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Caught in the Web

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A new round of Web site development is catching shippers' attention, bringing about a surge in Web-based shipping.

At Seko, which recently upgraded its Web site, online shipping volume surged five-fold to 25 percent of the forwarder's total volume in just one year, said Tom Madzy, CIO. Online bill payment is one of the more popular services with shippers, Madzy said.

Wayne Bersch, vice president of operations at Billings Transportation Group, said his LTL freight volumes climbed 20 percent after the company revamped its Web presence.

DHL's online bookings jumped 150 percent in two weeks when the carrier allowed shippers to process credit card transactions on its Web site without opening a DHL account, said Michael Heilman, vice president of e-Commerce Americas and customer technology at DHL Information Systems Americas. Also, on the DHL site, shippers can get rate quotes, access inventory levels and account balances, store transport and customs documents, track and trace freight and even pay invoices.

The surge in online transactions may be attributed to greater familiarity with Web-based technology among shippers and the greater functionality and value of that technology.

For shippers, the ultimate test may be whether and to what extent Web sites help speed goods to customers.

"If you give people what they need, they'll go direct to the source, and the sooner they get to the source, the sooner they get to market, which is the name of the game," said Jay Cotton, transportation supervisor for UCB Pharma in Birmingham, Ala.

Seko's new site allowed UCB to customize any of a couple of hundred data fields, including critical shipping and delivery schedules, behind a username and password protected page for security.

Carriers say the recent online uptick represents a marked change in how they and their customers view their Web sites. Until recently, carriers encountered high levels of resistance to Web-based services from shippers, who often complained the sites focused more on advertising than on service. Even service-oriented sites frequently

inspired complaints about long response times, incomplete or incorrect information and frustrating complexity.

"When you have to really struggle to go where you want to get, you eventually kind of give up," Heilman said.

Now, DHL and others are moving business processes onto the Web so shippers can get rate quotes, access inventory levels and account balances, store transport and customs documents, track and trace freight and pay invoices. Carriers have offered many of these services before, Heilman noted. The difference at DHL now, he said, is that carriers are responding to customer calls for less marketing and more information with applications robust enough to minimize the need for customer service follow-up.

Madzy said letting shippers choose whether they want to locate shipments by purchase order number or by serial number is a real draw.

"There's such a deviation between what's a shipment for one customer and what's a shipment for the next customer," he said.

In addition to happy shippers, the improved online services are yielding cost-saving benefits and great efficiencies for carriers.

For DHL, each invoice filed electronically saves \$1.80. Online pick-up requests save DHL \$2 over the cost of a phone call. Online payment also reduces DHL's time to collect from up to 40 days to about 24 hours.

The carrier also benefits by linking once separate shipping steps into a seamless process that allows DHL to "up-sell" customers to more and premium services, he said. Online validation of credit card numbers and shipping addresses speeds transactions even further.

Bersch said customers are more trusting of doing business online. Shippers who used to call Billings' customer service for their bill of lading and proof of delivery documents now download them from the regional carrier's Web site.

Ken Weinberg, vice president of sales and marketing for Carrier Logistics, which designed Billings' new site, said one-stop freight management means automated e-mail notification of transportation-related events, rather than depending on staff to compose, address and send a message that might still get lost in the shuffle.

Madzy wants to offer an online routing guide for foreign shippers unfamiliar with the United States. DHL hopes to make its U.S. Web site a model for adoption by its other business units as the carrier accelerates its competitive assault in the American market.

Bersch said his company is experimenting with sending notifications to managers' Blackberry devices to further reduce delays. "In our industry the speed of information flow is critical and the customer wants that information now," he said.