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Is the Promise of Your Brand to Your Customer in Keeping with Today's Economy?

by John A. Gentle, DLP.

Let's hope that the answer to this question does not depend on your definition of Customer. I am always perplexed that some 3PL freight brokers do not consider their carriers as being customers of their process. Well guess what?...Both shippers and carriers are critical to your success, so I hope what attracts both shippers and carriers to you, *The Promise of your Brand*, is strong enough to bridge this perilous period.

Many 3PLs question why they should even be concerned about how others view them. After all, on a scale of 1-10, they believe their company is a perfect 10, and because they consider themselves to be successful, what's not to like? "Take me or leave me"

and "It's all about me'...I'm not changing for anyone seems to be the infamous All-American tag line. So why should you care? Well, if the market place was always sold out you might have a point, but it isn't - won't be for a while, and fundamentally it's not be a good point anyhow.

Before I get into "The Promise of Your Brand", a quick refresher on Maslow's Theory and what it means to you seems to be in order. Essentially, Abraham Maslow believed that there is a Hierarchy of Human needs beginning with Biological and Physiological needs and then progressing up to include: Safety; Belonging; Esteem; and finally Self Actualization. He believed the first four are deficiency motivators - that is they need to be satisfied in order. If a base need cannot be satisfied then there is little or no motivation to maintain or satisfy a higher level need. For example: people who are cold, starving and homeless aren't concerned with the local ordinances, nor the need for having their name/picture in the social page. Today they need food, a place that is warm and a place to fall asleep.

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Self-actualization

Personal growth and fulfillment

Esteem

Achievement, status, responsibility, reputation

Belongingness and Love needs

Family, affection, relationships, work group, etc.

Safety needs

Protection, security, order, law, limits, stability, etc.

Biological and Physiological needs

Basic life needs - air, food, drink, shelter, warmth, sex, sleep, etc.

In the past when times were good, the needs of shippers and carriers were at higher levels including 'recognition and self actualization.' But when the economy collapsed and companies exhausted their wealth, their deficiencies motivators became primal—the urgent need for "survival"!

If the "Promise of your Brand" always included mutual respect for the cultural and business values that you brought to the table, then candid conversations about financial well being of the other party is certainly in order and quite honestly 'expected'. If someone in your family or a good friend is suffering, how quick we are to call them and ask them how they are doing and is there anything we can do to help. So why not with your best customers and carriers? How many of them are disappointed that you have not called to "Ask them how they are doing and what if anything you could do to help them"!

Well, one reason for not calling a carrier may be that you are a 'predator' by nature and are thriving in this climate, Perhaps you take some glee in forcing carriers to take loads at breakeven or even at a loss just to generate some cash; and when you are finished milking on one you just move on to the next one. Hopefully the reason for not calling is that you have been very preoccupied with your own challenge and just needed a 'gentle reminder.

If you are afraid to call a customer because you don't want to raise the issue of rates or terms, perhaps the focal point of the call should be to thank them for their confidence in your company, be empathetic to the challenges that you are both facing, and ask them if their customers or company have given them any new challenges that your team may be able to help them with or perhaps suggest a quick hitting process change that could reduce their cost of doing business as well as yours.

Don't be afraid of calling carriers because you

don't want to get drawn into a conversation about compensation or capacity utilization. The focal point here too should be to thank them for their support on behalf of your clients and give them some insight into your world and where it's headed. Many carriers don't have the same level of visibility that you have. While your team can't solve all the world's problems, you certainly can have empathy for their challenges; and you could choose to offer 'a nominal change' in their rates or terms to see if that can help. With the general shipper and 3PL population creating more demands, any relief, regardless of how small, will be recognized and appreciated and will go a long way. In addition, ask them if their other customers have given them any new challenges that they would prefer not to deal with. Perhaps your team might be able to utilize their capacity a more beneficial manner or perhaps you can help them with or suggest a quick cost reducing process change.

Before you call on your customers or carriers, think about what financially challenged companies won't be enthusiastic to work on:

- Long term or indefinite projects with only a marginal chance of reward

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- Productivity or other projects that don't have immediate financial rewards
- Business that has safety deficiencies
- Business that places their credibility at risk
- Business that has a negative impact on cash flow or increases risk of collection
- Inefficient and ineffective processes
- Projects that consume high levels of human or mechanical assets with marginal rewards

Conversely you will find customers and suppliers anxious to work with people who genuinely care about them and on business that provides real, tangible, short term and potentially for long term opportunities. Most importantly they will be willing to make an investment with those which have made an investment in them. They reason that true value is derived from opportunities to improve profitability through efficiency and effectiveness, and only by acting in concert with their partner can they create synergistic results that benefit both companies and as well as their ultimate customer.

So, as you come to an end of this article, will you just toss it aside or will you think about whether you are a Predator or Enabler? The winning formula for 3PL companies which have formed a strong relationship is almost always driven 'Commonality' and specifically in:

- Admiration of common principles
- Attractiveness of their partners' value proposition
- Taking pleasure in 'Wowing' their partner
- Harmonious fitness for use
- Good team dynamics/chemistry
- Desire for long term relationship...five year or more
- Strong company and industry knowledge
- Company culture and directions are harmonious
- Strong commitment for process and quality management
- Great talent and comfortable interpersonal/communication style
- Focus on productivity
- Mutual respect for each other

This is not about the Size of your company! It's about recognizing the need for a strong, sensible, compatible, and profitable business proposition! Are you what shippers and carriers are looking for? What is the promise of your brand?

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