



RateLinx

INSIGHT 24

***Multicarrier Parcel
Management***

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Account Manager, RateLinx***

Simplifying a Parcel Rate Agreement

What goes into a UPS/FedEx rate agreement?

- Shipment weight
- Incentives
- Destination zones

WEIGHT	ZONES									
(LBS)	2	3	4	5	6	7	8	44	45	46
1-10	18.5%	18.5%	18.5%	18.5%	18.5%	18.5%	18.5%	10%	10%	10%
11-30	20.5%	20.5%	20.5%	20.5%	20.5%	20.5%	20.5%	10%	10%	10%
31-50	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	10%	10%	10%
51-150	24%	24%	24%	24%	24%	24%	24%	10%	10%	10%
151 and up	24%	24%	24%	24%	24%	24%	24%	10%	10%	10%

Accessorial Examples

ACCESSORIALS	INCENTIVES
Domestic – custom delivery confirmation – adult signature required	50% off effective rates
Domestic – custom delivery confirmation – adult signature required – non compliant	50% off effective rates
C.O.D.	50% off effective rates
Domestic – custom delivery confirmation – signature response	42% off effective rates
Domestic – custom delivery confirmation – signature response – non compliant	42% off effective rates
Domestic – hazmat air accessible	25% off effective rates
Domestic – hazmat ground fully reg	17.5% off effective rates
Domestic – hazmat air inaccessible	25% off effective rates
Domestic – hazmat air lithium battery cargo	25% off effective rates
Domestic – hazmat ground lithium battery	17.5% off effective rates
Domestic – hazmat air lithium battery	25% off effective rates

Minimum Floor vs Discount

- Know when a greater discount won't affect pricing due to a set high minimum
- Manipulate minimums and discounts to maximize overall savings



Air vs Ground Rating



Parcel Analysis Tool



Parcel Analysis Tool: Importing Rates

Carrier
FedEx

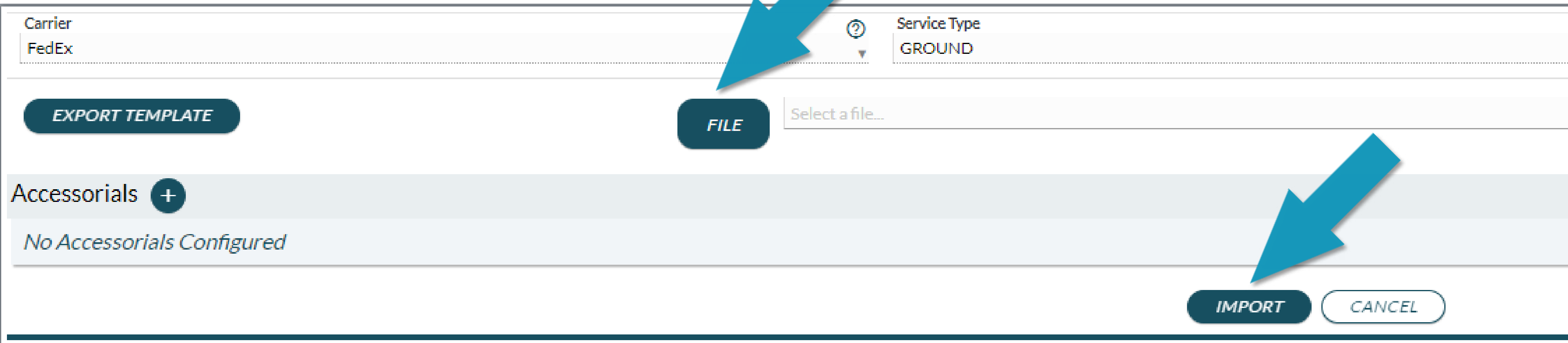
Service Type
GROUND

EXPORT TEMPLATE

FILE Select a file...

Accessorials +
No Accessorials Configured

IMPORT CANCEL



Export Templates from the Import Tool

RATES

zone	weight	discount	min_chg_reduction	min_chg_reduction_type
2	1	32.00%	2.55	SUBTRACT
2	2	32.00%	2.55	SUBTRACT
2	3	32.00%	2.55	SUBTRACT
2	4	32.00%	2.55	SUBTRACT
2	5	32.00%	2.55	SUBTRACT
2	6	33.00%	2.55	SUBTRACT
2	7	33.00%	2.55	SUBTRACT
2	8	33.00%	2.55	SUBTRACT
2	9	33.00%	2.55	SUBTRACT
2	10	33.00%	2.55	SUBTRACT
2	11	42.00%	2.55	SUBTRACT
2	12	42.00%	2.55	SUBTRACT

REVENUE BANDS

type	revenue_low	revenue_high	discount
Delivery Area Surcharge	0	43139.99	0.00%
Delivery Area Surcharge	43140	59314.99	35.00%
Delivery Area Surcharge	59315	75489.99	40.00%
Delivery Area Surcharge	75490	91664.99	45.00%
Delivery Area Surcharge	91665	134809.99	50.00%
Delivery Area Surcharge	134810	161769.99	50.50%
Delivery Area Surcharge	161770		51.00%
Rate	0	43139.99	0.00%
Rate	43140	59314.99	15.40%
Rate	59315	75489.99	17.10%
Rate	75490	91664.99	18.50%
Rate	91665	134809.99	20.20%
Rate	134810	161769.99	20.80%
Rate	161770		21.30%

Adding Accessorials

Users can select the accessorial name and fill out the details:

The screenshot shows a form titled "Accessorial" with the following fields and controls:

- Name:** A dropdown menu with "Additional Handling" selected. The menu is open, showing options: "Additional Handling", "Address Correction", "Adult Signature", "COD", and "Declared Value".
- Discount:** An input field containing the value "0".
- Zone Low:** An input field containing the value "0".
- Zone High:** An input field containing the value "999".

At the bottom of the form, there are two buttons: a dark teal "SAVE" button and a white "CANCEL" button with a teal border.

RateLinx View Post Import

After importing the template and accessorials, everything is displayed in RateLinx:

RATES	Weight / Zone	2	3	4	5	6	7	8
	1 - 5	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%	32.00%
	6 - 10	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%	33.00%
	11 - 20	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%	42.00%
	21 - 30	43.00%	43.00%	43.00%	43.00%	43.00%	43.00%	43.00%
	31 - 150	44.00%	44.00%	44.00%	44.00%	44.00%	44.00%	44.00%

REVENUE BANDS	Type	Revenue Low	Revenue High	Discount
	Delivery Area Surcharge	\$0.00	\$43,139.99	0.00%
	Rate	\$43,140.00	\$59,314.99	35.00%
	Rate	\$59,315.00	\$75,489.99	40.00%
	Delivery Area Surcharge	\$75,490.00	\$91,664.99	45.00%
	Delivery Area Surcharge	\$91,665.00	\$134,809.99	50.00%
	Delivery Area Surcharge	\$134,810.00	\$161,769.99	50.50%
	Delivery Area Surcharge	\$161,770.00		51.00%
	Rate	\$0.00	\$43,139.99	0.00%
	Rate	\$43,140.00	\$59,314.99	15.40%
	Rate	\$59,315.00	\$75,489.99	17.10%
	Rate	\$75,490.00	\$91,664.99	18.50%
	Rate	\$91,665.00	\$134,809.99	20.20%
	Rate	\$134,810.00	\$161,769.99	20.80%
	Rate	\$161,770.00		21.30%

ACCESSORIALS	Name	Zone Low	Zone High	Discount
	Additional Handling	0	999	10.00%
	Correction	0	999	50.00%
	Signature	0	999	50.00%
	Large Package Surcharge	0	999	35.00%
	Signature	0	999	50.00%

The Different Data Breakdowns

Analysis can show 3 different data types

- Count
- Total charge
- Revenue neutral conversion


Search
Count
TOTAL CHARGE
Revenue Neutral Conversion


Count Breakdown


- Total number of packages that fit each zone/weight based on current rate agreement in place.
 - Weight ranges are based on how rates are broken down in the rate agreement:

Weight / Zone	2	3	4	5	6	7	8
1 - 5	137,024	149,101	394,238	220,857	53,390	35,950	26,113
6 - 10	96,477	121,712	340,853	221,030	55,815	35,713	21,031
11 - 20	83,798	117,730	354,588	220,903	63,375	43,311	29,329
21 - 30	40,761	60,278	162,308	114,010	30,771	21,725	17,449
31 - 150	63,408	85,894	198,070	141,675	40,504	29,801	16,382

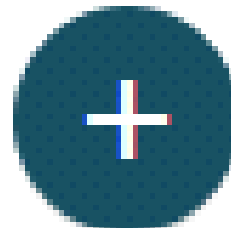
Using Filters in Count


Advanced 1 

Carrier 

Equals 

Search on Value



Carrier Equals ups 

Breakdown: Total Charge

- Total charge shows total spend from each zone/weight metric.
- Number in grey reflects billed charge in each box.
- Percentage is the total charge compared to the imported rates

Weight / Zone	2	3	4	5	6	7	8
1 - 5	\$1,122,563.86 ↑ (34.89%)	\$1,239,268.47 ↑ (34.98%)	\$3,225,393.10 ↑ (34.63%)	\$1,817,403.21 ↑ (34.58%)	\$440,817.11 ↑ (35.03%)	\$298,782.39 ↑ (37.00%)	\$221,068.91 ↑ (37.03%)
6 - 10	\$786,093.21 ↑ (34.87%)	\$1,006,890.19 ↑ (35.08%)	\$2,776,007.62 ↑ (34.71%)	\$1,835,805.12 ↑ (36.24%)	\$474,818.05 ↑ (36.81%)	\$322,995.11 ↑ (38.78%)	\$204,685.08 ↑ (39.05%)
11 - 20	\$683,156.42 ↑ (34.76%)	\$972,511.33 ↑ (34.56%)	\$2,883,282.32 ↑ (33.46%)	\$1,838,707.80 ↑ (24.89%)	\$570,025.84 ↑ (18.69%)	\$459,001.08 ↑ (17.01%)	\$342,946.59 ↑ (15.73%)
21 - 30	\$332,265.35 ↑ (30.24%)	\$499,994.14 ↑ (17.61%)	\$1,384,710.79 ↑ (13.90%)	\$1,140,575.51 ↑ (12.64%)	\$378,554.78 ↑ (13.12%)	\$315,005.77 ↑ (13.53%)	\$286,642.04 ↑ (12.48%)
31 - 150	\$579,665.61 ↑ (11.49%)	\$925,495.79 ↑ (10.40%)	\$2,340,793.80 ↑ (10.10%)	\$2,067,091.43 ↑ (10.88%)	\$733,343.69 ↑ (10.73%)	\$629,091.79 ↑ (10.94%)	\$398,893.80 ↑ (10.09%)

Breakdown: Total Charge, Also Displayed

- Revenue band you are in
- Overall charge difference from billed charge to total charge
- Cost per shipment

Billed Charge: \$29,886,785.41

Revenue Band: \$161,770.00+

TOTAL CHARGE: \$37,066,015.49

Shipments: 3,955,020

Charge Difference: (\$7,179,230.08)

Cost Per Shipment: \$9.37

Breakdown: Revenue Neutral Conversion

- Listed revenue bands
- Highlighted band = band currently in and data displays below

Revenue Bands			
	Revenue Low	Revenue High	Discount
<input type="radio"/>	\$0.00	\$43,139.99	0.00%
<input type="radio"/>	\$43,140.00	\$59,314.99	15.40%
<input type="radio"/>	\$59,315.00	\$75,489.99	17.10%
<input type="radio"/>	\$75,490.00	\$91,664.99	18.50%
<input type="radio"/>	\$91,665.00	\$134,809.99	20.20%
<input type="radio"/>	\$134,810.00	\$161,769.99	20.80%
<input type="radio"/>	\$161,770.00		21.30%

Revenue Neutral Conversion Tables

Can edit minimums and discounts to get the rates as close to a neutral conversion as possible.

Discounts										
Weight / Zone	2	3	4	5	6	7	8	44	46	
1 - 5	29.100 %	34.800 %	38.500 %	41.500 %	42.600 %	44.300 %	45.200 %	-21.00 %	-30.300 %	
6 - 10	35.600 %	39.00 %	42.300 %	45.300 %	45.900 %	46.600 %	46.900 %	-21.100 %	-32.900 %	
11 - 20	41.800 %	45.00 %	45.800 %	48.100 %	49.300 %	48.300 %	47.200 %	-21.100 %	-29.600 %	
21 - 30	46.600 %	47.600 %	47.900 %	47.600 %	47.400 %	47.500 %	47.300 %	-21.00 %	-29.00 %	
31 - 150	54.100 %	47.800 %	47.400 %	47.600 %	47.600 %	47.700 %	47.500 %	-21.200 %	-26.00 %	

Minimum Charge Reductions										
Weight / Zone	2	3	4	5	6	7	8	44	46	
1 - 5	\$ 4.97	\$ 4.97				4.91	\$ 4.79	\$ 0.0	\$ 0.0	
6 - 10	\$ 4.94	\$ 4.97				4.46	\$ 3.94	\$ 0.0	\$ 0.0	
11 - 20	\$ 4.92					2.55	\$ 2.55	\$ 0.0	\$ 0.0	
21 - 30	\$ 4.73	\$ 4.01				2.55	\$ 2.55	\$ 0.0	\$ 0.0	
31 - 150	\$ 2.8	\$ 2.55	\$ 2.55	\$ 2.55	\$ 2.55	\$ 2.55	\$ 2.55	\$ 0.0	\$ 0.0	

Click RUN button to see how minimum charges and discounts entered calculate against billed charges

Results
RUN

Calculated Breakdown

In this case the difference is \$198,769




Results		RUN							
Billed Charge: \$29,754,446.67		TOTAL CHARGE: \$29,953,215.35				Charge Difference: (\$198,768.68)			
Revenue Band: \$161,770.00+		Shipments: 3,948,033				Cost Per Shipment: \$7.59			
Weight / Zone	2	3	4	5	6	7	8		
1 - 5	\$831,033.02	\$917,073.26	\$2,394,469.92	\$1,346,872.42	\$325,120.10	\$217,454.98	\$159,539.35		
6 - 10	\$581,934.95	\$745,184.94	\$2,058,769.49	\$1,345,364.11	\$345,256.78	\$231,776.48	\$146,260.75		
11 - 20	\$505,399.60	\$720,656.01	\$2,157,572.55	\$1,467,128.87	\$478,845.20	\$391,684.49	\$294,839.05		
21 - 30	\$253,118.57	\$423,045.15	\$1,211,284.77	\$1,004,635.40	\$332,354.18	\$274,803.16	\$250,596.12		
31 - 150	\$515,808.01	\$829,837.26	\$2,109,022.16	\$1,849,324.67	\$653,706.01	\$559,283.57	\$355,640.08		

Editing Discounts and Floors

To get the difference close to 0, edit discounts and floors in the two charts focusing on zones and weight where many shipments occur.

After adjusting minimum reduction and discount % for zone 5 shipments 11-20 lbs., massive savings are shown and the charge difference turns green



Results RUN		TOTAL CHARGE: \$29,318,052.55		ChargeDifference: \$436,394.12			
Billed Charge: \$29,754,446.67		Shipments: 3,948,033		Cost Per Shipment: \$7.43			
Revenue Band: \$161,770.00+							
Weight / Zone	2	3	4	5	6	7	8
1 - 5	\$831,033.02	\$917,073.26	\$2,394,469.92	\$1,346,872.42	\$325,120.10	\$217,454.98	\$159,539.35
6 - 10	\$581,934.95	\$745,184.94	\$2,058,769.49	\$1,345,364.11	\$345,256.78	\$231,776.48	\$146,260.75
11 - 20	\$505,399.60	\$720,656.01	\$2,157,572.55	\$831,966.07	\$478,845.20	\$391,684.49	\$294,839.05
21 - 30	\$253,118.57	\$423,045.15	\$1,211,284.77	\$1,004,635.40	\$332,354.18	\$274,803.16	\$250,596.12
31 - 150	\$515,808.01	\$829,837.26	\$2,109,022.16	\$1,849,324.67	\$653,706.01	\$559,283.57	\$355,640.08

How the Revenue Neutral Conversion Works

MAX. G. W. 30480 KGS
67200 LBS
TARE 3950 KGS
8710 LBS
MAX. C. W. 26530 KGS
58490 LBS
CU. CAP. 764 CBM
2698 CUFT

EXAMPLE

If looking at UPS rates, it will look at all shipments that are not UPS.

Essentially it asks, “*what can UPS do to make non-UPS shipments at least as good as what you have today?*”


Accessorials Breakdown

Analysis can show 3 different data types:

- Count
- Total charge
- Revenue neutral conversion

Total Count Accessorials

Total count, shows total number of times that listed accessorials occurred

5 Results 		
Page: < < 1 > > Per Page: ALL ▾		
	Charge Name	Count ▾
	Additional Handling	213,966
	Address Correction	5,835
	Declared Value	2,253
	Signature	1,139
	Adult Signature	7

Total Charge Accessorials Breakdown

Charge Name	TOTAL CHARGE ▾	Billed Charge
Additional Handling	\$4,602,576.83	\$4,078,777.27
Address Correction	\$59,052.75	\$63,462.00
Signature	\$3,749.15	\$7,503.45
Declared Value	\$3,090.00	\$20,999.40
Adult Signature	\$27.03	\$54.05

Revenue Neutral Conversion Breakdown

Accessorial with the highest billed charge was additional handling. If you increase its discount to 25% a massive charge difference change occurs

Rates

Charge Name	Zone Low	Zone High	Discount	Current Discount
Additional Handling	0	999	10 %	10.00%
Address Correction	0	999	50.0 %	50.00%
Adult Signature	0	999	50.0 %	50.00%
Large Package Surcharge	0	999	35.00 %	35.00%
Signature	0	999	50.0 %	50.00%



Results RUN

Billed Charge: \$4,170,796.17 TOTAL CHARGE: \$4,668,495.75 ChargeDifference: (\$497,699.58)

Charge Name	TOTAL CHARGE	Billed Charge
Additional Handling	\$4,602,576.83	\$4,078,777.27
Address Correction	\$59,052.75	\$63,462.00
Signature	\$3,749.15	\$7,503.45
Declared Value	\$3,090.00	\$20,999.40
Adult Signature	\$27.03	\$54.05

Revenue Neutral Conversion After Adjustment

Rates

Charge Name	Zone Low	Zone High	Discount	Current Discount
Additional Handling	0	999	25 %	10.00%
Address Correction	0	999	50.0 %	50.00%
Adult Signature	0	999	50.0 %	50.00%
Large Package Surcharge	0	999	35.00 %	35.00%
Signature	0	999	50.0 %	50.00%



Results

RUN

Billed Charge: \$4,170,796.17

TOTAL CHARGE: \$3,901,399.61

ChargeDifference: \$269,396.56

Charge Name	TOTAL CHARGE	Billed Charge
Additional Handling	\$3,835,480.69	\$4,078,777.27
Address Correction	\$59,052.75	\$63,462.00
Signature	\$3,749.15	\$7,503.45
Declared Value	\$3,090.00	\$20,999.40
Adult Signature	\$27.03	\$54.05

Conclusion

It grants leverage to the user to better understand what discounts / floors in what specific zones and weight classes create the most value.

Any questions please contact your account manager!



RateLinx

<https://ratelinx.com>