



A Practical Framework for

Leveraging Freight Market Intelligence

Freight analytics is taking over the transportation and logistics sector – and for good reason.

\$72 Billion

freight analytics expected global market valuation by 2031

With an **expected global market valuation** of \$72.4 billion by 2031, freight analytics is a proven tool that enables shippers to make informed operating decisions, reduce unnecessary costs, and rise above industry competitors. When navigating an exceedingly volatile market, real-time visibility into rapid rate fluctuations is worth its weight in gold.

However, as organizations begin implementing analytics into their operations, it's important for transportation and logistics leaders to understand how to leverage freight analytics within key processes to ensure successful adoption and application. One way to think about it is through a 3-tier analysis framework: structural, strategic, and tactical analysis. This framework can help shippers employ critical rate and logistics performance analytics at specific levels in order to maximize effectiveness.



1. Structural Analytics

The structural level is the most holistic part of a freight analytics framework. At this level, shippers should be conducting an overarching analysis of their entire operation viewable through a single pane of glass, in turn enabling them to optimize rates based on factors such as customer geographic concentrations, supply sources, and other aspects the company controls throughout its end-to-end distribution network.

When thinking at this structural level, freight analytics factor into a much broader picture, one that is often managed by what is referred to as the **supply chain control tower**.

This means acquiring a variety of directional data inputs to better analyze rates, lanes, and scenarios at scale to craft an efficient and effective high level strategy for the more granular analytics tiers.

Keep in mind that the areas assessed at the structural level are not easy to change given the significant scope. For example, it is cost- and time-intensive to adjust warehouse locations. Plus, companies typically only reassess their overarching flow every five to ten years or when a major event occurs, like an acquisition or merger.



2. Strategic Analytics

The strategic level is the middle tier of a freight analytics framework. Here, shippers determine their plan for building and executing on the overarching structure outlined at the highest level. This includes planning, coordinating contracts with carriers, and making decisions such as determining the most cost-effective methods and modes of distribution.

Creating a strategic plan requires **performance analytics** to compare rates and network performance across projects, lanes, and carriers in order to determine what is working and find opportunities for improvement.

With performance analytics, shippers can analyze their entire network's performance to gain a macro-level view of volumes and capacity trends, allowing them to develop the best possible strategic plan.

Planning at the strategic level is a bit more flexible, and generally occurs annually so shippers can assess contracts and run RFPs for the year ahead.



3. Tactical Analytics

The tactical level encompasses the various intricacies of navigating everyday shipping operations such as delivery lead times, inventory volumes, and just-in-time demand forecasts. Establishing real-time visibility into these metrics is critical. Using holistic **benchmarking analytics** to understand their place relative to the market, shippers have the insight they need to boost revenue and enhance operational efficiency.

Since the tactical level consists of such precise details, this aspect of the freight analytics flow must be regularly assessed, considering each shipment may require different components for execution.



4. How to Ensure a Strong Freight Analytics Framework

Whether you're new to integrating freight analytics or aiming to elevate your existing framework to the next level, one crucial key to successful adoption and usage is a strong baseline of clean and organized data.

Before you get too far down the road, assess your organization's data maturity and hygiene to determine what data and sources exist, and where you might have gaps or areas for improvement that can be solved internally or in partnership with a data intelligence partner.

Once this information is gathered and well-defined processes are in place, you can effectively leverage freight analytics to inform operations at a structural, strategic, and tactical level to ensure best-in-class transportation and logistics operations.



Contact Us

To learn more about implementing your analytics framework so you can plan, execute, and optimize with confidence, visit [DAT](#) to connect with one of our experts.