

# Freight Marketplace:

More Partners, More Offers,  
One Neutral Space





Driven by groundbreaking data science, **Transporeon's Freight Marketplace** is set to revolutionise the world of freight transport procurement. **The benefits?**

Fairer prices faster, a whole new showcasing opportunity for carriers, improved margins, and greater confidence for carriers and shippers alike.



## **Data science is ripping up the established rules of freight procurement.**

Freight procurement used to be about phone calls. Then more phone calls, perhaps with a few reams of paper thrown in. Later, the process involved a blizzard of emails and, in both scenarios, significant manual effort as both shipper and carrier were tied up in questions, answers, negotiations, confirmations.

Yes, it worked, because goods found their way to customers. Yet few would dispute that paper-based procurement was limited. It was slow and it was an expensive, if necessary, use of staff resources.

Digital transformation of freight procurement changed all that. Online products such as Transporeon's revolutionary Best Carrier solution stopped the endless phone calls, sped up the tendering process, and freed up staff to be more productive elsewhere. While such products tended to favour either the buyer or the seller, they paved the way to an exciting future, where both sides might reap equal benefits via one platform.

This was the challenge we set ourselves. How could we introduce buyers to a wider range of sellers ideally suited to their needs? How, in turn, could we

help those sellers to display their service portfolio? And how could we help everyone shake hands on a deal more quickly, with full confidence that the price was right?

These are significant questions, not least because the transportation and logistics community is breathtakingly wide. No buyer can be aware of every carrier that might have the capacity to lubricate the shipper's business transport flows. And no seller, no matter how well-connected in the offline world, can be aware of every potentially relevant opportunity that might be out there. Then there is pricing: volatility, allied to lack of clear information and negotiation issues, can often lead one side (or perhaps both) to be left with the uncomfortable and nagging impression that they have not necessarily secured the best out of the deal.

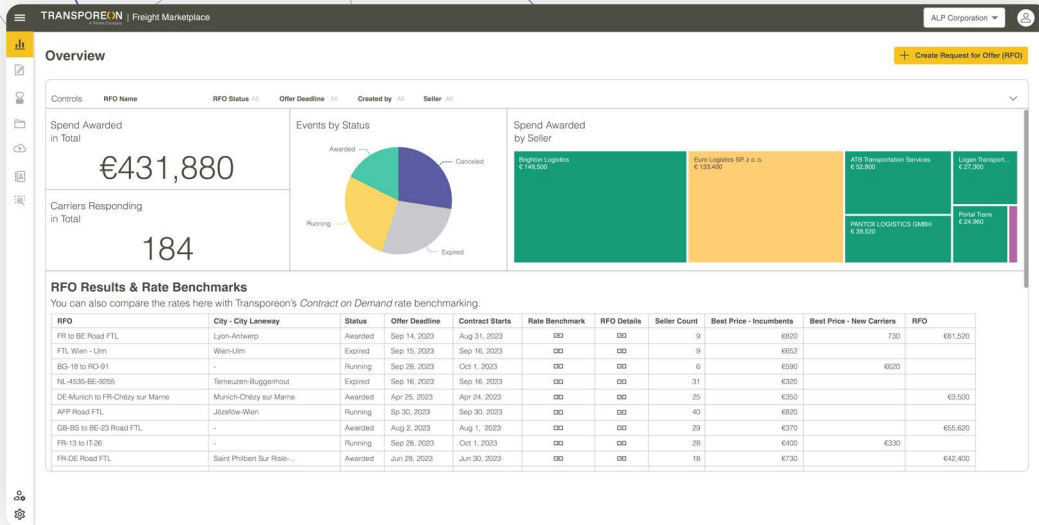
In short, we wanted to furnish a commercial platform in which shippers are introduced to carriers who are not already part of their network, but who might just make the other half of a perfect combination.

And carriers: we wanted to give you the widest, tallest, most sparkling and best-displayed shop window ever seen in the transportation logistics sector.

Finally, we wanted to give all members of the community a level of transparency that would bring comfort to both sides in the deal negotiation process.

**The result is Freight Marketplace.** Let's look at how it benefits each 'side' in turn.





# How Freight Marketplace Benefits Buyers

## 1. It's Free of Charge

For shippers, Freight Marketplace costs nothing to use. Zero. This is a serious innovation in the Freight Procurement space, given that shippers traditionally spend up to tens of thousands of euros per year in securing freight procurement software tools. Carriers are treated slightly differently: while currently free to sellers, they will from late 2024 pay a small monthly fee to participate in Freight Marketplace.

Our logic is simple. We built Freight Marketplace to encourage collaboration and liquidity in the market by imposing a small and very manageable cost of sale on carriers, while encouraging as many shippers as possible to harvest the benefits without incurring the significant costs associated with many procurement software tools on the market.

## 2. Find the Perfect Community Partner

We've all heard of dating apps. Think of Freight Marketplace as the dating app for transportation logistics, but without the awkward early exit from the bar or restaurant. It is designed to provide you, as a shipper, the ideal counterpart; the perfect partner to carry out your goods assignment, at a price you can trust. It is particularly suited to the so-called 'mini tenders' market, loosely defined as an occasional rolling assignment, or perhaps a finite number of assignments within a specific lane over a set period of time. Freight Marketplace offers strong opportunities for buyers to make temporary contracted deals quickly and comfortably. This is separate to the traditional non-contracted, one-off transports agreed via the spot market.

Of course, in the pre-existing environment, this has been a tricky combination to achieve with 100% confidence. Most shippers are accustomed to working with a closed pool of transport suppliers. Meanwhile, many SME carriers either have an unrefined or even non-existent online presence, meaning shippers simply can't find them, even if such carriers might be tailor-made for the route.

The current price negotiation process is also complicated, because price volatility can have a toxic impact when clarity on competitive rates is lacking. Freight Marketplace therefore opens doors that were previously closed and provides trust and transparency.

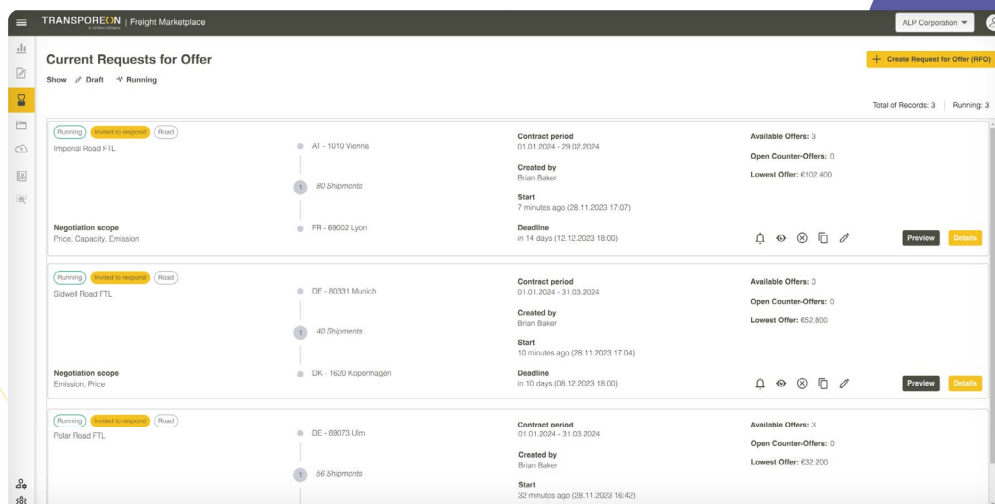
### 3. It's Not Just About Price

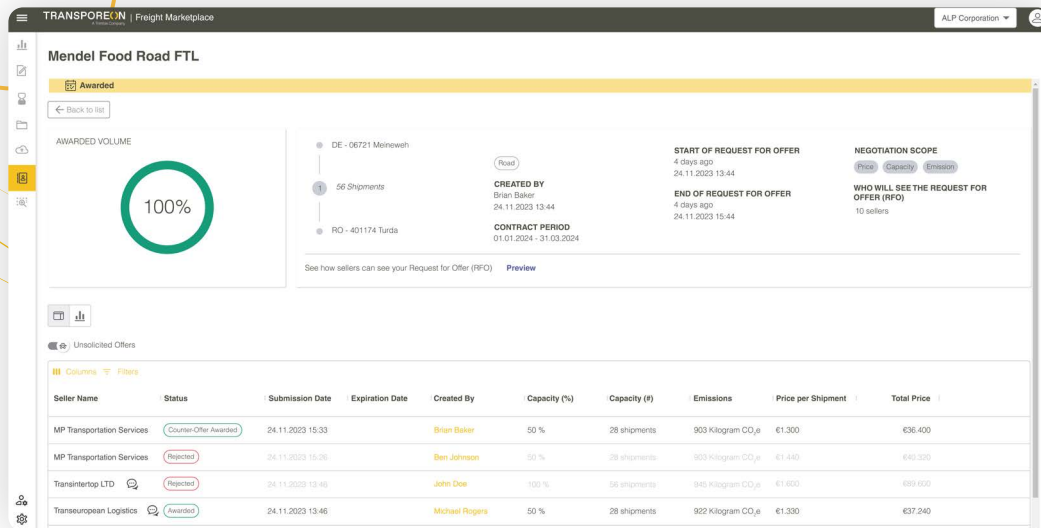
Freight Marketplace gives shippers the precious opportunity to negotiate on other factors than simply price alone, should they wish. Capacity, sustainabil-

ity and transit times may all have a role to play in the discussion. Buyers are presented with the ability to assess these elements at-a-glance and to make their allocation of the assignment based on their assessment of each seller's alignment with their needs or preferences. Or, buyers could negotiate further on these factors before making a decision.

Sustainability is a good example. A given carrier might be more expensive on quoted price, but may score much more attractive emissions numbers than its rivals because it will be making the journey in a more environmentally-friendly vehicle. It therefore contributes more effectively to the buyer's own emissions goals.

What matters is that these non-price elements are negotiated entirely at the discretion of the buyer. As a buyer, you have complete autonomy if you wish to include other determinants such as emissions,





transit times or capacity in the criteria, or if you wish to decide on price alone. The choice is yours.

#### 4. Responses In Minutes

When tendering project-by-project assignments, speed of decision probably has a bigger role to play than it might with, say, an annual strategic tender event. Placing such a bid event within Freight Marketplace is likely to garner upwards of 100 bid responses in just 15 to 30 minutes, for the simple reason that the service is providing shippers with immediate, out-of-the-box connection to an engaged and fully relevant community of sellers.

Community is the essential oil in the dynamics of Freight Marketplace – it should not be regarded as a single-player tool, or as just another software application.

#### 5. Your Anonymity, Your Choice

Your data privacy is non-negotiable. For any procurement event that they place, all shippers decide who sees what and when – nobody else. You can structure your event to include whatever information you choose. You can invite existing carriers within your network, who will see your address and event details as they normally would.

Important distinction: beyond this threshold, Freight Marketplace is anonymised. Yes, new carriers will be able to see that services are being sought, they may bid to provide those services should they so wish, but they will only be able to see a two-digit identifier and a postal code.

Unique carrier profiles give shippers the capability to screen potential new carriers. The shipper can

then choose to invite the carrier for further details if appropriate, and can see relevant documents and certifications, such as hazardous goods licences. Shippers may also create carrier groups and then invite that selected carrier group in a few clicks, rather than hand-selecting individual providers.

This secure approach works well for all parties – it allows us as a platform to ensure that carriers secure full access to the enormous range of events available, while also making certain that private information remains exactly that.

#### **6. Data Wealth Nurtures Business Health**

Data-driven insights from the platform will serve your decision making for the future. What does such 'buzzword' terminology mean in practice for the user on the ground, though? Essentially, we collect data from each and every procurement event on the platform and in return, we provide recommendations and guidance for future negotiations. For instance, is one round of bids sufficient for your chosen event? If you go to a second round, do you allow renegotiation with all bidders or a selected 10%? Over time, you will have a wealth of data that will help you determine how to run your procurement events most successfully to meet your specific business goals.

#### **7. Rate Benchmark: Find A Fair Price Faster**

Rate benchmark sits at the pinnacle of data-driven transparency and community collaboration. Freight

Marketplace reveals the contracted rates being paid: not just from country to country or city to city, but at granular postcode to postcode level. Our aim is to remove the veil of secrecy around pricing, a veil that ultimately helps no-one and leads to one party (or both) experiencing a sense of dissatisfaction or uncertainty around pricing. That's before factoring in the time and effort spent on negotiations.

We amass data from every lane and every transaction made via the Transporeon platform. Data can be separated by vehicle type, by route origin, by route destination, by emissions, to benchmark prices with trustworthy accuracy.

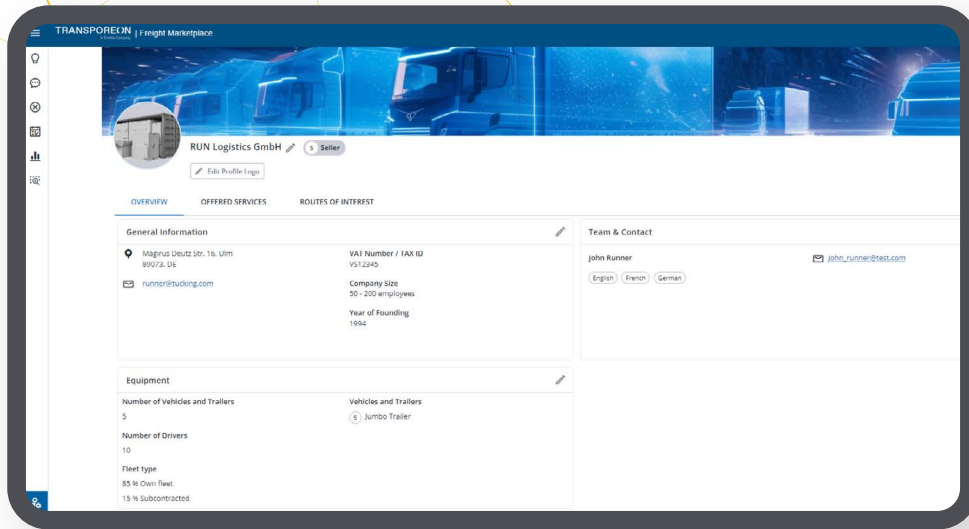
While Freight Marketplace is currently focused on road transportation, it will soon include air, ocean and rail modes.

#### **8. Plug and play**

Freight Marketplace is very easy to implement and requires minimal staff training. Your team can be up and running within minutes of registration.







## How Freight Marketplace Benefits **Sellers**

Let's be clear from the start. Our objective with Freight Marketplace is to benefit carriers and shippers equally – it is not about driving prices down to benefit shippers at the expense of carriers on already tight margins. With Freight Marketplace, you as a carrier now have the opportunity to unlock previously closed doors guarding entry into a shipper's own network and knowledge bank.

Of course, the 'big beast' shippers have long-term procurement strategies in place. But that does not preclude opportunities for potential sub-contractors to be introduced to the LSPs of such huge shippers. And mini bids (or mini tenders), shorter-term finite or single assignments to be allocated elsewhere, are a notable part of the mix.

The logistics industry is about far more than the big players. SMEs, who make up the bulk of the industry, are always looking for new partners to help them lower their buying costs against a low-margin backdrop. With 20% of their business costs attributed to logistics, such enterprises are, naturally enough, looking for as many competitive offers as possible.

Rate benchmarking availability for carriers gives you a priceless insight into rate comparisons across territories, lanes and vehicle types at a granular postcode-to-postcode level.

In addition, our carrier matching application will alert you when the platform data suggests you

might want to bid for a specified event. This could be activated by several data-driven triggers: perhaps an event is a perfect fit for your lanes according to your own profile, or perhaps there are choice backhaul offerings that tie in well with your route map profile.

### 1. Your Showcase to the Shipper Community

Freight Marketplace offers shippers a definitive catalogue of a vast carrier supplier base. As a carrier, you create your own profile, which is then made available to the Freight Marketplace community of shippers.

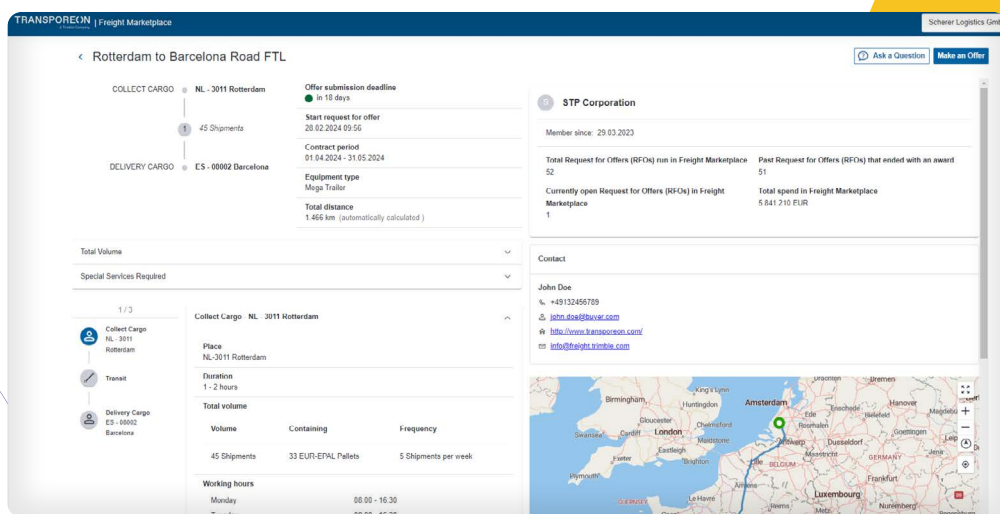
What you include is up to you, but first and foremost, this is your shop window. Your profile is likely to include some business history, company and fleet size, vehicle types, services, your available

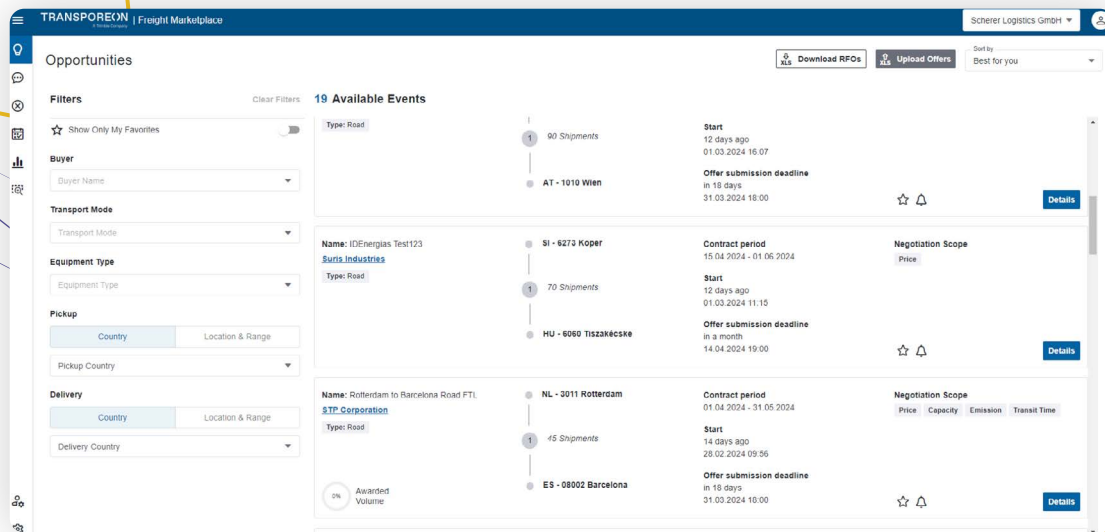
locations and preferred routes. The profile allows you to showcase what your business is particularly known for (e.g., temperature controlled transport) and, if relevant, your special niche within the industry. Validations and ISO certificates (e.g., hazardous goods permissions) should also be highlighted. In short, it should contain all the information a shipper would want to know from a prospective carrier previously unknown to them.

Above all, shippers are looking for carriers they can trust. The combination of your profile and data contribute significantly to establishing that trust quickly and seamlessly.

### 2. Better Margins And Costs For SMEs

Freight Marketplace offers choice to SME carriers in particular, and this is significant because SMEs





are the lifeblood of European logistics: over 90% of European carriers own fewer than 50 trucks.

The largest shippers are likely to give responsibility for their road logistics transportation to 50-60 carriers, but it is a fair bet that they will not have optimum visibility on their subcontractors. Freight Marketplace gives carriers a chance at a previously closed digital 'hotline' to these shippers.

That direct route can lead to better margins for smaller carriers. First, you are now talking directly to the shipper without the cost of a broker between you. Second, most SME carriers are less likely to employ a large sales force, and therefore have not up until now had the resources to seek out and win every new lead.

Freight Marketplace more than justifies its cost and human-resource saving potential.

### 3. Unlock The Door To New Shippers

Your self-created profile is your passport to new customers who have not had the chance to pick you out of the crowd before.

Data science fosters matchmaking. When a shipper starts a new procurement event, the platform will suggest invitations to appropriate carriers to that specific event, based on their profiles and data. Counterparty discovery works both ways.

### 4. It's Not Just About Price

Freight Marketplace opens up negotiations to focus on more than price alone. The shipper may want to discuss vehicle type, specific route and likely emissions factors, for instance. Does your fleet offer cost-effective electric vehicles where a competitor's may not? Will you be using a Euro 5 or Euro 6 for the assignment? Such seemingly marginal details

can make the difference between winning and losing bids.

## 5. All Events Are Standardised

In the current world, carriers must routinely spend time and energy understanding the specifics and structure of a procurement event, because RFQs may be presented or described in widely differing formats. A good example might be an event in which fuel costs are not included in the rates, and are instead subject to indexing. The underlying requirement is the same, but the mode of expression and communication might vary – it is the carrier's unfortunate duty to decipher which is which. And that means cost.

Freight Marketplace simplifies everything. All events are structured and standardised in exactly the same way, so that what each carrier sees looks the same. Buyers can still structure the event how they wish, but the central abstract view shown to carriers will be uniform across the community.

## 6. Rate Benchmark

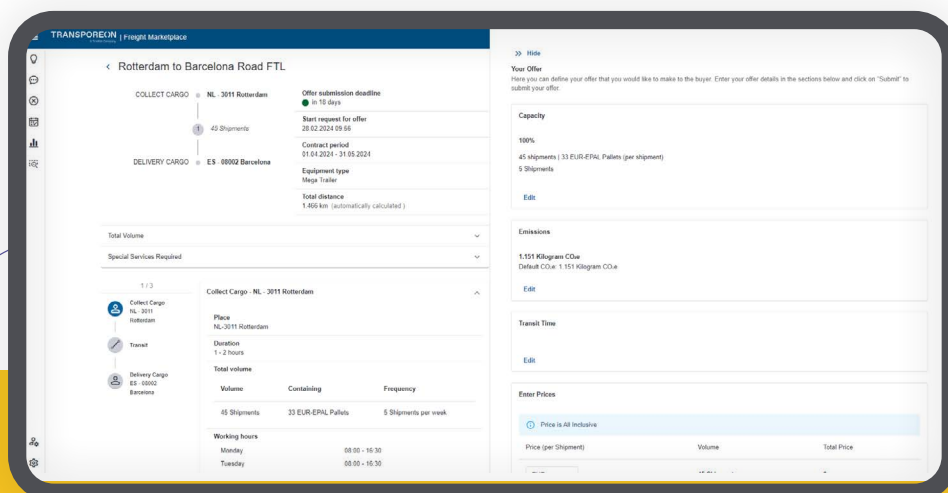
Unprecedented proven insight into market rates across your lanes gives you as a carrier greater understanding of where your business model is breaking records and where it faces headwinds, allowing you to focus on positive decision making.

## 7. Low Cost, High Returns

Our innovative price model offers Freight Marketplace membership to carriers at just €100 per month, providing access to all features and volume at no additional cost. We recognise that it moves cost away from shippers, who may already be grappling with an in-house procurement tool, to carriers; our confidence in Freight Marketplace and the new world it opens up for carriers is that they will see it as a low and very affordable cost of sale, given the high returns.

## 8. Plug and play

Integration into a carrier TMS is easy and painless. No training is needed to adapt to the intuitive interface.



# The Savings

Time and money are precious commodities. You gain both with Freight Marketplace.

Reported time savings include **80% reductions** in tender creation time, and bid offers within 60 seconds of posting.

Rate reduction potential is rated at **up to 25%.**



# Discover **Freight Marketplace** Today

The wins offered by Freight Marketplace are taking freight transport procurement to a new and exciting level.

- **Fair prices faster**
- **Expanded business network**
- **Trust and transparency**
- **Better margins for all**

You can speak directly to Transporeon about Freight Marketplace, to share queries and discuss signing up to the next-generation in freight procurement.

Get in touch