

CUSTOMER SERVICE: A LONG TERM STRATEGY FOR FUTURE SUPPLY CHAINS

WE LOVE TO PUT ORDER IN YOUR CHAOS.

Morai Logistics Inc. is a 3rd party logistics provider with an operating agency agreement representing Mode Transportation. We are a powerhouse logistics team based in the Greater Toronto Area and do business throughout North America, including Mexico. Our team is dedicated to our terrific clients and we strive to take the chaos out of your supply chain. We are always on the lookout to do exceptional work with remarkable people and companies!



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AS THE INTEGRATION OF TECHNOLOGY CHANGES THE SUPPLY CHAIN ECOSYSTEM, THIRD PARTY LOGISTICS (3PL) PROVIDERS ARE URGED TO MAINTAIN A HIGH LEVEL OF CUSTOMER SERVICE.

The digitization of any industry impacts the direct interactions customers have with businesses. Ecommerce platforms provide consumers with the ability to make on the spot transactions, and this results in increased expectations.

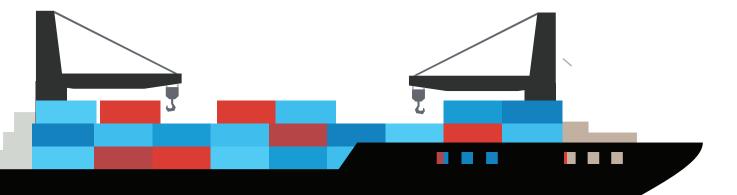
What does this translate into? Unpredictable demand on supply chains.

There are a variety of challenges that supply chains will have to face over the next three to five years due to this constant change in demand. While many speculate that price is a major determinant of customer conversion, research has found that customer experience is a vital component.

SHIPPERS PRIORITIZE CUSTOMER EXPERIENCE

"3PLS PROVIDE SOLUTIONS THAT FACILITATE FLEXIBILITY AND SCALABILITY TO BUSINESSES LOOKING TO CREATE EFFICIENT AND SPECIALIZED PROCESSES FOR THEIR CUSTOMERS." – MORAI LOGISTICS

As an outsourced partner, our networks, infrastructure and commitment to investing in innovative technology and cost-effective solutions ultimately improves our shipper's bottom line. However, as ecommerce removes barriers with global markets, demand can significantly effect 3PLs ability to deliver quality service.



Inbound Logistics Readers' Choice Top 10 3PL Excellence survey included the responses from 13,000 participants. They found that:

- 75% OF RESPONDENTS RATED 'SERVICE AS MORE IMPORTANT THAN PRICE'.
- 45% RATED 'POOR CUSTOMER SERVICES AS THE REASON 3PL PARTNERSHIPS FAIL'.

Good customer service has been at the forefront of business operations for many years. American cloud computing pioneer, Salesforce, shared that almost 80% of customers reported that they stopped a transaction based on 'sub-par customer service'.

As the consumer, shippers entrust the safe, efficient and affordable handling of goods to 3PL providers. Research also confirms that when it comes to business-to-consumer ecommerce markets, outsourcing a third party logistics provider is effective for large companies.

FACTORS AFFECTING THE CUSTOMER EXPERIENCE

There are a variety of factors that can impact customer satisfaction in any market. However, when it comes to supply chains, experts have defined what differentiates exceptional customer experience from basic. According to leading B2B research provider, Ziff Davis:

'CONNECTED INTERNAL SUPPLY CHAINS'

Have a basic level of technology integrated into their systems, which hinders visibility for their customers. In addition, traditional forms of data entry is still present in this type of supply chain, which translates into inefficiencies in distribution and ultimately, production.

'RESPONSIVE SUPPLY CHAINS'

Is an exceptional customer service model that leverages technology to improve process efficiencies. This integration provides customers with real-time visibility and become an industry expert in storage and distribution efficiencies. They also use 'data-driven decision making' to help save their customers money while also improving their bottom line.

The following two concepts provide a good job at identifying the core factors that characterize a supply chain with quality customer service. Let's take a more detailed look into the top three that we believe 3PLs should include in their business model.

[1] REAL-TIME VISIBILITY

Customers are placing high importance on real-time visibility and their need to be involved in the shipment lifecycle impacts their decisions. Oracle indicates that an 'agile demand-driven supply chain' that leverages cloud-based solutions is an efficient model to deliver this. This is an example of how the integration of technology is a key contributor to improving process inefficiencies and the overall distribution flow.

[2] EFFICIENT DELIVERY TIME

Morai Logistics discussed how ecommerce sites are looking to improve their product availability and shipment options. For instance, consumers between the ages 18 to 44 years, have an increased level of online activity, with 50% of those under 35 purchasing at least once a month. This high level of online purchasing requires efficient delivery options, which includes order arrivals that are on-time.

[3] OMNI-CHANNEL OPPORTUNITIES

With '90% of Fortune 500 Companies' seeking assistance from 'one or more' 3PLs, the competition remains relatively high within the industry. Morai Logistics incorporates Omni-channel solutions to provide customers with optimizes solutions and shipment options that include 'all distribution initiatives'. In conjunction with intermodal transportation, 3PLS can also offer lower freight rates, reduction in handling cost and contributes to the environment as an eco-friendly alternative.

[4] KNOWLEDGEABLE COMMUNICATIONS

In relation to real-time visibility, communication is very important when it comes to delivering exceptional customer service. From notifying your customers on the status of their deliveries to being able to foresee unpredictable circumstances, the ability to translate knowledge is key. 3PLs should be proactive, rather than reactive, when navigating through turbulence.

KEY TAKE AWAYS

3PL providers continue to be an effective choice for large North American companies.

The customer experience should be a key driver to help 3PLs build long-lasting partnerships with shippers.

'Responsive Supply Chains' that leverage technology to provide their customers with on-time delivery, improved transparency and cost-effective solutions, reflects an exceptional model.

The three core factors that should be considered when creating a customer-centric strategy includes:

- REAL-TIME VISIBILITY
- EFFICIENT DELIVERY TIMES
- OMNI-CHANNEL OPPORTUNITIES
- KNOWLEDGEABLE COMMUNICATIONS

THANK YOU!

Logistics is painstaking to those who don't live and breathe it. Not only do Third-Party Logistics providers (3PLs) like us take the chaos out of your supply chain, 75% of shippers agree that use of 3PLs contributed to better customer service. Get started by accessing our Spot Rate form for a free quote today.

GET FREE QUOTE

