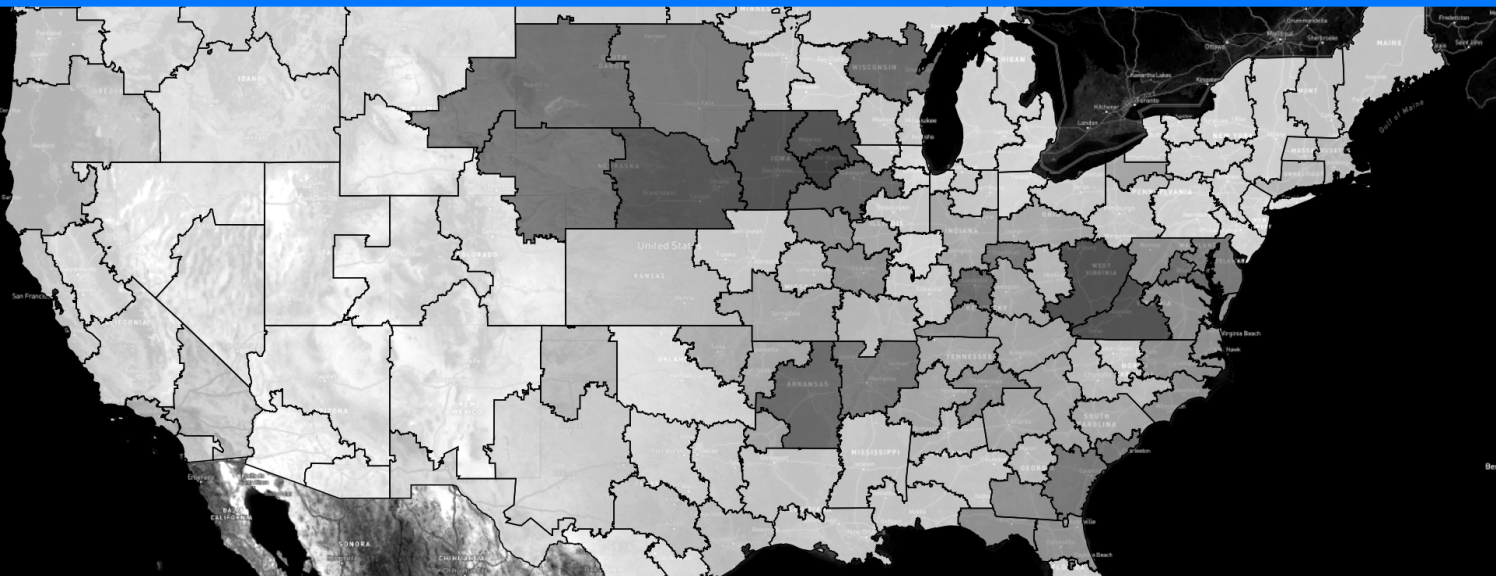


# Using Maps and Rate Trends for Targeted Sales and Pricing Discipline



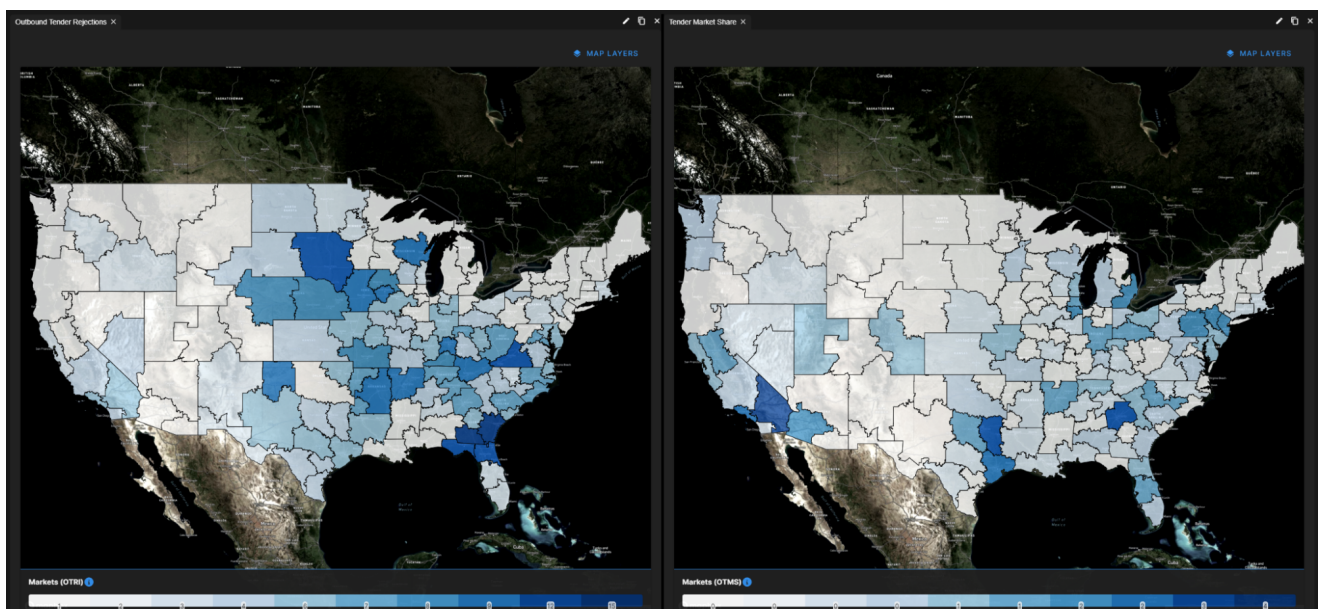
Two critical elements of an asset-based trucking organization or brokerage are the sales team and their approach to pricing the freight that they are bidding on or preparing to operate. SONAR customers utilize multiple data sets in different formats to ensure they are aligning their sales team with the right opportunities in the marketplace, while also having the data intelligence to price the business at a competitive rate that will return the margin needed to successfully operate their business.

## Targeted Sales Efforts

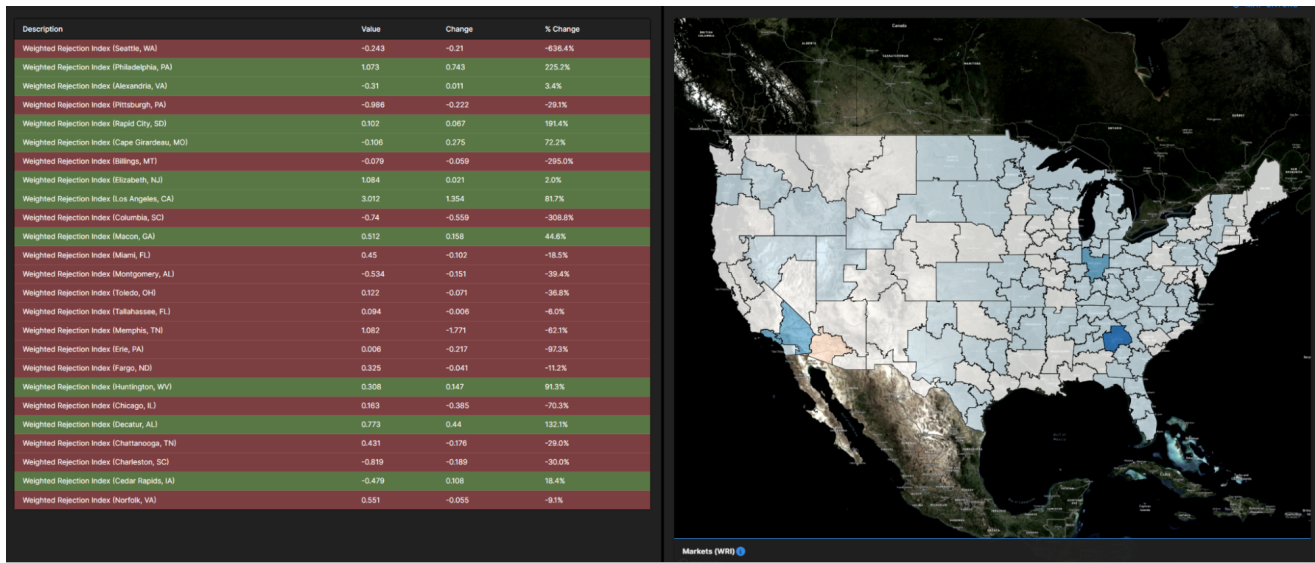
By targeting the sales efforts of asset-based account executives or freight brokers, SONAR customers' sales teams are able to utilize their valuable time by targeting the areas that are experiencing an increase in demand and tightening of capacity. SONAR customers are able to do this by comparing the Outbound Tender Rejection Index and Outbound Tender Market Share. Think of tender volumes (OTVI) as the demand for capacity whereas tender rejections (OTRI) are the response of capacity toward that demand. An increase in tender rejections means that routing guides are starting to deteriorate, and shippers will likely push rejected freight to the spot market...this is where the sales team can get their foot in the door.

OTRI is valuable on its own, but the value increases when sale teams are also targeting areas with a higher volume. The Outbound Tender Market Share (OTMS) indicates the percentage of tenders leaving a market in relation to the overall tenders in the 135 key market areas. For example, if the Atlanta market has 3.5% of tenders while another has 0.5%, it would be beneficial to target an area that has a demand for capacity, or increased rejections, while also having ample opportunity to secure freight, or a higher OTMS percentage.

Both the OTRI and OTMS data sets can be easily viewed via KMA map or a treemap for ease of use:



Another way to easily visualize the relationship between the OTRI and OTMS data sets is through the Weighted Rejection Index. The Weighted Rejection Index is the product of OTMS and OTRI Weekly Change (OTRIW) for an individual market. The WRI gives users a way to prioritize tender rejection rate changes by market size; for example, a change in rejections in a low-volume market is not as significant as a rejection rate change in a higher-volume market. A tree map that shows the current value and percentage change, filtered to greater than zero, shows the markets that are experiencing tightening and potentially more opportunities for sales to target customers in those respective markets:



## Pricing Discipline

After SONAR customers' sales teams are able to bid on available opportunities, the next crucial step in order to win those opportunities is to price them competitively while also being able to provide transportation at a profit. SONAR customers have the data intelligence to understand the market conditions and context around the rates they receive. A rate per mile is an important data point, but it is equally important to understand capacity conditions and market volatility when pricing to understand where competitive advantages are present. SONAR customers utilize OTRI, Headhaul Volatility, Tender Lead Times, Confidence Scores and Lane Scores to understand where they can target lanes suited to their network while also bidding conservatively when being first on the routing guide is not desirable.

One way to visualize these key data sets is via a map or in the Most Volatile Markets widget. The Most Volatile Markets widget is the perfect place to look on a daily basis to see how your markets are shifting with respect to capacity and volumes. The Most Volatile Markets widget will show the current value as well as the weekly change for the OTVI, OTRI, Headhaul Index and Tender Lead Time for all 135 markets. The Most Volatile Markets widget flags “strong increase,” “strong decrease,” “moderate increase” and “moderate decrease” so that users can immediately identify those markets on the list, helping to identify quickly how to react and how to proactively price their opportunities.

Primary Market City	SONAR Market Code	US Market Share %	Outbound Volume Volatility	Outbound Reject Volatility	Headhaul Volatility	Tender Leadtime Volatility
Albany, NY	ALB	0.428%	Moderate Increase 20.47% 48.09	0.88% 1.94	7.09% -51.47	Strong Increase 0.40% 3.40
Albuquerque, NM	ABQ	0.199%	Moderate Decrease -24.27% 22.31	-0.01% 1.63	-3.14% -19.68	-0.08% 2.92
Alexandria, VA	DCA	0.186%	-2.16% 20.82	Moderate Decrease -2.05% 5.55	Moderate Increase 5.51% -23.73	Strong Increase 0.12% 2.58
Allentown, PA	ABE	2.286%	Moderate Decrease -8.31% 256.90	Moderate Decrease -0.74% 1.64	6.65% -27.19	Moderate Decrease -0.05% 3.26
Amarillo, TX	AMA	0.096%	Moderate Decrease -17.38% 10.79	1.44% 9.16	Moderate Decrease -4.10% -3.12	Strong Decrease -0.20% 4.24
Atlanta, GA	ATL	3.419%	0.86% 384.22	0.17% 2.89	18.36% 2.02	0.01% 3.02
Augusta, ME	AUG	0.192%	0.56% 21.52	3.18% 5.11	Moderate Increase 4.93% -9.47	Moderate Increase 0.24% 3.57
Austin, TX	AUS	0.328%	-13.34% 56.91	Moderate Decrease -0.68% 2.53	-7.51% -54.40	-0.00% 3.29
Baltimore, MD	BWI	1.245%	-8.88% 139.87	Moderate Decrease -1.95% 5.13	-2.92% -3.71	0.06% 2.50
Billings, MT	BIL	0.047%	52.34% 5.21	-1.81% 1.35	0.48% -6.18	Strong Decrease -0.35% 2.44
Birmingham, AL	BHM	0.410%	10.64% 46.05	Strong Decrease -1.53% 3.19	3.62% -6.83	-0.05% 3.01
Bismarck, ND	BIS	0.009%	Moderate Decrease -36.08% 1.01	Strong Decrease -12.57% 7.21	0.76% -5.51	Strong Decrease -0.24% 3.53
Bloomington, IL	BMI	0.474%	2.07% 53.27	Moderate Increase 0.84% 3.50	0.11% 22.39	0.02% 3.06

In addition to market-level insights, SONAR customers utilize the Confidence Score and Lane Score to determine the variance in rates on a given lane and how easy that lane is to cover on the open market. The Confidence Score for each TRAC (Trusted Rate Assessment Consortium) Rate indicates the dispersion or variance of rates and the given volume for a particular lane. A high Confidence Score, 3 or higher, indicates that the rates returned on that lane are tightly clustered around the average rate. Outside of the Confidence Score, SONAR brokerage customers consider the Lane Score to measure the balance of the flow of capacity relative to other lanes in current market conditions using a scale of 0-100. A low Lane Score indicates the flow of capacity into a given market is inbound-centric, while a high Lane Score indicates the flow of capacity is more outbound-centric. Every network is different, however, so there may be opportunities to purchase capacity closer to the market rate on loads with a “difficult” or “most difficult” Lane Score, depending on the network.

TRAC Spot							Contract	Capacity Conditions	OTRI
Current	High	Low	DoD	7 Day Avg	WoW	Confidence Score	Current	Lane Score ⓘ	Current ⓘ
\$1.89	\$1.98	\$1.81	↑ 0.5%	\$1.86	↑ 2.4%	5	\$2.38	Neutral ██████████ 42	3.80
\$1.94	\$2.05	\$1.86	0%	\$1.93	↑ 2.1%	4	\$2.49	Neutral ██████████ 41	6.91
\$1.57	\$1.60	\$1.51	0%	\$1.57	↓ 1.3%	5	\$2.34	Neutral ██████████ 42	1.97
\$2.13	\$2.26	\$2.08	0%	\$2.14	↑ 3.9%	4	\$2.08	Easy ██████████ 64	1.88
\$1.84	\$1.96	\$1.75	0%	\$1.83	↑ 0.9%	4	\$2.50	Neutral ██████████ 53	6.85
\$3.62	\$3.69	\$3.48	↑ 2.3%	\$3.52	↑ 2.8%	2	\$5.15	Difficult ██████████ 35	1.51
\$5.45	\$7.00	\$4.90	↑ 0.9%	\$5.40	↓ 0.5%	1	\$6.45	Neutral ██████████ 45	2.11

The takeaways for utilizing SONAR to improve targeted sales and pricing strategy are:

- Utilizing OTRI in collaboration with OTMS, either on their own or in the Weight Rejection Index, allows sales teams to quickly identify markets that are seeing more opportunities for spot market freight and focus their efforts there.
- SONAR customers utilize OTRI, the Headhaul Index, Confidence Scores and Lane Scores to understand where they can target the lanes best suited for their network while also bidding conservatively where being first on the routing guide is not desirable.
- The Most Volatile Markets widget highlights markets that are experiencing volatility outside of their norm across multiple data points; for example, if Chicago outbound tender rejections are seeing a strong decrease in combination with a decrease in tender lead times, there is a good chance that loads are hitting the spot market.
- SONAR customers utilize the Confidence Score and Lane Score to determine the variance in rates for a given lane and how easy that lane is to cover on the open market. This provides greater context around the rate-per-mile data point.

[Learn more](#) about how SONAR can improve your operations or [request a demo here](#).