -18.60	4.3% -39.43	-1.8% -30.06	2.4% -14.48	9.7% -27.87	-0.3% 14.58
VOTLT ⌄	-0.2% 2.265	-2.7% 2.370	3.2% 2.321	7.1% 3.154	-2.1% 2.101	-0.3% 2.142	12.4% 3.009
VOTRI ⌄	3.8% 18.40	0.4% 38.90	4.9% 24.83	22.4% 9.67	-9% 12.61	7.2% 28.17	1.1% 51.80
VOTVI ⌄	-0.4% 84.57	-1.9% 75.52	-7.2% 55.35	4.5% 32.02	1.9% 138.50	4% 57.59	-0.3% 54.03

Origin Markets | **Destination Markets** ✕ | chart 1 | chart 1

% Change time period **Weekly** ⌄

	MIA ⌄	MSY ⌄	OKC ⌄	PDT ⌄	SEA ⌄	ALB ⌄	AUG ⌄
VHAUL ⌄	4.8% -53.25	29.6% -18.60	-21.9% -39.43	-50.2% -30.06	-18.2% -14.48	15.3% -27.87	54.7% 14.58
VOTLT ⌄	-1.2% 2.265	-13.1% 2.370	-3.5% 2.321	4.7% 3.154	-14% 2.101	-3.1% 2.142	13.5% 3.009
VOTRI ⌄	6.5% 18.40	-1.6% 38.90	-13.8% 24.83	-11.2% 9.67	-6.1% 12.61	26.2% 28.17	7.9% 51.80
VOTVI ⌄	22.3% 84.57	20.1% 75.52	4.3% 55.35	5.7% 32.02	26.6% 138.50	24.8% 57.59	26.6% 54.03

Advanced market insights enable disruption management and responsiveness—achieving self-optimization and future-proofing operations

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Transportation managers and frontline operations supervisors apply SONAR functions to reduce the risk of disruptions and to better overcome obstacles when they arise. Shippers can immediately assess lane conditions at the origin and destination and where your company is likely to see a higher total landed cost. They can tender shipments at rates more likely to be accepted by available carriers and 3PLs. This leads to a higher understanding of rate directional movements week-over-week, month-over-month and year-over-year, leveraging appropriate headhaul and backhaul opportunities to lower freight spend. Of course, other core advantages in using SONAR exist in surviving disruptions, including:

• Automated alerts keep team members apprised of market conditions affecting DC activities.

• Lane Signals continuously show who carries the hammer in all transactions.
• Indices and custom charts/tables enable granular and holistic market views to understand current conditions.
• Predictive rate modeling allows shippers to see trends, whether positive or negative.
• Analytical views of modes and data provide more value to enable higher profitability and reduce tender rejections.

Consider this chart. It shows the rejections rate compared to volumes. And while viewed in comparison to the Outbound Tender Rejection Index's next image, another trend becomes evident – capacity should rebound, and rejections should drop.

Shippers may further use SONAR to increase ocean operations visibility and planning. The Ocean Shipments Report, shown below, includes complete insight into the year-over-year volumes for the top 10 countries or a single port.

Core functions within the Ocean Shipments Report offer these insights to build a competitive advantage and allow companies to consider how ocean freight activity trickles down into transportation modes. For instance, shippers may use the Ocean Shipments Report in these ways:

- Ocean freight managers involved in procurement can view forecasted freight rates for the next week, consider the TEU volume index, and see how that compares to past years.
- Increased ability to plan demand on ports, based on a block-like graphic, by the carrier, avoid overbookings, and reduce chances of having cargo rolled.
- Plan on TEU volume changes and how these changes have compared to past periods, allowing better coordination with manufacturers.
- Avoid rolled cargo by looking to areas with lower rates and less risk of overbookings.
- View data from any trading country, U.S. port, or carrier to access less strenuous or open carrier lines, improve management of lead times, and therefore, ensure inventory availability.
- Ocean shipments insights help shippers prepare for the impact of ocean freight peaks and lulls.

Shippers can apply detailed analyses to expand upon internal reporting and prove value—achieving real self-management

A cornerstone of any technology use case relies on how well the system lived up to expectations. Did the system add value, and if so, what did it do to reduce the total workload of front-line staff? Is it invaluable, or has it become another unneeded resource within the supply chain tech stack? Fortunately, SONAR can help shippers achieve these goals through:

- Predictive rates are a fool-proof way to collect and look back at whether the team handled projected changes properly.
- Advanced market reports – including charts, tables, Lane Signal, Lane Scorecard, Lane Manager, treemaps and custom pages – provide immeasurable internal reporting insights.
- Mission Control helps shippers view global freight conditions immediately – core considerations during peak season and seasonal disruption risks.
- Turnkey ability to speed decision-making and freight tender submission.
- Compare data against available load boards to improve load matching opportunities.
- Highly customizable dashboards provide snapshots into various freight aspects – City Outbound Tender Volume Index, Short Outbound Tender Volume Index and other headhaul indices, shown below:
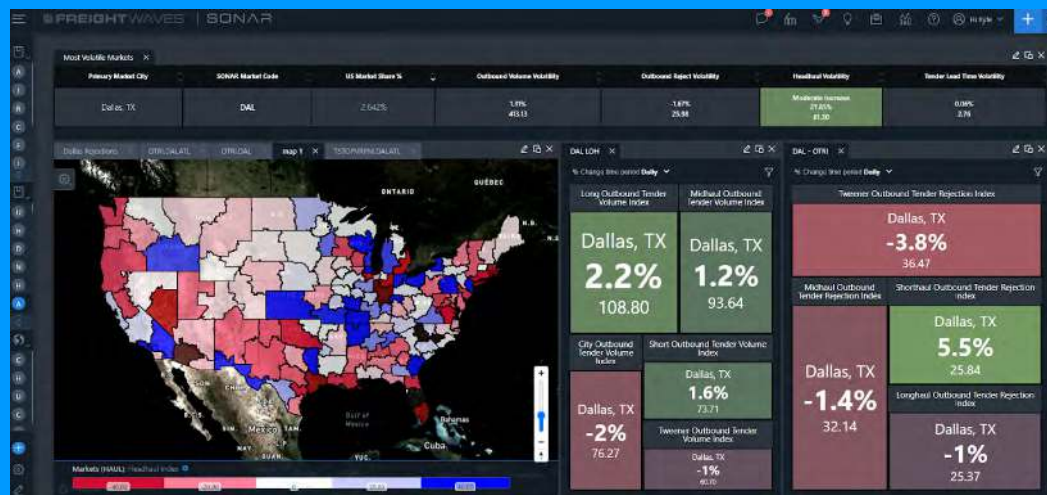
In-depth views of market conditions within FreightWaves Passport to connect and learn from the collective value of FreightWaves super-users—preparing for the next cycle

Deriving value from visibility platforms has never focused solely on connections; anything can connect. However, understanding those connections and their implications for future freight operations are critical to assessing company performance at the end of the fiscal year or during QBR reports. Simultaneously, the need to learn from others and leverage a freight forecasting engine to its fullest potential continues to dominate the market. FreightWaves Passport makes that possible by highlighting:

• Recurring reports help shippers stay apprised of market conditions and trends that might go otherwise unnoticed.
• General market updates are useful to compare current value and business to competitors.
• In-depth insights within Passport help shippers become SONAR super-users.

For example, SONAR users gain access to the full FreightWaves library of resources, including mode-specific deep dives, industry-leading white papers, economic insights and pre-built reports. However, there will be times when existing reports do not quite measure up. In such instances, shippers can request custom reports. From the Passport library, shippers can improve decision-making and access reports that guide leadership meetings, QBRs, corrective action proposals, new bidding processes, etc.

SONAR creates a data-driven, cyclical and empowered freight management process that continuously grows

Once the QBR and annual reporting are over, the process returns to Phase 1. Shipper super-users understand freight management's cyclical nature. And the ability to transform insights and information gained through one cycle – from bidding through final review – forms a strong foundation for future bidding processes and more.

To learn more, get a demo of SONAR at **sonar.freightwaves.com**.

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