

# The Shipper iQ

Using analytics  
to engage the  
C-suite

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# Leveraging freight market intelligence to engage the C-suite

Supply chains finally have the C-suite's full and undivided attention. Amid inflationary pressures and rising supply chain complexity, shipping leaders can utilize freight analytics to contextualize their operational challenges and inform internal stakeholders of the risks and costs associated with their transportation network ecosystem.

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**Mentions of 'supply chain' during U.S. Fortune 500 earnings calls have increased 70% over the past 5 years.**

[FactSet](#)

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**On average, major supply chain disruptions lasting at least one month or longer occur every 3.7 years.**

[McKinsey](#)

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## A heightened awareness at the top

Now more than ever, supply chain performance is under the C-suite's microscope. The business impact of trading disruptions and operational downtime at the height of COVID-19 forced executive leadership teams to embrace the importance of maintaining an agile end-to-end supply chain. EY research, for example, found that [60% of C-suite executives](#) say their supply chain's strategic importance has increased since 2020.

Hindsight is 20/20. The pandemic taught shipping organizations that supply chain resilience is non-negotiable. Now, amid the inflationary pressures of our current economic environment, supply chain performance is anything but an afterthought.

E-commerce proliferation coupled with the rise of digitalization has amplified the supply chain into a top value driver. The operational benefits of integrating emerging technologies like artificial intelligence, machine learning, IoT, blockchain, and prescriptive analytics within key supply chain functions are too impactful to overlook:

- **Synchronized fulfillment and returns** help preserve brand loyalty, a critical undertaking considering [43% of customers](#) have cancelled a contract due to poor service.

- **Maintaining consistent on-time deliveries** is table stakes for shippers looking to improve customer experiences. In fact, businesses with more satisfied customers often see [increases in overall sales revenue](#) profitability (7% and 2%, respectively).

- **Flexible, just-in-time delivery capabilities**, can help minimize out-of-stocks caused by rapid demand swings. During the pandemic, out-of-stocks associated with consumer panic-buying [accounted for nearly \\$3 billion in lost sales](#) across 10 CPG categories.

- **Real-time, end-to-end visibility into supply chains empowers** shippers to adapt to unexpected disruptions and hand-off delays caused by severe weather events (which [cost transportation companies \\$3.5 billion](#) annually).

Though more organizations now understand the value of undertaking digitalizing supply chains, commitments to bolstering supply chain expertise inside the C-suite are still behind the curve.

A 2022 Indago survey found that [nearly 40% of enterprises](#) have no supply chain representative serving at the executive level. Furthermore, Accenture's *Drive Your Own Disruption: Is Your Supply Chain in Sleep Mode?* report found that

most supply chain executives view supply chains as a [primarily supportive feature of the business](#) (68%) rather than a competitive differentiator (48%) or growth enabler (53%).

The findings are a microcosm of an overarching challenge faced by shippers across sectors. Although supply chain performance is top of mind for the C-suite more than ever, there's still a lack of actual expertise in the room. In turn, shipping teams must be positioned to engage the C-suite with contextual insights relative to operational risk, cost allocation, and rate volatility on a continuous basis.

Arming internal stakeholders with the right information at the right times is critical for effective value stream mapping that links the supply chain to scalable business growth. This is where the applied adoption of freight market intelligence is worth its weight in gold. It simplifies the task of keeping up with the ever-evolving freight marketplace, cutting through the noise by fusing historical and real-time data to generate actionable insights that help shape strategic portfolios.

Regardless of company size or sector, freight market intelligence is an invaluable asset for shippers looking to create executive reports that effectively inform the C-suite about the intricacies of their supply chain.

## **Implementing proactive risk mitigation strategies**

The pandemic heightened the importance of having a well-defined supply chain risk management (SCRM) framework in place. McKinsey research estimates that significant supply chain disruptions now [occur every 3.7 years on average](#), adding more urgency around supply chain risk for CEOs, boards of directors, and investors. Whether it's a big-box retailer or a raw materials supplier, it's clear executive leadership views mitigating supply chain risk as a mandate.

It's important to remember, though, that mitigating supply chain risk isn't just about being well positioned to navigate the next global health crisis or Category 5 hurricane. It's also about everyday challenges and chronic waste and inefficiency within the network.

Risk permeates every layer of transportation networks, from underperforming carriers and shifting capacity to unexpected spot market exposure and beyond. Operating proactively empowers leaders to identify and address these risks during the transportation [network design and implementation phases](#).

By integrating freight market intelligence tools at scale, shippers can leverage benchmark analytics and AI-enabled forecasting to perform dynamic risk analysis for executive reports that

help uncover anomalies related to spot and contract rate fluctuations and year-over-year (YoY) network inflation levels. These insights foster clarity and confidence and support robust rate performance assessments aligned to the organization's risk profile.

With data-backed insights as a guide, shippers can generate recommended response actions that prioritize business-critical functions. These tailored insights help executives mitigate hotspots before they cause irremediable damage.

## **Justifying costs with data**

Navigating shipping procurement and budgeting has always been a process based in precision and meticulous preparation. However, current socioeconomic pressures are further narrowing the margin for error when it comes to controlling costs.

With budgets tightening and more uncertainty on the horizon, anecdotal reasoning isn't enough to move the needle for internal stakeholders who aren't ingrained in the day-to-day happenings of the transportation and logistics market. Considering there are millions of dollars on the line in every transaction, shippers need quantitative proof to justify procurement decisions, budget requests, and logistics costs with financially minded executives.

Let data do the storytelling. By incorporating benchmark analytics into executive reporting, shippers can deliver transparent insights on how their freight network is performing in comparison to the broader market — segmenting their analysis and reporting by fleet, region, duration, business case, and more.

Leveraging high-level and granular network performance assessments provides the right level of detail and context for different audiences, paving a clear path for procurement strategies that use predictive forecasting to align with emerging trends and seasonal shifts.

Freight market intelligence also serves as a reliable barometer for generating well-defined ROI assessments on targeted freight spend. Shippers can leverage market data to benchmark an incumbent carrier's rates relative to current market rates and contextualize its cost performance by adding service levels, contracts, and tender rejections into the equation.

Having comprehensive visibility into YoY savings relative to specific partnerships helps build trust between leadership and procurement teams by proving the team is doing its part to cut spending and lower contract rates. Compounded at scale, it increases the chance that finance and leadership will approve future budget requests.

# Hitting the accelerator

The C-suite's interest in supply chain resilience will only grow as market volatility persists. Now's the time for shippers to arm themselves with resources that amplify their executive reports to new heights.

DAT iQ's full suite of freight market intelligence empowers shippers with unrivaled insight into rates, capacity, performance, and more.

Comparing your network against hundreds of leading North American shippers with more than \$35 billion in annual spend, our products generate a 360-degree view of the freight marketplace via intuitive dashboards that take the uncertainty out of transportation.

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**today to learn more about using dynamic freight market data to foster clarity and confidence in organizational leaders.**

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