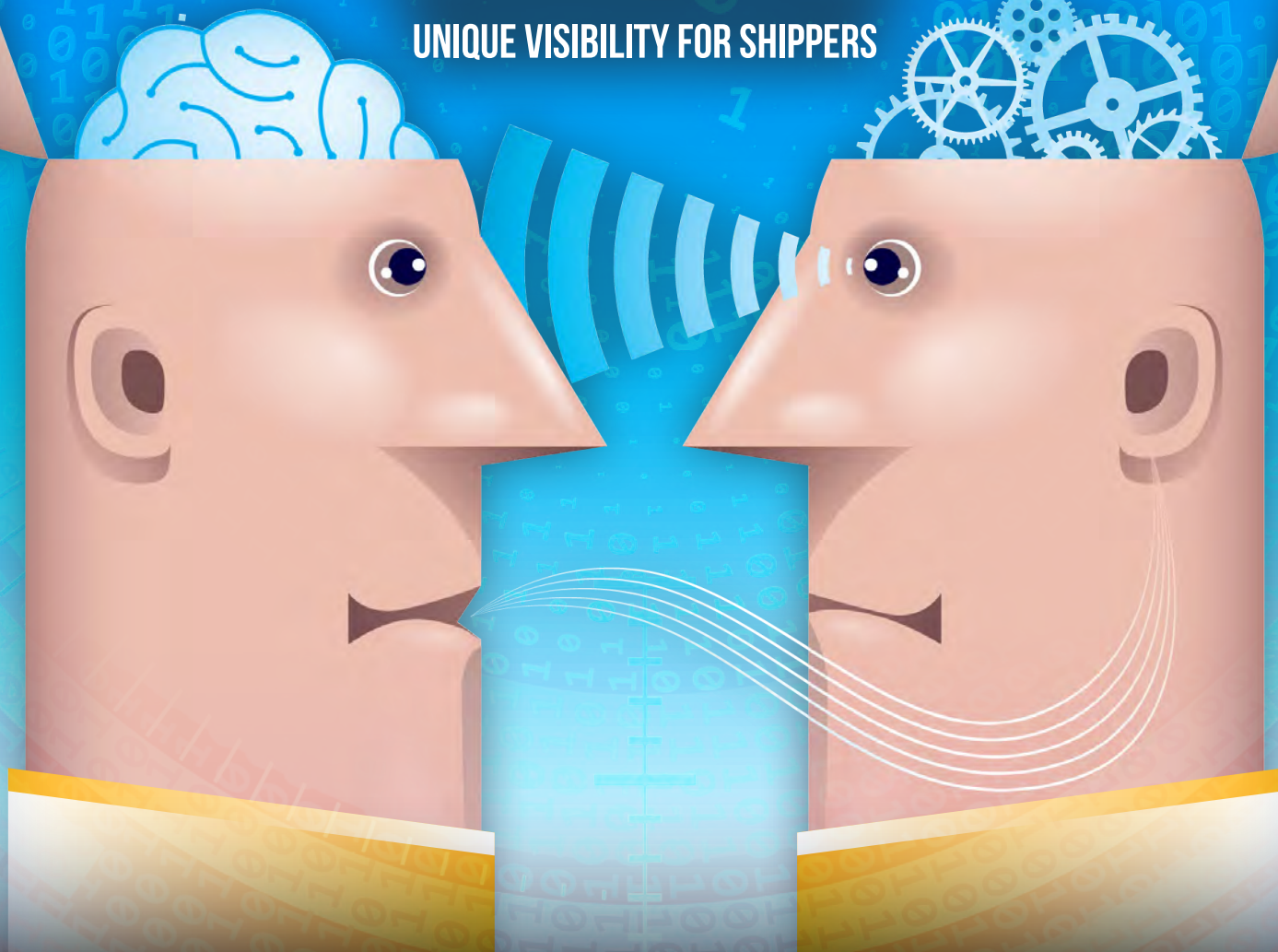# MCLEOD IQ:
USING DATA TO ENHANCE CUSTOMER RELATIONSHIPS & BOOST SALES

KINGSGATE TRANSPORTATION'S IQ-BASED DASHBOARDS ENABLE IMPROVEMENTS & PROVIDE UNIQUE VISIBILITY FOR SHIPPERS

What can you do to improve customer service? What strategies should you pursue to increase sales? What can you offer shippers that your competitors can't?

Good, solid answers to these questions hinge on your ability to know and understand your business, both from an overall perspective and in detail. On the one hand, you need to be able to analyze broad sets of data to detect trends, and on the other hand, you need to be able to dig down into your data to uncover the root cause of any problem you're encountering.

McLeod IQ has you covered. This business intelligence tool makes it easy to pull data from LoadMaster, PowerBroker, and 3rd party sources, and drop it into the reporting tool of your choice, such as Microsoft Excel and Power BI. IQ's multidimensional cube architecture allows data to be aggregated in creative new ways that surpass standard reporting.

No IT expertise is needed. Learning how to set up reports and dashboards is simple. Point and click to bring in data and create customized metrics. Everyone across the enterprise can be given access to the information they need to take the actions that will drive improvement. McLeod IQ gives you access to information about your business at a breadth and depth that you've never had before.

Case Study: Kingsgate Transportation

Kingsgate Transportation, which operates out of Cincinnati, Ohio, provides third-party logistics solutions for shipments of any size to anywhere in the world. Tom Curee, Vice President of Logistics, says, "One of the beauties of IQ is its flexibility and this has allowed us to do some creative new things with our metrics."
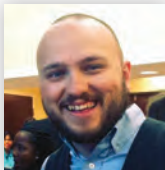
Concrete gains for our business

- ### We have more visibility into the business and much easier access to data

  "We've created an executive dashboard. Our top management can get the metrics from the Power BI application on a mobile device. It's so much easier and the dashboard we've created gives us so much more information than we had before."
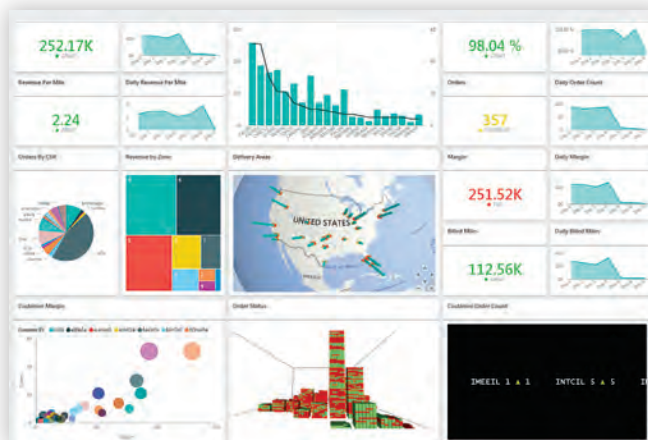
- ### We can help our customers with custom metrics

  "Most trucking people think about the typical transportation metrics, such as cost per mile. Looking at cost per mile is great if you're a trucking company, but manufacturers don't really care about cost per mile, because it's not relevant to their business. It doesn't influence much of what they're doing. Instead of presenting stagnant KPIs for transportation to them, we can tailor our approach to their kind of KPIs, so that it's a little bit easier for them to digest the data and gain value from it."

- ### Cost per pound— An example of a custom metric for our customers

  "Every customer may determine success with a different metric. A couple of our biggest clients manage all of their business based on their cost per pound, and their ability to succeed is based on their ability to decrease their cost per pound. Everything they do across the organization is affected, so their transportation spend is managed at a per-pound level. We've been able to work with McLeod to create a metric that shows shipping cost per pound for these customers. This is an unusual metric, but IQ has made it possible because it gives you the ability to create custom metrics that are relevant to your business needs."

- ### How customers use cost per pound

  - **To make decisions about inventory**—"Lean manufacturing practices often focus on reducing the inventory of manufacturing supplies and finished products. When one of our customers did this they started having shipments that involved smaller quantities. Their average weight per order dropped from around 30,000 pounds to around 23,000 pounds. Although many shipments included less cargo, the number of shipments didn't decline, so their shipping costs per pound shot up. Once they could see this through the metric we provided, they analyzed the entire process. They discovered that although they saved money by reducing inventory, they were paying more for shipping. Part of the increased shipping expense came from the need to expedite shipments more often. If they suddenly received a big order but didn't have all of the supplies needed in inventory, they had to rush the order for more supplies. We gave them the visibility into their supply chain so that they could analyze costs, evaluate options, and make better decisions. They discovered these other costs as the result of the

decision to reduce inventory, so they decided to increase their warehousing again, because it was cheaper for them to warehouse supplies and products than to ship them in smaller quantities. It turned out that reducing inventory didn't save money overall."

- **To determine where to procure ingredients**— "One of our customers has over a dozen manufacturing plants across the country, and they buy ingredients that are shipped to these plants. Say that they can get one of the ingredients from two different suppliers, one in Texas and one in California. Through the metrics we give them, they can see how their transportation costs per pound from these two suppliers compare. For example, they may discover that even though their cost to buy the product is three cents more per pound from the

- **WE CAN GIVE CUSTOMERS A LIVE FEED OF DATA ON THEIR TRANSPORTATION SPEND**

"One of the big benefits that we're getting from IQ is the ability to provide our clients with a live feed of data on their transportation spend. This includes analysis based on their planned spend so they can better control their transportation costs relative to their KPIs. Through the extensive access to data that IQ offers, we've been able to take a highly-customized approach to delivering content. Before we used IQ, we would pull data every month, create an Excel spreadsheet, doctor it up in various ways, and send it over to our customer. Now we have a dashboard set up for them with a live feed. They can go in any time and see what's happening relative to their transportation costs."

Texas supplier, their transportation spend is about six cents cheaper per pound out of Texas, so it saves money to buy more of that ingredient out of Texas than out of California. By giving them a metric that shows shipping cost per pound, we've made it easier for them to evaluate decisions like this."

- **OUR DISPATCH TEAMS CAN USE DASHBOARDS TO IMPROVE CUSTOMER SERVICE**

"Our dispatch team has a dashboard with a variety of data. For one of our customers, our dispatchers can see the cost per pound this month versus last month and the cost per pound based on the days of the week. Having this information gives us the ability to

offer advice to our customer on reducing shipping costs. Dispatchers can call the customer and say, 'If there's any way we could ship this Friday instead of Saturday, we could probably get you a much better rate.' The customer might be willing to rearrange production to make that happen."

- ## OUR SALES TEAM CAN TRACK THEIR SUCCESS THROUGH FISHBOWL SHARKS

"In our sales office we have projector screens displaying graphics which show how our salespeople are performing in terms of their order count and their margin. The graphics, which rely on data from IQ, involve a fishbowl with sharks. The larger the shark, the more money that person is making this week. If anyone has negative numbers, the shark dies and floats upside-down. It's a fun way to reveal data. It helps motivate people to excel."

- ## EACH SALESPERSON CAN TRACK CUSTOMER PAYMENT STATUS THROUGH AN ACCOUNTS RECEIVABLE DASHBOARD

"We're using IQ to help our sales staff monitor customer payments. This makes life easier for them and it helps us reduce unpaid orders. Our sales reps are held accountable for getting our customers to pay. If a salesperson has an account with unpaid invoices that reach over 60 days, they start taking a hit in commission. Once the invoices are over 90 days, they forfeit their commission. One of the problems has been that some brokers have said, 'I don't even know accounts are past due because these reports are so cumbersome and annoying to run and I don't have time to run reports.' So we used IQ to fix that. We went into McLeod IQ and created an individual AR dashboard for each salesperson.

Now they just click on their AR dashboard and they can see every single order and its aging history. We made it easy to see when an account is approaching 60 days, so they know when there's a problem in the making. If they click on a customer, it changes all of the data just to show the AR for that one customer. Let's say that a customer has 3 loads that are coming close to being past due, but there are other loads that need to be paid as well. When you call them, you can let them know about everything going on. It's easy to generate an Excel spreadsheet right from Power BI and send that directly to the customer. That was a big problem that we were hearing from our sales reps. We don't have that problem anymore, because they now have visibility into their AR at any time. It also shows them unbilled orders, so if we haven't received paperwork from the carrier who wants to get paid for a load, a salesperson can call that carrier and say, 'Why haven't you sent us your paperwork yet?'"

Our strategies for using IQ

- ## We use IQ dashboards across the enterprise

  "We're using IQ data to feed dashboards across the organization, and this helps us manage performance at all levels of the organization."

- ## We funnel the right data to the right people

  "We use IQ to hand deliver the metrics that are of most importance and we can customize the delivery of those metrics. We want each team and each individual to get the metrics that provide the most value for the work they do. For example, we want to minimize the risk each salesperson takes with their book of business. In other words, we want to discourage any salesperson from relying too heavily on one or two big customers, so we provide each of them with a dashboard that can be used to track how their revenue and load count breaks down by customer. This helps them know when they need to be working more to develop a diversified book of business. They become better at managing risk in this way."

- ## We keep the data as close to real time as possible

  "We want to work with data that is live, because this keeps us in touch with the business as it is right now. McLeod IQ automatically updates the data that is fed to our dashboards every few minutes, so we're never dealing with dead data. In the past, we had to export data and use various tools to manipulate the data. By the time you arrived at your analysis, the data was stale. We avoid that problem with IQ."

- ## We put dashboards into PowerPoint presentations

  "We do quarterly business reviews with some of our customers and we use PowerPoint presentations. Previously we would generate reports from Excel and paste them into a PowerPoint slide. Now, through the Power BI integration, we can imbed live dashboards into a PowerPoint presentation. This gives our customers a much more complete picture of what we need to tell them and it's an impressive way to deliver information."
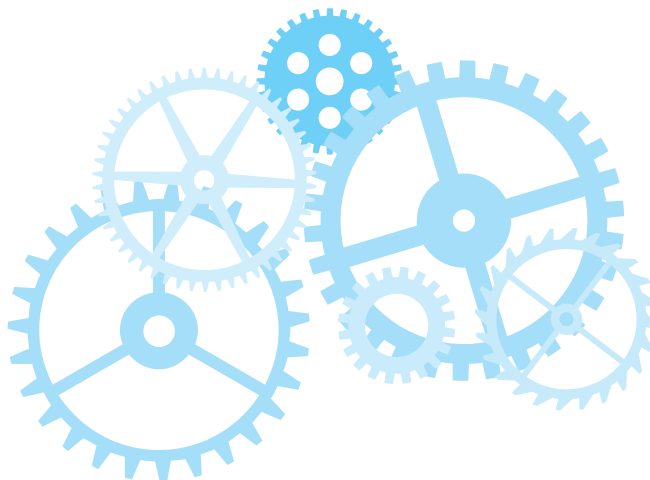
Advice for using IQ

- ## Approach IQ by defining your KPIs

  "The trick to making good use of McLeod IQ is to start by determining the KPIs for your organization that will drive the improvements you want. You have to decide what changes will drive productivity within your team. Then work with McLeod to create the metrics you need."

- ## Don't see this as an IT project

  "We didn't hire any IT staff to work with IQ. I've needed to invest some time, but I'm the only one on our staff who has needed to spend time learning how to use it, and now I no longer need to spend that much time on it."

- ## EXPECT YOUR STAFF TO FIND IT EASY TO ACCESS DATA

  "There has been literally no learning curve for our staff. Within our team we have some people who are very good at technology, some who are clumsy, and some who are somewhere in the middle, and not a single one of them has had problems with accessing the data we present in the dashboards. It's so simple. They just log in and it's there. They can see it. They can touch it. It's very intuitive, very easy to use."
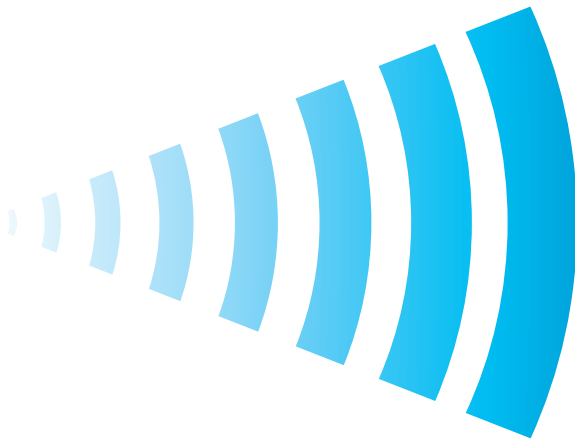
OUR PLANS FOR FUTURE USES OF IQ

- ## WE WANT TO EMPOWER OUR MANAGEMENT TO DEVELOP THEIR OWN REPORTS

  "From a leadership perspective, IQ offers the ability to tap into a lot of data. One of our goals in 2017 is to release Power BI into the hands of our leaders so that they can develop their own reports."

- ## WE EXPECT TO LOOK AT CALL DATA

  "Eventually I want to be able to examine how many calls it takes to convert this prospect to a client. Say that I learn that it's taking one salesperson 40 calls on average to convert and another salesperson 20 calls on average to convert. Where's the difference? What's the gap? Is there training that I can offer that would close the gap?"

- ## WE WANT TO USE IQ DATA TO HELP PEOPLE PRIORITIZE TASKS

  "I think we can create a dashboard that helps people see how they can optimize their work. Maybe there are metrics that will direct your attention to the orders that are of utmost importance for you today. These are the ones that are going to be the most impacted. If you don't act soon, it's going to end up costing you money. This could be based all kinds of data sources. Maybe we can see trends in our business. Maybe it's getting increasingly difficult to cover freight for certain markets, so you need to make sure you're putting more attention on this load versus that load."

- ## WE PLAN TO USE IQ TO SHOW COMMISSIONS DATA

  "We want to be able to put data in the hands of our salespeople that lets them see not only where they stand with their commissions, but also where they might end up. Right now they can already see their current commissions for the month. What I want to build is a tool that will use analytics to show them how much they would make if they increased their margin, say $3 for every load or $10 or whatever. Providing information that shows them how much more money they would have in their pocket can be highly motivating. It ultimately drives behavior to improve our bottom line."