

THE HIGH COST OF POOR SERVICE



Your logistics provider can boost the way you do business — or torpedo your reputation in the industry. So how does yours stack up?

This kind of question sounds like a gut check or judgment call, but there's actually hard data that puts a sizable price tag on poor service. Newvoicemedia (now part of Vonage) tracks the effects of service on customer retention — that is, keeping old customers coming back — and acquisition — bringing new customers in. One of their recent studies found that poor service costs U.S. businesses in excess of \$75 billion annually in lost revenue. What's more dramatic, that loss of revenue is increasing by more than \$5 billion per year. A bad service experience will drive away your current customers and their word-of-mouth, whether it's blowing off steam to their friends and their friends' friends the old fashioned way, or spreading the word by posting negative reviews online ... where word travels quickly and stays up for a long time.

American Express has found that service can affect customers more than price: The average consumer is willing to spend 17% more on a company they see as having excellent service.

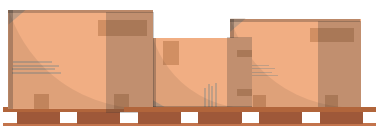
Not only are they willing to spend more, but service matters more than ever. Genesys, a firm that specializes in CX (or "customer experience") regularly conducts global surveys. Their most recent The State of Customer Experience benchmarking study found that 86% of consumers believe any of a company's services are only as good as its customer service ... a figure that's up from 70% in 2021. The way your company talks to customers affects what your customers think you're capable of, how much they trust you, and whether or not they should stick around rather than taking their business elsewhere.

Your logistics provider can serve as your company's public face. If your provider is unreliable or seen as unhelpful by the people they interact with, no amount of organizational skill will make up for the long-term damage to your professional reputation and the cost of fixing their mistakes.



30%

OF AMERICAN CONSUMERS WHO HAVE SWITCHED BRANDS IN THE LAST YEAR BECAUSE OF BAD CUSTOMER SERVICE



15%

OF PEOPLE THE AVERAGE AMERICAN TELLS ABOUT A SINGLE NEGATIVE CUSTOMER EXPERIENCE



3

THE NUMBER OF PEOPLE EACH NEGATIVE REVIEW WILL REACH FOR EVERY 1 POSITIVE REVIEW

A CX CHECKLIST: IS YOUR PROVIDER...

✓ EASY TO WORK WITH?

A service-aware logistics provider understands your shipping needs and proactively takes steps to meet them without having to be asked. They anticipate problems and put emphasis on preventing mistakes before they happen at every step of the process. Does your provider act like a partner, pointing out ways to mitigate potential issues you or your customers might face? Are they knowledgeable and experienced enough to root out problems on your behalf? Do they offer creative solutions and stay involved through the whole transaction to ensure a seamless experience? More than just making you feel good, this approach makes you look good to your customers, makes your business more streamlined, and ultimately boosts your bottom line.

✓ QUICK TO RESPOND?

Fast delivery is essential ... but so is fast response to communications and fast updates on load status. Can your current provider give you access to real-time analytics and the superior service that means for your customers? Does your logistics provider keep the communications lines open so that your client gets the quickest possible updates on their shipments? No one likes to be bounced around a call center. A quality provider gives you the personal attention you need to save time and meet the needs of your customers.

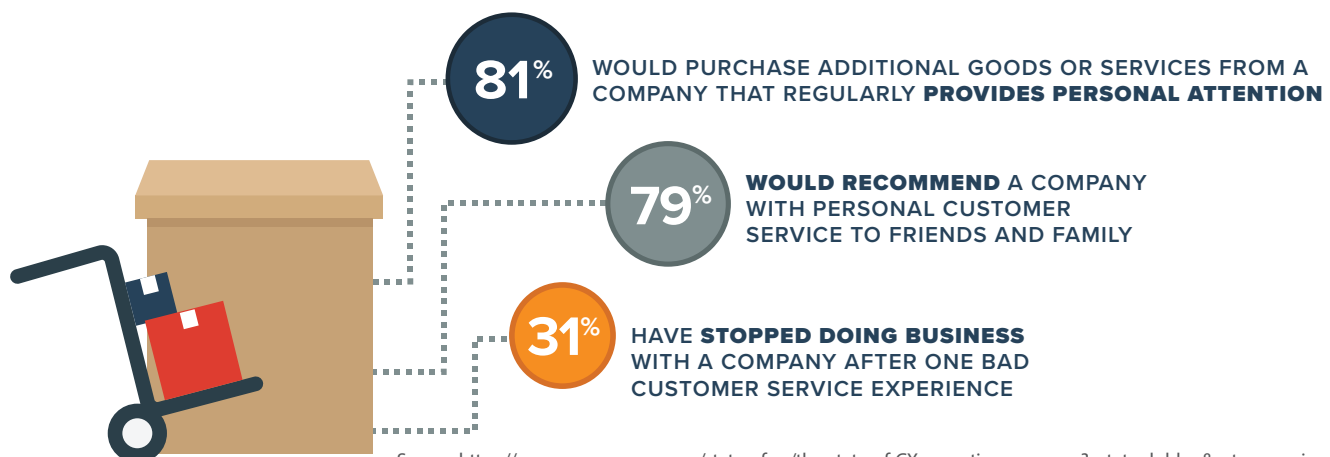
✓ CONSISTENTLY ON TIME WITH PICKUP AND DELIVERY?

This old-fashioned metric is still the clearest performance indicator we have. When facing a request that's out of the ordinary, does your provider tell you it can't be done, or do they work with you to create an extraordinary, customized solution? An experienced, dedicated logistics service provider will treat your business as their own, showing the kind of urgency and attention to detail that ensures your satisfaction.

A dependable partner provides a higher level of service, and good customer service is good business. If your logistics provider is helping your reputation while improving your processes, your company will shine.

Call Westgate Global Logistics. We'll give you a complimentary review of your shipping needs and challenges, and discuss solutions we can provide. We are an experienced logistics service provider.

We know how to treat your business with the urgency it deserves, and how to give you the personal attention that translates to professional success.



Source: https://resources.genesys.com/state-of-cx/the-state-of-CX-executive-summary?ost_tool=blog&ost_campaign=ft-blog

SHAPING UP SHIPPING

Keeping your operation efficient is the best way to rise above a crowded market.

Being an efficient shipper makes a major difference in the cost of running a business. You might be keeping up with new mandates, pricing increases, and other industry changes, but there are still ways to use small efficiencies to trim your shipping expenses — some so small, they're easy to overlook. The secret is to focus on those parts of your processes that can have an outsized effect on the efficiency of your shipping operation as a whole.

For instance, as new regulations and systems came into effect last year, you might have noticed lots of companies began concentrating on improving dock processes ... but for the most part, that only happened after they saw losses of 8 to 10% due to inefficient shipping practices. Three of the most significant areas to focus on shaping up your shipping are physical changes, process changes, and flexibility.

PHYSICAL CHANGES:

Look at what you're loading. Small changes such as proper packaging and well-planned pallet placement in trucks can save your freight costs and also limit damage claims. Use standard-size pallets (when the product allows), make sure that those pallets are solidly put together and that your items are properly secured to the skid, and you'll be able to minimize the number of trucks and avoid potential damage to freight. By paying attention to the physical reality of prepping pallets and loading trucks, you'll be able to save costs before the drivers even start their engines.

PROCESS CHANGES:

The impact of shipping inefficiencies can directly impact the rates you are paying. Review how your workers move your freight every step of the way and think through how each step leads to the next step. For example, if you've got labor-intensive requests on the pickup or delivery end, these additional services are going to be factored into quotes and you'll start seeing higher rates. Also consider the rules for electronic logging and mandated breaks. Constrained hours of service mean that being prompt with loading and unloading is more important than ever, so any improvements to your process will lead to savings in time, and time is money, now more than ever.

FLEXIBILITY:

Winning teams learn to adapt in all kinds of situations. The most efficient process in sunny weather might not be the best option when sudden rain starts to fall. A wise logistics partner will keep an eye on all variables. Make sure your processes include a regular set of checks: Is this still the best way? What has changed in our situation, how are we responding to it, and how many consequences from those changes can we anticipate? There will always be surprises and judgment calls will be necessary, but if you're ready to make them then you're at an advantage. And that can lead to better performance, greater savings, and steadily improving revenue.

Take stock of your systems and take control of your shipping costs now. Inform yourself on the best way to take advantage of your resources and make your business a success!

Call us for a complimentary review of your logistics expenses.

800-637-8001

Delivering on our promises since 1983.



BEST PRACTICES

Are potential profits just tumbling out the back door? Use this review to see that your receiving and shipping processes line up with industry best practices.

BEST RECEIVING PRACTICES:

- Ensure receiving personnel are trained in proper receiving procedures.
- For TL's, check seals on trailer doors before opening.
- Inspect shipments upon delivery.
- Only the person receiving and inspecting the freight should sign the delivery receipt.
- Write proper exception notations (damage, loss) on delivery receipts.
- Report concealed damage or shortages within seven days of receipt.
- In the event of Damage/Loss:
 - 1) Retain all packaging until a claim is resolved.
 - 2) Notify carriers of claims and request an inspection.
 - 3) When you get a carrier's inspection report, read carefully and discuss the details before signing.

BEST SHIPPING PRACTICES:

- Know a carrier's liability limits before shipping with them.
- Use only new packing material. (Used cartons or packaging may get in the way of receiving full value for any loss or damage.)
- When necessary, verify the identity of the driver before loading that truck.
- Complete the bill of lading using correct NMFC classification descriptions
- Clearly mark any special delivery requirements on the bill of lading.
- Make sure the driver clearly signs the bill of lading noting the total number of "outside" pieces loaded.
- Record in and out times on the bill of lading to avoid disputes over detention or wait time.
- Never permit drivers to sign the shippers load and count (SLC) unless they're signing for a sealed load.
- Make sure all dedicated trailers are sealed by your personnel.
- Record seal numbers on the bill of lading before it is signed.
- When shipping hazardous materials, make sure the individual preparing and offering the shipment to the carrier is properly trained and certified to handle hazmat shipments.

By combining expertise, technological know-how, and loyal alliances, Westgate Global has what it takes to simplify your company's logistics challenges. Ask about our consulting services and unique hazmat training program.

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**Align with a logistics
partner that looks out for
your business.**

**Call Westgate today for a
complimentary review of
your shipping processes.**

800-637-8001

Email us at sales@shipwestgate.com

www.shipwestgate.com

ABOUT WESTGATE

Our passion for delivering exceptional logistics services is why we've continued to thrive in this constantly-changing industry for over 41 years. Westgate's small, intimate structure gives us the flexibility to provide personalized solutions for our clients' issues. Our core values — honesty, integrity, and trust — have allowed us to develop close relationships not just with our customers, but with a strong network of carriers able to meet or exceed our customers' expectations for service. See for yourself why businesses depend on Westgate to keep them informed of industry trends as they develop and to improve their shipping processes to meet an ever-changing environment.

SOURCES:

* <https://www.genesys.com/blog/post/eliminate-bad-experiences-that-kill-customer-loyalty>

* Newvoicemedia recent data cited here: <https://www.chatdesk.com/blog/the-true-cost-of-poor-customer-service>

• \$75 billion cited here: <https://www.forbes.com/sites/shephyken/2018/05/17/businesses-lose-75-billion-due-to-poor-customer-service/?sh=614c243616f9>