



The Essential Guide for Creating Freight RFPs

Learn 10 critical components to make your RFP successful.



Getting Started

The past few years of market volatility has many logistics leaders evolving their Request for Proposal (RFP) process from an annual event to one conducted quarterly, or even more frequently, to accommodate the rapidly changing supply chain landscape. Developing a solid RFP process will help increase service levels, create stronger vendor partnerships and drive supply chain resiliency in times of market swings. A well-constructed RFP provides enough information for the logistics provider to develop a custom, innovative response outlining how they are uniquely qualified and prepared to serve your needs.

Here are 10 components you should include in your freight RFP that will help you evaluate partners who can contribute to your success.

1

Company Background

Introduce your company and your unique shipping needs. Provide enough background to help providers understand your products and supply chain.

2

Objectives & Goals

Define your business needs, requirements and operating models. Providers will be better able to tailor their proposals to support your goals.

3

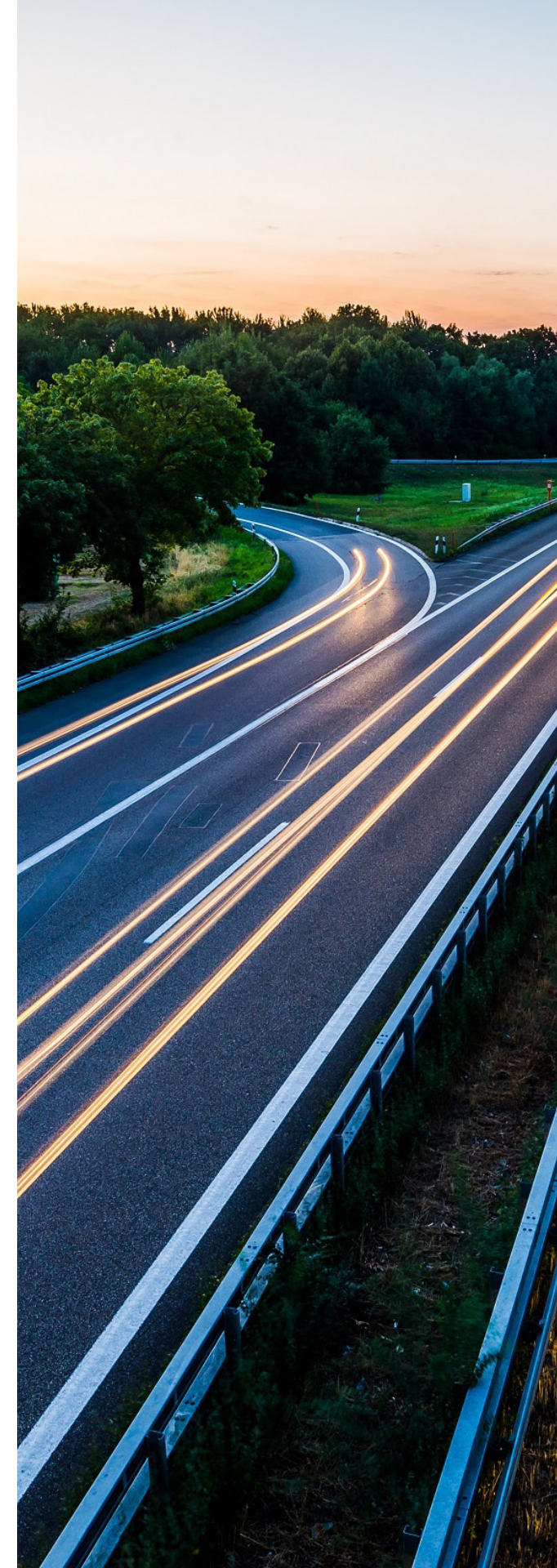
Terms for Submission

Do your shipments require specific licenses, technology or service capabilities and requirements? Specify any high-value or niche insurance requirements.

4

Prequalification Questions

Ask foundational questions to help you understand a provider's business capabilities, how they will meet your requirements and their scalability as your company grows. Include questions about their business history, coverage area, network size, and any relevant certifications. Also, ask for payment and billing terms, deadlines and length of commitments. If you're looking for information on a standardized service – say, truckloads between two major hubs – you can use a less-complex standalone request for quotation (RFQ).



5

Use Data to Drive the RFP

Even if you're working with familiar partners, provide detailed lane data, including origin and destination ZIP code info, freight volume and frequency, commodity types, cargo values, special equipment and delivery requirements, terms and conditions and facility profiles. A strong provider will leverage this data to analyze your supply chain to identify network optimizations and consolidation opportunities, and create custom solutions for your unique business.

6

KPIs

Be clear about how you will measure success. Tracking transportation metrics provides context for understanding and implementing transportation best practices to support continuous improvement in the relationship. Common KPIs in a carrier relationship include on-time performance, least-cost carrier compliance and cost per lb./mile. Creating a data-driven relationship will help you manage your supply chain providers for performance and accountability.

7

Provider Capabilities & Support Teams

Ask providers to include information on how many people and who will be assigned to your business. What capabilities does the provider have? Are they asset-light or asset-based? Are they full-service? Do they have technology or consulting capabilities?

8

Define Evaluation Criteria & Timeline

While cost is important, consider other factors that create overall cost savings and efficiencies. Include technology, managed transportation capabilities, reliable capacity and value-added services. Cyber security is becoming a more critical factor in these relationships.

9

Capacity Strategy

Be clear about the goal of the RFP. Identify primary and secondary lanes to target as well as seasonality and frequency of shipments. Work with providers to identify cost-efficient lanes for their network. Consider providers with a diverse mix of carrier size and coverage. You may find untapped capacity with regional and niche carriers.

10

Bid Implementation & Rollout

Ask what the implementation and rollout process will be and who will be involved, such as any sales rep participation. Outline the schedule of onboarding calls and the mechanism for evaluation and performance tracking. Also, request the ratio of committed lanes vs. uncovered lanes.



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Market volatility will continue to challenge supply chain planning for the foreseeable future. With a transparent, equitable and dynamic freight RFP process, shippers can improve their relationships and secure the capacity that is critical to their performance.

To learn more about custom solutions from GlobalTranz for your supply chain, request a consult.

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