



KNOW WHAT IS DRIVING
COST AND HOW TO REDUCE
OR RECOVER MORE OF IT

CHALLENGES:



LOGISTICS COST
From 6 cents to 15+ cents per dollar



TRUCKING RATES
Y/Y rate increase +23% contract, +14% spot



WAREHOUSE CAPACITY
More Open Jobs Than Applicants

SYNAPSUM BENEFITS:



2-8%
NET MARGIN GROWTH
As experienced by leading Distributors



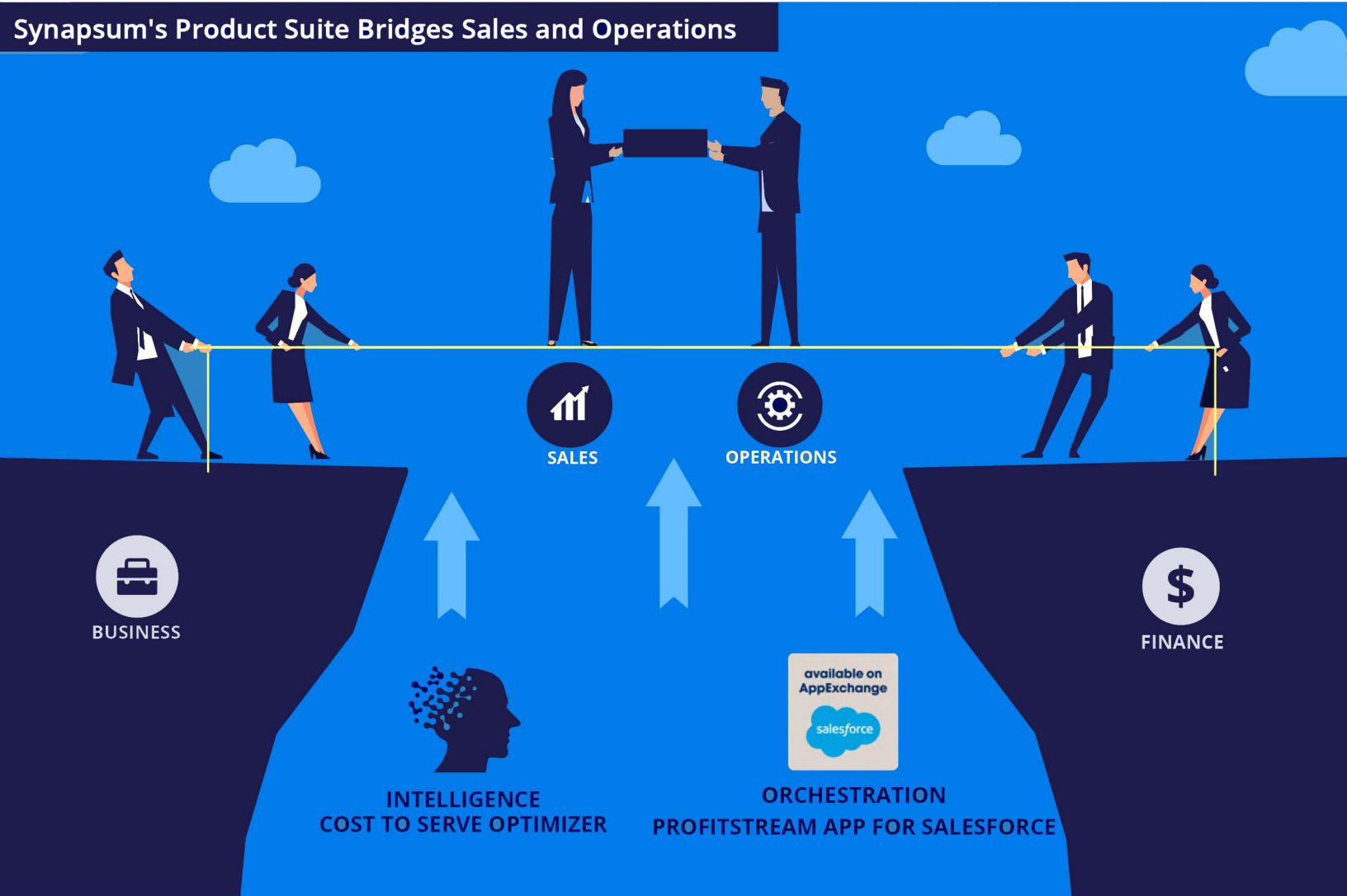
8-15%
RECLAIMED CAPACITY
In warehouse and transportation



5-10%
REVENUE LIFT
From a better customer experience
where it matters

"Where are All the Truck Drivers". WSJ, November 2021.
*Warehouse Labor Woes are Worse than Ever, October 2021, Forbes, ARC Advisory, US Dept of Labor

Synapsum's Product Suite Bridges Sales and Operations



CUSTOMER SUCCESS B2B SUPPLIER

+275 BPS
on net margin in 12 weeks



"SYNAPSUM ADDS DIMENSIONS ABOVE
THE ERP TURNING RAW DATA INTO
PROFIT OPPORTUNITIES THAT BRIDGE
OPERATIONS AND SALES...SPEED TO
RESULTS IS IMPRESSIVE"

FORTUNE 1000
SUPPLY CHAIN LEADER

DISTRIBUTORS AND MANUFACTURERS TURN TO SYNAPSUM



FORTUNE 1000
BOOK DISTRIBUTOR



MARKET LEADING
B2B2C ONLINE
RETAILER



FORTUNE 500
AGRICULTURAL
DISTRIBUTOR

SOLUTIONS



LOGISTICS COST
DRIVERS AND
RECOVERY



FREIGHT QUOTING
POWERED BY
PREDICATIONS



FREE SHIPPING
MINIMUMS AND
EXCLUSIONS



NEGOTIATIONS AND
CONTRACTING
(SLAS, PRICING)

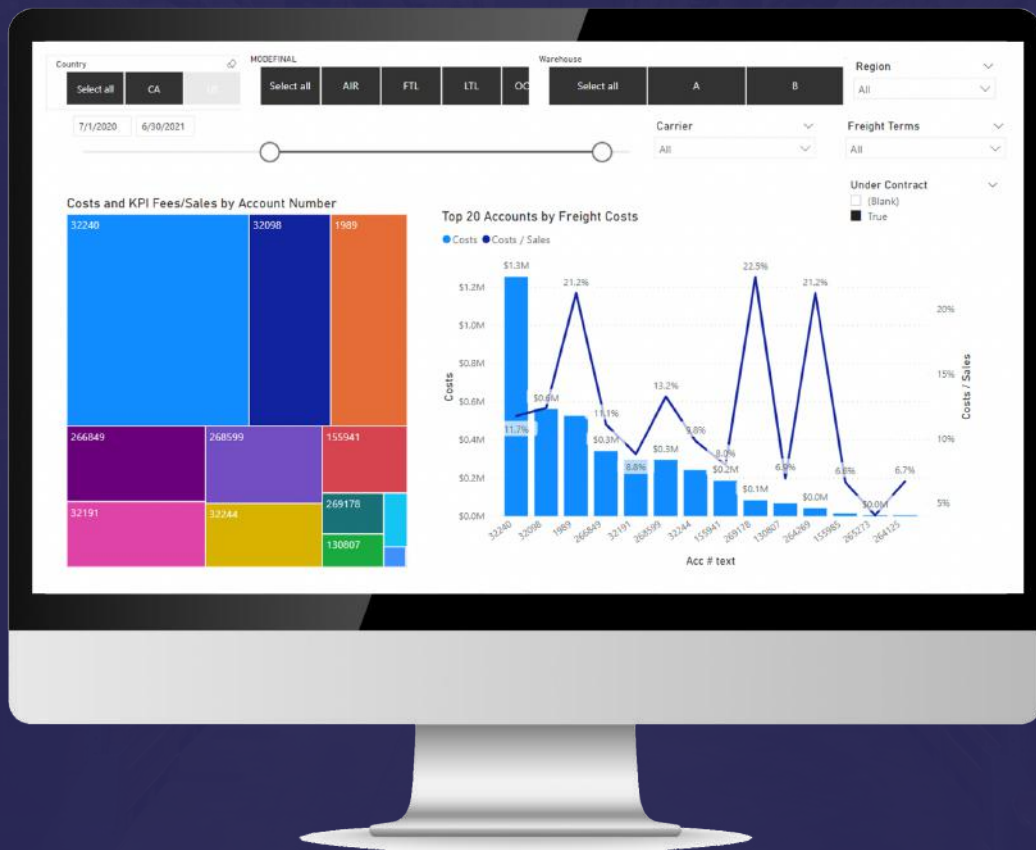


REDUCING COST
COMPLEXITY IN
OPERATIONS



INVENTORY
POSITIONING
AND PACKAGING
OPTIMIZATION

SYNAPSUM COST TO SERVE IO® OVERVIEW





USE ACTIONABLE FREIGHT AND WAREHOUSE COST INTELLIGENCE TO IMPROVE PROFITABILITY



ABOUT

Synapsum Cost to Serve IO is engineered to help companies quickly understand costs at the order line level and act to reduce and recover more of it. By bringing visibility to the drivers and influencers of cost, companies can preemptively act in today's volatile cost environment. Better control costs and invest in areas that differentiate your customer experience.

When paired with Synapsum's Salesforce plug-in, companies will have the insights and workflow to get actionable cost intelligence into the hands of individuals and systems that can impact it.

***200 - 800 BPS RISE IN NET
MARGIN IN UNDER 12 WEEKS, 30-
50% HIGHER RECOVERY***

CAPABILITIES



**Taxonomy and
Data Model**



**Data Prep &
Automation**



**New Dimensions
& Benchmarks
atop ERP**



**Out-of-the-box
dashboards**



**Alerting and
Notifications**



Forecast & Predict

Equipment Parts Distributor Using Cost to Serve

Company Spotlight

Challenge

A global industrial parts distributor was experiencing rising freight costs and widening gaps in cost recovery on customer quoted freight. With limited view into what was driving freight at the order line level, it was unclear what changes to free shipping terms and paid freight rates would have the most positive impact while preserving drivers of customer value.

Goals

- Match carrier billings to deliveries across multiple carriers and shipping modes.
- Tie freight costs to the item level on order lines for ongoing performing visibility.
- Make changes to the free shipping program to optimize return on investment.
- Predict paid freight quoted on orders across parcel, air, LTL, and TL.

>> ACHIEVEMENTS



In under 10 weeks, setup the Freight Cost to Serve Optimizer® delivering freight intelligence, simulations, and predictions to guide improvements



Designed competitive commercial changes to free shipping terms. Built accurate predictions for freight-quoted at time of order; ~\$2.5MM save



Simulating win-win scenarios for commercial teams on freight collect alternatives and forward stocking opportunities poised to boost revenue.

275 bps rise in net margin

Cut recovery gap in half

Before

▼48%

After

▼78%

[A DAY IN THE LIFE WITH COST TO SERVE]

Business-Monthly

Commercial strategies and policies, and resultant implication on freight (including free shipping threshold)

Logistics - Daily

Outlier carrier costs; Freight quote accuracy improvement; Optimizing inventory positioning within network



Finance - Monthly

Execute on profit growth opportunities across sales and operations to sustain margin improvements



Sales - Daily

Customer reviews – value of free freight; Proactive opportunities to lower freight costs on both sides



 **synapsium** | **PILOT TODAY**
NO RISK, HIGH REWARD

WWW.SYNAPSUM.COM/VANGUARD