FREIGHT INVOICE
10 FACTS THAT AFFECT YOUR FREIGHT SPEND

1 Only 17% of freight invoices are accurate. 53% are too high, 24% are not consolidated.

2 Large shippers are more likely than small- and medium-sized shippers to see outsourcing freight payment as a viable solution. That's likely because the larger the shipper, the more bills to audit and pay, and the more complex the entire process becomes. Large shippers tend to be invoiced for more modes, and tend to have to pay bills in more geographies. Outsourcing becomes compelling after a certain level of volume and complexity.

3 The percentage of shippers and 3PLs using a purely manual process to handle freight payment is around 10 to 15 percent.

4 Freight audit & Payment automation almost always helps reduce the cost to process a single invoice. Research from American Shipper points out that outsourcing freight payment for international transportation saves shippers on average $1.97 per invoice.

5 Freight invoice auditing is considered to be one of the most emphasized characteristics to reduce freight spend for logistics and supply chain professionals in 2015.

60%   **50%**   **10%**

6 Accidental duplicate payments can account for 0.5 to 1.5% of shippers' transportation expenses.

7 Freight charges represent approximately up to 10 percent of a company's total expenses. Fuel surcharges and assessorial charges are driving that cost even higher. Shippers spend an average 50 percent of total logistics expenditures on transportation.

8 In 2008, already approximately 54 percent of North American firms outsourced some part of their freight payment activity. Present day, this number is up to Approximately 60%. On a global scale, that figure drops close to 10%.

9 Only the typical savings on overbilling and duplicated payments can save global shipper between 2 and 8% on the freight spend.

10 Accessorial costs are often applied after a shipment is executed and therefore not captured in the TMS. Moreover, GL coding and cost allocation are not core competencies of a TMS.