



## Case Study: Freight Diagnostic

# Australian Footwear Company: Freight Diagnostic

Freight diagnostic to establish client baseline and future state.

### PROJECT SUMMARY

#### LOCATION

Oceania

#### INDUSTRY

Merchandise  
& Apparel

# TMX was engaged to provide the client with a roadmap to accommodate future growth and reduce fixed costs, meeting future eCommerce demands.

## Client Challenges

Following recent developments and strategy within the business, the client identified the opportunity to improve service levels and drive-up customer satisfaction.

To achieve this, the client required a comprehensive diagnostic review of their freight network and operations, across both cost and service to understand opportunities within their baseline and future state. The client was unaware of how competitive the current transport rates and services were against the market.

## Solution

- The project was completed successfully, with TMX identifying **AUD ~\$1.3 – 1.4M in opportunities** across price and process.
- A **saving of ~17% against the cost baseline was outlined** on both pricing and service opportunities across domestic and international freight
- The project provided guidance for the client to **execute on its future state transport strategy**, underpinned by optimal transport network provider relationships and controls.
- The client acted on TMX advice and recommendations with **immediate initiatives identified**, with the objective of improving service, control, cost and minimizing risk within the transport network. As a result, TMX was engaged to support the freight procurement process.

## Approach

TMX undertook a freight diagnostic to review current transport functions, focusing on operations, carrier and provider relationships, as well as cost/ service benchmarking.

An execution timeline was suggested, including, identified domestic transport cost and service baseline, savings opportunities, future process/ systems improvements, as well as key next steps and recommendations.

The diagnostic process undertaken was inclusive of a site visit to the Adelaide distribution center (DC), data collection/analysis and stakeholder interviews with the client.

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