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 eGuide

# How Logistics Technologies Enable ERP systems for Transformative Results.

**As multimodal supply chains become more layered, the need for new logistics technologies to integrate seamlessly with ERP systems has never been greater.**



# Introduction

## How Logistics Technologies Enable ERP systems for Transformative Results

▶ Coordinating the passage of freight across a diverse network of logistics asset owners has become a hugely complex task.

Every shipment of intercontinental cargo triggers a suite of actions:

- **Sourcing trucks in multiple geographies**
- **Booking freight across ocean or air**
- **Ensuring passage through customs**
- **Storing goods**
- **Arranging final delivery**

And with all that comes the transmission of trade updates, documents, and data among multiple stakeholders across multiple countries.

Historically, supply chain forces have communicated via disconnected systems: email, spreadsheets, phone calls, various data interfaces, and even paper. With disjointed messaging trails spanning from factories to local warehouses, and across several months, it's not a pretty picture.

For businesses that rely on legacy freight forwarders with archaic systems and unstructured data, they are unable to take advantage of the power of existing enterprise resource planning (ERP) systems.

But what if all relevant stakeholders could connect through a single, secure cloud-based platform that integrates seamlessly with any ERP system? Marrying software and data analytics with existing ERP systems makes the shipping process more transparent for all parties, ensuring shipments are completely documented and easier to manage internally.

# Handling Growing Complexity - Why ERP Alone Isn't Enough

➤ Too often, ERP is lauded as the answer to all of an organisations' problems.

The truth is that while many companies hope that their ERP investment will lead to enterprise-wide cohesion, ERP systems can be fraught with disconnects and gaps in some areas of businesses. That's because ERP platforms were not designed to be logistics solutions. Their purpose, instead, was to manage financials, human resources, customer relationship management, and purchasing and order management.

Meanwhile, supply chain manufacturing, logistics planning and execution, and warehousing, have typically existed outside the ERP system.

ERP solutions are unable to effectively handle the external interactions that a company might have with its suppliers, partners, or customers. As a result, companies often operate using a medley of different partners, systems, and apps—adding even more complexity to an already tangled business technology environment.

Without everything working in harmony, the supply chain is one of the first areas to suffer. That's because it can take up to 18 different stakeholders to move a shipment, all with varying levels of automation and process excellence.

Along the way, there are many handoffs, leading to manual and error prone work, delays, and lack of visibility.

Where success is dependent on getting a product to market, this can have a huge impact on reputation, competitive positioning, and ultimately profit.

What's needed is a digital freight forwarding solution that integrates with ERP systems to ensure businesses can harness the wealth of data within the freight forwarding process — to inform and enrich ERP.

By seamlessly integrating digital freight solutions and ERPs, organisations can plug the gaps while reducing supply chain costs, mitigating risk, increasing visibility, and benefiting from cost and productivity efficiencies.



“  
With Flexport  
the perceived  
complexity  
of our supply  
chain has  
drastically  
decreased  
to a more  
manageable  
and transparent  
level!”

Julia Assarsson

Head of Inbound & CSR at NA-KD.com

## Seeing More, Paying Less

➤ When it comes to supply chain cost control, visibility and real-time responsiveness are especially critical. Lack of data often holds back clients who want to adequately benchmark their rates and timelines.

A unified platform that integrates directly with a company's ERP system presents a single source of truth: an overall view of the supply chain at any time, offering a host of opportunities to enhance shipping processes, including seamless collaboration with all stakeholders.

Workflow becomes optimised, unlocking deeper insights to make smarter decisions in today's rapidly shifting marketplace.

Seeing a supply chain in context helps logistics managers align their shipments to business priorities.

# How Gerber Gained End-to-End Visibility

A leading manufacturer of commercial and residential plumbing fixtures, Gerber has realised significant benefits by integrating its shipping platform with its existing ERP system.

Headquartered just outside of Chicago in Woodridge, Illinois, Gerber imports thousands of container shipments a year from its suppliers in China and Mexico into the United States. Once they've cleared customs, Gerber's products are moved through its distribution centres and on to customers across North America. With the vast majority of its supply shipping overseas, maintaining visibility of the supply chain was critical to manage customer expectations — as well as its warehouse staffing requirements — especially given that demand would ebb and flow.

Using Flexport's cloud based platform,

Gerber connected all suppliers across its supply chain. With back-end integration with its ERP system, Gerber's shipment milestones are transmitted automatically. As a result, this gives the company real-time visibility into the estimated arrival of its containers.

This kind of transparency empowers the company to provide customers with a better experience. By knowing precisely what will arrive at each of its distribution centers at any given time, Gerber can plan around it, and make adjustments as needed to make sure that the right product is at the right place, at the right time, in the right quantity.

Plumbing fixtures leader, Gerber, experienced a 10% reduction in total supply chain costs in the first year of partnering with Flexport.



**With Flexport,  
the visibility  
of our supply  
chain has gone  
up tenfold,  
giving us better  
understanding  
and control.**

**RoxAnne Thomas**

US Transportation Manager

**88% of clients say that with Flexport easy access to reporting and analytics helps them make more data-informed supply chain decisions.<sup>1</sup>**



## An Easier Ride with a Data-Driven Partner

▶ Historically, freight forwarders haven't been known for their customer service. Multiple representatives across global geographies engaged in endless telephone and email chains has not typically earned trust or satisfaction. While Flexport is maintaining a Net Promoter Score in the mid-60s — a customer satisfaction score that far exceeds almost any company in our industry.

When it comes to logistics and supply chain managers, how they approach the customer experience and relationship needs to be both strategic and transactional. This means logistics providers must deliver high quality service with every transaction or risk customer dissatisfaction and churn.

The challenge is that while modern ERP systems do include customer relationship management tools, logistics managers still need to look outside of their platform to find answers when shipping isn't integrated.

Being able to see goods in transit in real-time, with insight layered on top, boosts overall efficiency and enhances the customer experience in a different way.

Human intelligence and data analytics working together, can empower clients to:

- **Improve demand forecasting**
- **Reduce volatility**
- **Optimise asset utilisation**
- **Meet & exceed customer expectations**

<sup>1</sup> Source: 2018 TechValidate survey of 200 Flexport clients

# The Answer to Successful ERP Integrations

▶ Legacy freight forwarding remains opaque and ineffective, running counter to the point of true business planning and forecasting. And, it can add greater complexity to businesses with existing ERPs.

To make the best decisions, people need access to real-time data about their supply chain and end-to-end transparency.

By replacing complex processes and disconnected systems with technology that supports supply chain management and enterprise resource planning, businesses uncover opportunities to transform. They're able to do away with manual intervention, saving time and driving greater efficiencies. And,

customers benefit from optimised operations and reduced end-to-end logistics costs.

When integrating an ERP system with a new supply chain partner, look for these qualities:

■ **Seamless collaboration:**

A closed-loop, cloud-based platform that provides everyone in the supply chain with visibility into crucial shipping data. This improves efficiencies for all stakeholders in the process.

■ **Transparency of data:**

Real-time data and analytics that capture all phases of the freight forwarding process, to drive more informed decision making.

■ **A strong digital foundation for supply chain management:**

Actionable insights and intuitive controls that reflect the way logistics and supply chain managers work.

Only a partner with expertise in technology and logistics can deliver a platform that integrates with ERP systems for true transformation.

With a mission to make global trade easier for everyone, Flexport offers the technology, expertise, and services that cut through the complexity for more effective and efficient freight forwarding.

**To learn more about ERP integration, talk to one of our experts today. ▶**



# About Flexport

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Through its Operating System for Global Trade, Flexport delivers a strategic model for global businesses that combines advanced technology and analytics, logistics infrastructure, and hands-on supply chain expertise. Delivered to customers and suppliers via a highly available and secure cloud software platform, Flexport's Operating System for Global Trade enables fast and reliable transit times, greater visibility and control, and low and predictable supply chain costs.

With its cloud software and data analytics platform, Flexport today serves almost 10,000 clients and suppliers across 109 countries. Its offerings span ocean, air, truck and rail freight, drayage and cartage, warehousing, customs advisory, financing\*, and insurance.

Learn more at [flexport.com](https://flexport.com)

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