

# Uncovering Savings Opportunities and Reducing Costly Changes



With \$58M in annual parcel spend, the company needed to reduce costs without compromising service. After a Tompkins Ventures partner company that specializes in contract optimization and negotiations reviewed the carrier contract proposal, it was able to identify considerable savings opportunities in the Millions. The Partner utilized Tompkins' unique and proprietary benchmark and target pricing tools which analyzes the rates of like shippers to be sure the client is getting the best rates for the services offered by the parcel carrier. The analysis led to a savings of over \$7.7M annually with no reduction in service or benefits. The Tompkins Partner was also able to identify ways to help the subscription box company optimize order tendering for parcel shipment services which led to significant improvements in customer service and satisfaction.

## The Company

A major industry-leading lifestyle subscription box retailer.

## Challenge

The subscription box retailer was growing rapidly. As they grew, they became more and more concerned they were not getting the best pricing from the carrier, and even more importantly, that service could be improved. However, they didn't want to negotiate without having detailed data to support their negotiation expectations and have an expert by their side. A Tompkins Ventures Partner Company stepped in to support the negotiation and optimization of the carrier proposal.

## Tompkins Ventures Role

Tompkins Ventures worked with its client to retrieve detailed shipment

level data to conduct a proprietary benchmarking and target pricing analysis to determine where there could be savings opportunities.

Our Tompkins Ventures partners employed the following tactics:

- Benchmarking Analysis
- Target Pricing Study
- Exploring "Best in Class Rate Structures"
- Identify Optimal Service Level Utilization
- Reviewed All Potential Service Provider
- Offerings Available

## The Results:

Tompkins Ventures worked with a major subscription box retailer to help manage the significant costs associated with its logistics operations.

## About Us:

At Tompkins Ventures, we partner with logistics partners that put the customer's needs first. Our partners are transparent, scalable and will customize solutions to fit our customers needs. The logistics partner must be an extension of the client's logistics department and must have the same passion and goals as our clients' customers. In addition to domestic TL and LTL, Tompkins Ventures helps clients reduce cost and improve service with Ocean, Air, Parcel and White Glove transportation.

## Contact Us

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