

CASE STUDY

Pharma Power-Up: How One Company Reduced Freight Costs and Reclaimed Focus with Transporeon





A pharma giant teamed up with Transporeon to conquer wild market swings and messy data, turning freight procurement from a pain point into a strategic advantage.

This leading pharmaceutical company, a crucial contributor to global healthcare, faced growing challenges in its European Road Freight (LTL/FTL), Ocean Freight (FCL), and Air Freight operations. The complex and volatile logistics procurement landscape increasingly threatened their mission to deliver life-saving products worldwide. They needed a strategic partner to streamline these complexities, allowing them to refocus on their core business: pharmaceutical innovation and distribution.





The Challenges

- » **LIMITED INTERNAL RESOURCES:** The company's logistics procurement department faced resource constraints, struggling to keep pace with the demanding and time-consuming nature of strategic tender activities across multiple transport modes.
- » **VOLATILE MARKET CONDITIONS:** They grappled with highly challenging and unpredictable market conditions across all transport modes, leading to fluctuating rates and difficulty in securing reliable capacity.
- » **DIVERSE BUSINESS UNIT REQUIREMENTS:** Different business units within the company had highly varied and specific transportation requirements, making it difficult to standardize procurement processes and achieve economies of scale.
- » **LACK OF CENTRALIZED DATA:** There was no single source of truth for their vast shipment data, leading to fragmented insights and hindering effective decision-making for strategic logistics planning.
- » **URGENT NEED FOR A BPO PARTNER:** Recognizing these internal and external pressures, the company identified a critical need for a trusted Business Process Outsourcing partner to manage their complex freight procurement strategically.



TRANSPOREON STEPPED IN as the pharmaceutical company's dedicated BPO partner, implementing a comprehensive strategy that allowed the client to refocus on their primary objectives.

The Solution

- » **END-TO-END PROCUREMENT MANAGEMENT:** Transporeon took charge of managing the entire transport procurement process, from initial market analysis to final contract negotiation, ensuring efficiency and expertise at every stage.
- » **TENDER PROCESS OPTIMIZATION:** Our experts meticulously reviewed and redesigned the existing tender setup, streamlining workflows and introducing best-practices to enhance competitive bidding and carrier selection.
- » **TAILORED ANALYTICS AND REPORTING:** We developed sophisticated analyses and reports, specifically optimized for both operational and strategic stakeholders, providing clear, actionable insights into freight performance and market trends.
- » **DYNAMIC FUEL FLOATER MECHANISMS:** Transporeon created and implemented robust fuel floater mechanisms for Ocean, Air, and Road freight, protecting the client from sudden spikes in fuel costs and adding predictability to their budget.
- » **CONTINUOUS MARKET INTELLIGENCE:** Regular market updates and benchmarks were provided, keeping the pharmaceutical company fully informed on general market conditions and enabling proactive adjustments to their logistics strategy.



The Results

THE PARTNERSHIP WITH TRANSPOREON

The partnership with Transporeon yielded significant, measurable improvements, allowing the pharmaceutical company to achieve remarkable cost control and strategic agility.

- » **STREAMLINED PROCUREMENT:** The implementation of Transporeon's solutions led to significantly leaner and more efficient procurement processes, reducing administrative burden and accelerating decision-making.
- » **GUARANTEED BEST-PRACTICE TENDERING:** Outsourcing to Transporeon ensured that all tendering activities adhered to industry best-practices, leveraging our expertise for optimal outcomes and carrier relationships.
- » **RENEWED CORE BUSINESS FOCUS:** By entrusting Transporeon with deep-dive tendering processes, the customer was able to reallocate internal resources and focus intensely on their core business activities, driving innovation and growth.
- » **ENHANCED MARKET AWARENESS:** The company remained consistently up-to-date on general market conditions, empowering them with the knowledge to make informed strategic decisions and anticipate future trends.
- » **SIGNIFICANT COST AVOIDANCE:** The optimized tender structure directly resulted in substantial cost avoidance, a significant success due to the challenging market situation, protecting the company's bottom line against market volatility. A prime example of this is seen in European road freight, where the company experienced only a 1.3% rate increase compared to a staggering 6.7% market rate increase in the same period, demonstrating unparalleled cost control.



» Transporeon became an indispensable extension of our team. Their expertise in navigating complex market conditions and streamlining our procurement processes has been invaluable. We're now able to focus on what we do best, knowing our logistics costs are optimized and our supply chain is resilient.



Ready to Optimize Your Freight Procurement?

Discover how Transporeon can transform your logistics strategy and deliver measurable results.

Contact Us Today! 

TRANSPOREON

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