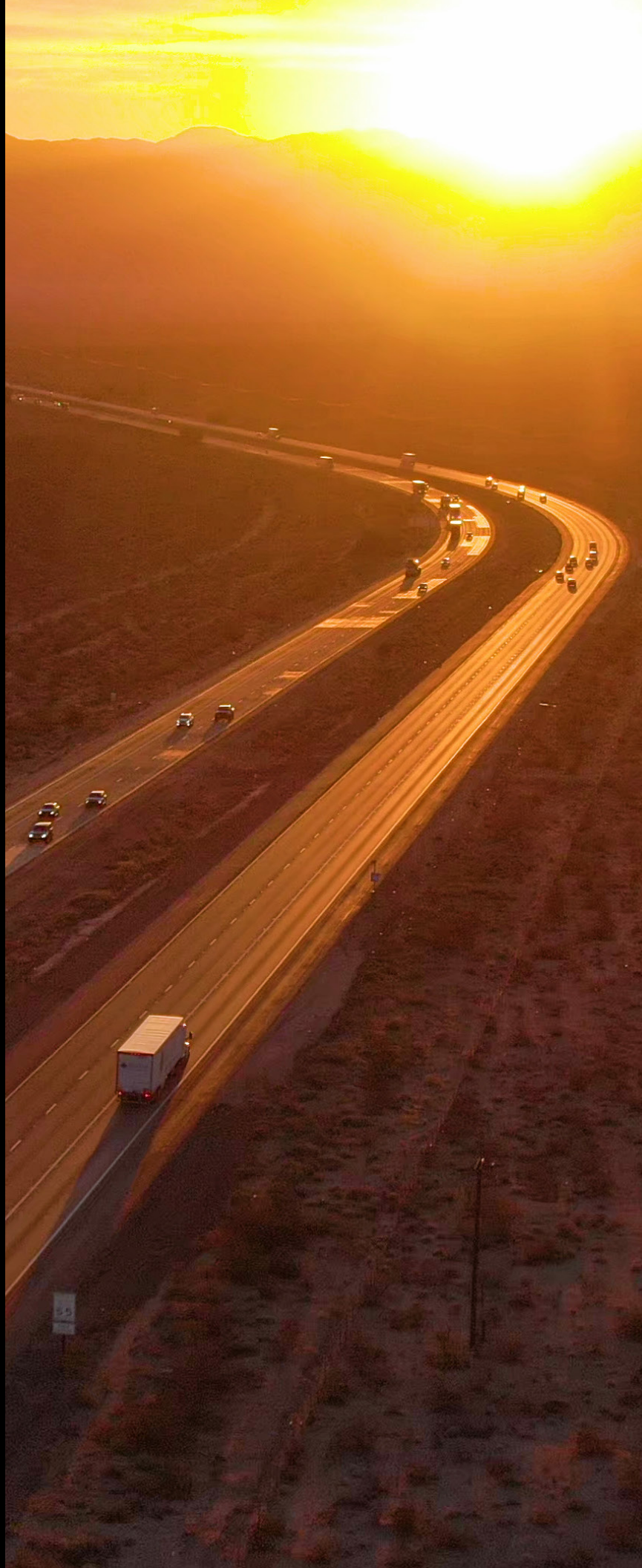


Uber Freight

From spend
to savings:
Managed transportation
strategies to find and
reduce costs

Learn where inefficiencies hide in your network and how automation, optimization, and Uber Freight's logistics technology and managed transportation services can help you find measurable savings and long-term performance gains.



From spend to savings: Managed transportation strategies to find and reduce costs

Why transportation is a powerful cost lever

As global supply chains grow more complex, leading manufacturers are realizing that agility and cost optimization demand more than just solving for a single mode of freight. But when businesses are under pressure to reduce spend, many focus on procurement or pricing—areas that typically represent large, visible portions of the budget. Renegotiating contracts or adjusting vendor terms can yield savings, but they have to be weighed against the effects on relationships.

Transportation costs, on the other hand, are often fragmented across teams and difficult to assess without centralized data and coordinated management.

Despite this complexity, they represent a promising avenue for sustainable cost management. Transportation costs frequently account for half of total logistics spend, meaning that even modest efficiency gains can have a measurable impact on profitability. A dollar saved in transportation costs is a dollar added to your bottom line.

Still, many organizations struggle to identify and capture those savings. Disconnected systems, limited visibility, and manual workflows obscure inefficiencies and delay corrective action. This is where a dedicated managed transportation partner—enabled by a modern TMS—can change the equation.

By combining expert logistics teams with connected technology, shippers can systematically apply powerful cost levers such as rate benchmarking, shipment consolidation, mode conversion, LTL pooling, and network collaboration. These strategies don't just trim spend in one area; they drive continuous improvement across the entire transportation network.

Whether you manage transportation internally or partner with a provider, understanding where inefficiencies hide, how expert management impacts financial performance, and how technology, services, and capacity work together can help you unlock measurable savings across your network.



Where cost is hiding in your network—and how to find it

Most supply chain leaders know inefficiencies exist in their network, but it's difficult to pinpoint exactly where they're losing value. Often, the culprit is manual processes that eat up multiple days per week, while legacy systems and incomplete data lack the end-to-end visibility shippers need to meet their goals.

The challenge is that these inefficiencies are scattered. Costs are hidden in the handoffs between teams, systems, and partners, making them difficult to measure or control. By analyzing where time, capacity, and information are lost, shippers can uncover significant savings and strengthen logistics performance.

Below are six of the most common sources of wasted spend that appear across logistics operations, and how each one can quietly erode margin, service quality, and customer satisfaction:

- 01 Manual and legacy processes:** Routing guides, spreadsheets, manual tendering, and reactive issue handling are delaying decisions and creating blind spots in the total cost of fulfilling a customer's order, known as cost-to-serve.
- 02 Fragmented visibility and systems:** Without unified technology and coordinated transportation management, shippers struggle to optimize across modes and carriers or see the full impact of decisions.
- 03 Sub-optimal capacity, mode, and fleet strategy:** Empty miles, under-utilized assets, and static network designs limit flexibility and increase spend.
- 04 Service failures and penalties:** On-time in-full (OTIF) issues, retailer chargebacks, and missed delivery windows directly erode margins and brand reliability.
- 05 Finance and audit inefficiencies:** Manual freight audits and settlement processes delay dispute resolution, tie up cash, and obscure spend visibility.
- 06 Risk and disruption exposure:** Weather, labor strikes, and trade uncertainty continuously test network resilience.

These challenges don't require a full network overhaul, but they do require smarter systems, connected data, and—most importantly—dedicated experts who can continuously apply proven value levers such as rate benchmarking, consolidation and pooling, mode conversion, LTL pooling, and broader network collaboration.

With Uber Freight's Managed Transportation Services, powered by our Transportation Management System (TMS), shippers gain a team focused on boosting on-time performance, reducing manual work, and simplifying complex logistics operations—all while lowering overall transportation costs.

How smarter transportation management can drive savings

In transportation, cost reduction doesn't come from cutting corners or guesswork. It comes from smarter execution that eliminates inefficiencies and saves time, money, and capacity across your network.

- A modern TMS provides the visibility and optimization capabilities. But meaningful savings are often realized when experienced logistics teams use that system to:
- Benchmark and improve rates across lanes and carriers
- Consolidate shipments and pool LTL freight to reduce empty miles
- Convert shipments to more efficient modes when service requirements allow
- Coordinate across your broader network and partners to share capacity and balance flows

The following five levers represent some of the most powerful ways modern transportation management can reduce spend, helping shippers cut costs while strengthening performance and service reliability.

01 Consolidation and pooling

One of the most effective ways to reduce costs is to make better use of every truck on the road. There is a significant waste problem in freight, and our research suggests that network optimization can reduce up to two-thirds of empty miles.

This level of network optimization takes time, but teams can take action now to ensure their operations are as efficient as possible with consolidation and pooling. Consolidation combines multiple smaller shipments into a single, fuller load, while pooling aggregates freight across facilities, regions, or even customers to eliminate empty miles.

Uber Freight's managed transportation teams use our TMS to continuously scan orders, timing, origins, destinations, and carrier capacity to identify consolidation and pooling opportunities. They then redesign routes, adjust pickup and delivery sequences, and coordinate with carriers so that shippers see sustained value—not just one-off improvements.

For example, by partnering with Uber Freight, a CPG manufacturer worked with our logistics engineers to redesign its routes, cutting unnecessary truckloads and achieving more than \$1 million in annual transportation cost savings through better consolidation and pooling.

02 Mode and fleet strategy

Transportation costs also depend on using the right mode and fleet mix for each shipment. Shippers are known to rely too heavily on certain strategies, like single-sourced providers or dedicated fleets. This creates a blind spot to alternative methods and modes like intermodal, less-than-truckload (LTL), or spot capacity, which often deliver the same service at lower cost.

Uber Freight's managed transportation teams analyze historical lane data, rate trends, and service performance to build a more balanced mode and fleet strategy. With the support of the TMS, they identify where:

- Mode conversion (e.g., TL to intermodal, parcel to LTL) can cut costs without sacrificing service
- Dedicated fleets can be right-sized or re-routed to increase utilization
- The mix between contract and spot freight can be adjusted to reduce overall spend

By actively managing these decisions over time, rather than setting a static strategy, shippers can capture ongoing savings while protecting service reliability.

03 Dynamic routing and real-time adjustment

Static routing guides used to be the norm, but in a constantly evolving market, they can be a liability. Carriers come and go, rates fluctuate, and disruptions can upend plans instantly.

With Uber Freight, dynamic routing is not just a system capability—it's a managed practice. Our teams monitor network performance, capacity, and service levels, then use TMS insights to:

- Reroute shipments when disruptions occur
- Adjust carrier assignments based on real-time performance and cost
- Rebalance loads to reduce empty miles and avoid premium rates

AI-based routing in the TMS can help cut a truck's empty rate dramatically, but the value is realized when a dedicated team is accountable for acting on those insights, day in and day out. The result is a more flexible network that minimizes wasted miles, avoids premium charges, and keeps freight moving even when the market turns.

04 Scenario planning

Every logistics decision carries a trade-off between cost, service, and risk. Scenario planning allows shippers to test those trade-offs before committing to them. By simulating “what-if” situations—such as switching modes, adding a distribution center, changing carrier mix, or shifting service levels—teams can understand the financial and operational impact of each option in advance.

Uber Freight’s logistics engineers use modeling tools and shipper data to build and compare scenarios. What once took weeks of manual spreadsheet work can now be run in hours, providing a clear view of how each scenario affects:

- Cost-to-serve
- Delivery times and OTIF performance
- Network balance and asset utilization

In one project, Uber Freight helped a fuel distributor redesign its network through simulation and optimization, uncovering \$16 million in potential cost savings. Scenario planning gives shippers the confidence to make informed decisions and build resilience into their network design before disruption happens, rather than reacting after the fact.

05 Audit, settlement, and financial visibility

Behind every shipment are hundreds of invoices, payments, and reconciliations. Manually processing them wastes time and often leads to overpayments or delayed settlements.

Uber Freight’s managed transportation solution pairs automated freight audit and settlement capabilities with a team that continually reviews and refines financial controls. Our TMS matches invoices against contracts and shipment data, flagging discrepancies automatically, while our experts:

- Benchmark rates across the network
- Identify outliers and cost drivers
- Work with carriers to resolve disputes efficiently

This combination has been shown to reduce dispute resolution times by up to 20% while improving visibility into transportation spend. Shippers gain cleaner data, faster, more accurate payments to carriers, and a clearer view of where and how to apply additional cost levers such as rate improvement, consolidation, and mode conversion.



Bringing it all together

Each of these levers addresses a different source of inefficiency, but together they compound to deliver meaningful results. When shippers unite technology, data, and expert managed transportation teams, they gain end-to-end visibility and control.

That unified approach enables:

- Continuous rate benchmarking and improvement
- Systematic shipment consolidation and LTL pooling
- Smart mode conversion and fleet optimization
- Cross-network collaboration with partners and customers

The result is smarter freight movement, faster execution, and consistent cost reductions.

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Getting started: Find savings your network with the complimentary LEVA logistics assessment

You don't have to overhaul your logistics strategy overnight to start saving. The first step is understanding where you stand today: how your network performs, where inefficiencies exist, and where technology and process improvements can deliver the biggest return.

Uber Freight's Logistics Engineering Value Assessment (LEVA) was designed to help you start this process. The assessment is a complete logistics evaluation of a shipper's network to uncover savings opportunities by leveraging Uber Freight's managed transportation expertise and technology.

As freight markets evolve and rates, modes, and fuel costs fluctuate, the assessment helps shippers reassess their current strategy and build a comprehensive logistics action plan. It applies Uber Freight's engineering and supply chain expertise to reduce cost, increase efficiency, and modernize logistics operations.

Each assessment provides a custom report with recommendations across key value levers, including:

- Rate benchmarking
- Shipment consolidation
- Mode conversion
- LTL pooling
- Network collaboration
- And more



The LEVA process: Six structured steps

The process typically spans three to four weeks and follows six structured steps:

- 01 Discovery session**
The shipper discusses current logistics processes, pain points, and business goals with Uber Freight.
- 02 Historical data submission**
The shipper provides shipment volumes, modes, costs, lead times, and other key metrics for our team to analyze.
- 03 Operational deep dives**
Uber Freight meets with the shipper's core teams:
 - Logistics operations to understand daily workflows and constraints
 - IT to review systems, data integrations, and automation readiness
 - Finance and accounting to examine cost structures and budgeting processes
 - Customer care and commercial operations to capture customer expectations and service-level commitments
- 04 Data validation**
We present an initial analysis and baseline, aligning on the data's accuracy and context.
- 05 Solution development**
Our engineers and analysts create a tailor-made solution that blends technology, process, and human capital to address the shipper's unique needs.
- 06 Final report**
Delivered within 3 to 4 weeks of kickoff, the report includes:
 - Detailed recommendations by value lever (rate improvement, consolidation, pooling, mode conversion, etc.)
 - A quantified business case and ROI projection
 - A proposed scope of services and RACI outlining roles and responsibilities
 - Program economics and a step-by-step plan to implement the solution

Through this approach, shippers receive not only diagnostic insight but also a ready-to-execute roadmap that connects every opportunity to tangible next steps powered by Uber Freight's managed transportation services and TMS.

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Building a smarter path to cost reduction

As the freight market continues to shift, controlling transportation spend is one of the most effective ways to protect margins. The strategies covered in this guide—from consolidation and mode optimization to better financial visibility and rate benchmarking—show how shippers can capture transportation cost savings while improving reliability and resilience.

The Logistics Engineering Value Assessment process helps identify where those savings are hiding by benchmarking your logistics performance and delivering a data-backed roadmap to greater efficiency. Uber Freight's managed transportation teams put that plan into action, using our TMS as an enabler to drive measurable, sustainable cost reduction.

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