Reducing Transportation Expenses with Logistics Software

For companies with an import-export oriented business, reducing transportation costs has always been a critical priority. While traditionally cutting down on transportation costs was quite a challenge, various technological advancements have made it possible to manage costs better and drive savings.

Today, there is a wide range of ways in which you can optimise transportation costs, enhance your supply chain procedures and save money for your company.

Strategies for shrinking logistical expenses can range from streamlining inventory levels, optimising warehouse space, mapping shipping networks, optimising shipping routes, investing in improving relationships between suppliers and other stakeholders etc.

A key ingredient in reducing logistics costs is to leverage the latest technology available in the best way possible, and increased efficiency and savings will follow.

Reducing costs with a logistics software

The emergence of [automation technology](#), mobile devices, robots and a spate of other technological advancements are rapidly changing how goods are shipped from one place to another.

Companies are increasingly turning towards various supply chain solutions to leverage the opportunities that have come to life through these innovations. These solutions are playing a vital role in modernising and optimising logistics operations.

One such solution that is transforming the supply chain industry is logistics management software. These cloud-based systems are helping companies streamline their operations and build cost-effective and resilient supply chains.

This article explores how [logistics software](#) can help you reduce transportation expenses while simultaneously revealing growth opportunities.

Why do you need a logistics management software?

Traditionally shippers have been relying on emails, spreadsheets and phone calls to manage their supply chains. However, these traditional practices are not sufficient to get ahead in the market with ever-evolving trade environments, increasing competition and customer demands and rising freight costs.

A logistics management software gives your organisation a toolset that enables you to make smart, informed decisions concerning everything from creating enquiries, negotiating freight rates, routing, carrier selection, shipment consolidation to shipment tracking and more.

Above all, the system eliminates human error scope and enables you to drive high performance with significant cost savings.

Key benefits of a logistics software

Let's look at how a logistics software can help you save money and operate with more efficiency and agility while carrying out your logistics operations.

Drive savings via process automation

Process automation is one of the most critical innovation in the supply chain industry. It refers to the automation of existing functions via a combination of advanced algorithms and data analytics.

Most logistics software deploy automation technology in various forms to automate functions such as RFQ management, container tracking, warehouse space management, invoice processing and more. This enables you to improve the efficiency of all these supply chain functions and drive savings along the way.

Cut down on shipping and admin expenses

Many companies face the problem of not having enough control over their freight spend. A well-built logistics management software offers insights into where all can you possibly cut down expenses.

The system allows you to view all your supply chain-related costs, contracts, vendors and carrier options and other information regarding your shipments on a single integrated dashboard. This makes it possible for you to gain visibility over where exactly your money is going. Besides, it creates scope for you to figure out where you can save your money.

An excellent logistics software also enables you to benchmark freight rates facilitating better negotiations. Above all, automation of various tasks and functions saves significant time and admin costs.

Ship faster and more efficiently

A logistics software simplifies carrier selection, shipment execution and tracking, load management, dealing with claims and more. As the system enables integrated supply chain management, every person can easily access supply chain-related information. This, in return, helps all your stakeholders stay updated about the location of your goods in real-time.

With the help of insights gained in the process, you and your team can effortlessly clear bottlenecks along the way. With your transportation operations streamlined, you can stay in touch with your customers, vendors and carriers around the clock and explore new opportunities. All of this, in return, can and will help you drive savings and boost profitability.

Assess performance easily

Lack of transparency over your supply chain management goes beyond simply enhancing processes. Every company with a supply chain is potentially a data factory that generates vast amounts of data at every step.

The best way to drive your operations forward and boost your bottom line is to use the data at hand effectively.

A logistics management software auto-captures data related to every single supply chain function and the logistics analytics dashboard analyses this data for you. It allows you to access detailed analytics on carriers, vendors, customers, drivers, SKUs and more on an integrated dashboard.

The dashboard allows you to define and track various metrics and KPIs. This makes it possible to make informed decisions which facilitate cost-effective results.

A logistics software equips you to monitor driver performance, get real-time updates on traffic and port congestions, access the live location of your shipment. Besides, it helps you manage

inventory, optimise routes and enables high performance via increased opportunities for reducing costs.