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New Logistics Survey Shows Carriers, Brokers and Shippers Rapidly Adopting Technology to Survive

AscendTMS Polls Conducted in 2005, 2015, and 2018 Provide Deep Insight into Who's Winning - and Why

Tampa, Florida – January 17, 2018

InMotion Global, Inc., the maker of the AscendTMS Transportation Management Software (TMS), today announced the final results of a comprehensive logistics survey that looked at overall technology adoption by trucking companies, freight brokers, and shippers in 2005, 2015, and 2018. Not unexpectedly, the logistics businesses and operations that are flourishing most are those that have managed to lower costs through automation to minimize their human labor force.

The published results are presented in three distinct groups: asset-based carriers, freight brokers, and shippers.

Asset-Based Carriers

In 2018, trucking companies were most likely to use a TMS if they had more than 20 trucks in service (91%). For those carriers with under 10 trucks, the percent using a TMS system falls to just 33%. For those with under 5 trucks in service, TMS use was only 17%.

This shows growth from 2015, where common and contract carriers with over 20 trucks in service used a TMS 89% of the time. For under 10 trucks in service, the percentage of carriers using a TMS was just 31%, and for those with under 5 trucks in service, TMS use was only 16%.

In 2005, the numbers were 62%, 21%, and 7% respectively.

Not surprisingly, the lowest adoption of TMS software technology was with single-unit owner operators, with only 7% of those surveyed saying they used it to manage their one truck business.

Looking at all carriers surveyed in 2018, those asset-based carriers leveraging TMS technology on a daily basis reported the lowest overall operational costs along with the highest overall revenues per full time employee.

Freight Brokers and 3PL's

Adoption of TMS technology was shown to be faster, overall, with freight brokers and 3PL's than with asset-based carriers. In 2015, freight brokers with over 10 employees were the most likely to be using a TMS system (77%), but in 2018 this number had risen to 86%. For those freight brokers with less than 10 employees, TMS technology was used 56% of the time in 2015, but had risen to 68% in 2018. This number falls to 41% if they have under 5 employees in 2018.

Again, those freight brokers and 3PL's reporting the most technology adoption, which was primarily in using TMS software, show the lowest costs and highest overall revenues per employee. They also showed the highest customer retention by a statistically relevant 16% percentage points when compared to brokers not using TMS software. This is likely because they are leveraging EDI and other automated services available in their TMS with their client base, thus improving both service and visibility.

Also, those brokers with the greatest technology adoption also had the largest client sizes overall in terms of freight spend and freight volumes. It appears that more TMS technology expertise directly translates into larger and more sophisticated clients being managed.

Small freight brokers (< 5 employees) were also more likely than small carriers (< 5 trucks) to adopt TMS technology to run their logistics business. This is especially true for brand-new freight brokers in 2018, where 93% had some form of TMS software in place before they officially opened for business.

Shippers

Shippers with an annual freight spend of over \$500,000 appear to be mainly leveraging multiple web-based LTL platforms for faster rating and for the execution of smaller shipments.

In 2015, only 27% of these shippers used web-based LTL rating and booking platforms for the majority of their LTL shipments (the rest used either desktop LTL software, a TMS, or a 3rd party freight broker). In 2018, the number of shippers conducting LTL rate shopping and execution to the web had risen to 64%.

Interestingly, the average shipper reported using 2.4 different web-based LTL platforms to shop their LTL and parcel shipments. This indicates that LTL rates may vary widely from web-based portal to web-based portal for the same shipment with the same LTL carrier. Therefore, shippers responded that they regularly rate shop with several online freight brokerage LTL platforms for each shipment they move. Not surprisingly, 94% reported always choosing the lowest cost LTL platform and the lowest cost carrier for each shipment.

Larger shippers, and those shippers who primarily distributed full truckload freight also reported leveraging TMS technology more broadly. In 2018, 28% report that they use dedicated TMS software daily if they ship 20 or more truckload shipments per week. Those that ship under 20 truckload

shipments per week appear to rely on one primary asset-based carrier or one local freight broker to manage their truckload freight for them.

While smaller truckload shippers are still not using TMS software daily, larger ones are. The breakpoint comes at approximately 40 truckload shipments per week (160-180 per month). When a shipper's truckload volume grew to this level, we found that over 51% of those shippers had adopted some form of logistics TMS technology.

Overall Results

Overall, in 2018, 61% of logistics professionals surveyed, irrespective of size, are using some form of TMS software to manage their logistics operations. To show how much this has evolved, just 15% of logistics professionals, irrespective of size, were using some form of dedicated TMS software in 2005.

Interestingly, brokers and carriers with over 5 power units among new active FMCSA applications reported the highest overall adoption of TMS software at 72% when combined. This is likely because new entrants must be laser focused on overall efficiency and low operating costs from the outset. Moreover, they also have the advantage of accessing the latest, and most modern, web-based TMS technology available, something that was not even available to them just a few years ago.

Tim Higham, CEO at AscendTMS, stated, "Over 12 years, our surveys have shown us that companies that resist TMS technology are the most likely to go out of business, and those that embrace it are the most likely to thrive. Today's logistics professionals have more technology choices than ever if they intend to remain relevant. There are no excuses. Professional TMS technology is now available to any size of logistics company, with nothing to pay upfront, and no contract to sign. Solutions like our own AscendTMS cloud-based TMS platform, with over 12,000 active accounts, are pushing the industry forward by lowering operating costs and helping logistics companies become more profitable."

AscendTMS offers carriers, fleets, brokers, and shippers a complete business management solution for their entire logistics operation. It provides easy to use features such as full dispatch control, load searching and posting, access to 53 leading load boards, asset management, driver management, driver pay and settlement, a customer CRM with a 26,000 strong shipper directory, shipper and broker credit reports, full accounting, real-time QuickBooks integration, real-time load funding with Triumph Business Capital, a carrier payment portal via TriumphPay, terminal and agent management, commission management, document management, reporting, ELD integrations, driver texting, a free truckload rate index, IFTA tax reporting, fuel card imports, cargo claims handling, easy EDI for connection to large shippers and much more.

Learn more at: www.TheFreeTMS.com

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InMotion Global, Inc. provides the free, award-winning, patent-pending Transportation Management System, AscendTMS®, to freight shippers, freight brokers, and trucking companies. AscendTMS® is used by thousands of

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companies in 19 countries, from small single-person logistics operations to multi-billion dollar international corporations, and can manage any logistics operation. AscendTMS® is 100% free to use for the Basic system, requires no upfront fees, no annual license cost, requires no downloads or installations, is mobile certified, and provides full enterprise level TMS features to manage and operate any logistics operation. AscendTMS® is the world's leading cloud-based freight brokerage software, trucking software, and shipping software, and ranked as the number one TMS software by Crowd Reviews, Capterra, and Software Advice (a Gartner company). AscendTMS® is the world's fastest growing and most widely used TMS solution. InMotion Global, Inc. is headquartered in Brandon, Florida. Learn more at www.TheFreeTMS.com or at www.InMotionGlobal.com.