eAi7 SUPPLY CHAIN OPTIMIZATION ANALYSIS

How to Cut Freight Costs with Data-Driven Insights

The contents of this analysis are made available for informational purposes only and should not be relied upon for any legal, business, or financial decisions. We do not guarantee, represent, or warrant the accuracy or reliability of any of the contents of this webinar because they are based on our current beliefs, expectations and assumptions, about which there can be no assurance due to various anticipated and unanticipated events that may occur. This webinar has been prepared to the best of our knowledge and research, however the information presented herein may not reflect the most current regulatory or industry developments. Neither eai7 nor its advisors or affiliates shall be liable for any losses that arise in any way due to the reliance on the contents contained in this report.

Agenda

01 What is Supply Chain Optimization?

02 The first step: benchmarking

03 Live data: automating savings detection

04 Measuring success: case studies

05 Coming up next

06 Key takeaways

Q&A

Poll

Do you feel that inefficient planning is costing you more than high freight rates?

01

What is Supply Chain Optimization?

What is Supply Chain Optimization?

A supply chain is a network of organizations getting a product from raw materials to consumers. Each node manages competing objectives based on customer and product needs.

Manufacture

What & how much do I make?

Decisions
- Demand profile: Seasonal, viral, or steady?
- Model: Push vs. Pull strategy

Transport

How & when do I move goods?

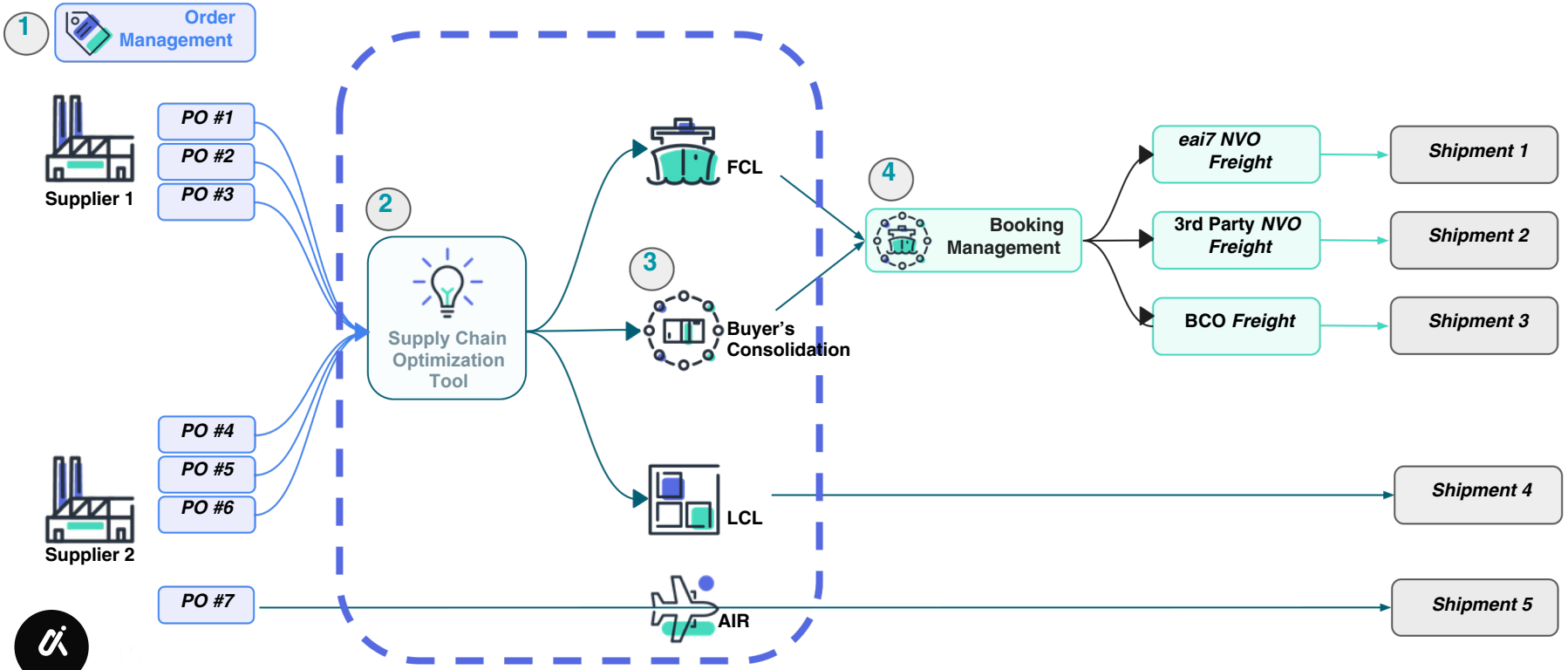
Decisions
- Mode selection: Air, ocean, rail, truck
- Service: Premium vs. standard

Store

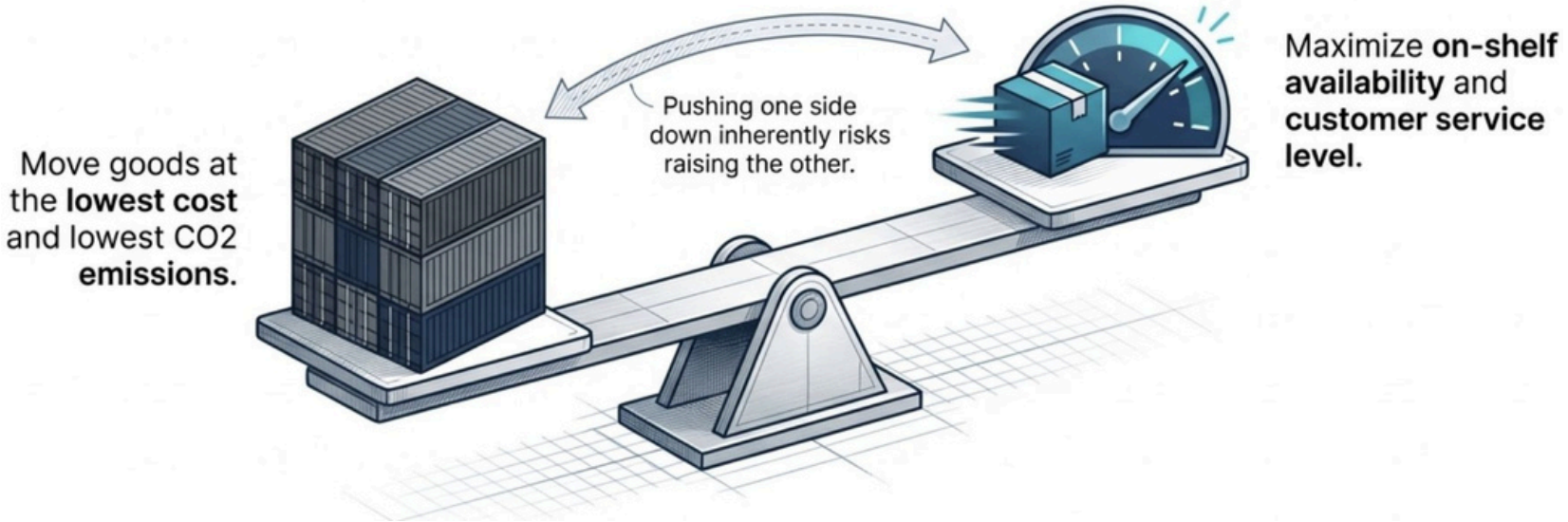
How much & where do I store it?

Decisions
- Inventory position & strategy
- Target Customer Service Level (CSL)

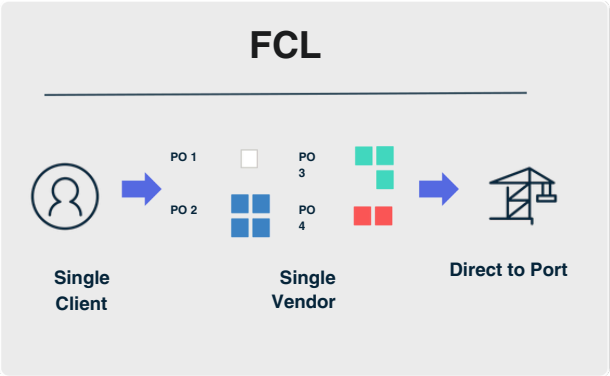
For today we're going to focus on the mode selection and shipment allocation



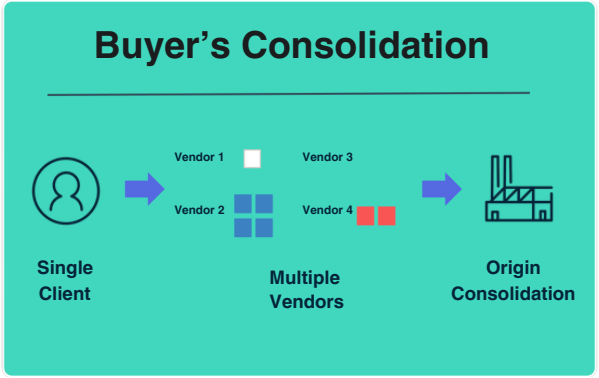
A supply chain is also a continuous battle of competing tradeoffs



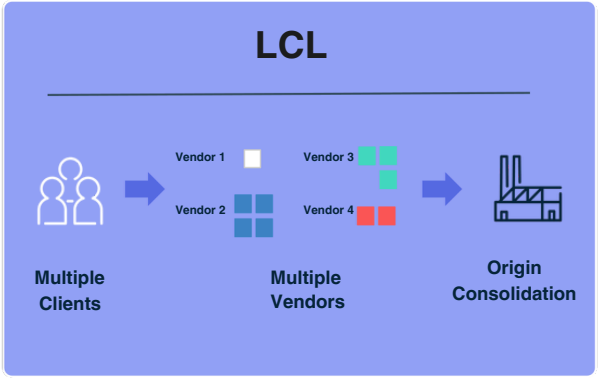
Aligning volume and urgency: The right mode for every shipment



Great for high-volume cargo



Buyer's Consolidation (BC) combines small freight from multiple local vendors;



LCL manages small, non-urgent volumes as a cost-effective alternative to air

Combining modes to balance cost + transit time

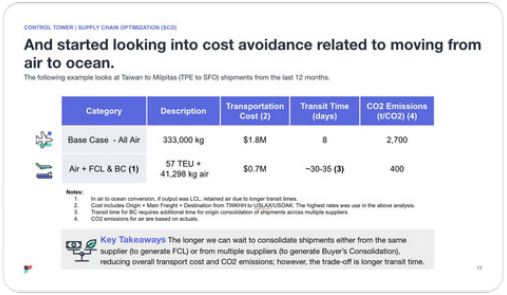
02

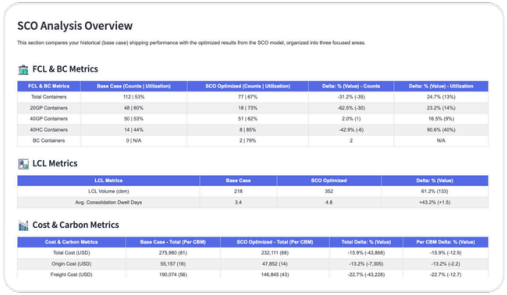
Where to begin?
The first step: benchmarking

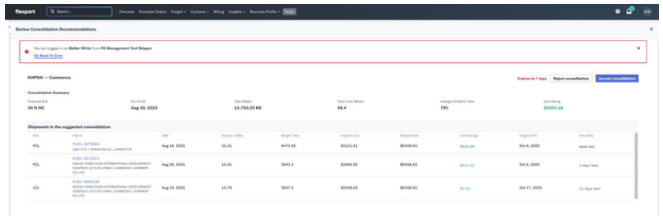
Poll

Have you conducted a historical analysis of your shipments to identify savings opportunities?

Start with your historical analysis







Bespoke Studies

Existing Clients In-App

Forward Looking:
In-App

Help decide strategy

Executing in real time

Define constraints, analyze shipment data & ship more effectively

Identify company goals and constraints

Define business goals and rules to create parameters for the analysis and optimize for the desired outcome.

Analyze historical data

Analyze optimal mode solutions for each shipment/PO based on constraints.

Identify optimization opportunities

Cost saving opportunities from mode selection improvement, PO resizing, and routing changes are shared.

Actualize savings

Execute smarter shipment planning that will drive logistics cost savings and carbon emission reduction.

We will identify savings by optimizing for:

Purchase Order Sizes

Buyer's Consolidat ion

Mode Select ion

Reducing Premium Shipments

Dynamically deciding FCL vs. LCL

Supplier Locations & Routings

Supply Chain Optimization helps clients reduce freight costs using different strategies.

Consolidate air shipments for “deferred” air service levels

Optimization Category	Base Strategy	Optimized Strategy	Delta
Total Air Shipments	1433	1097	-336 (-23%)
Average Shipment Weight (KG)	140	182	43 (30%)
Air Origin Bill Cost	360K	284K	-76K (-21%))

Shift from air to Premium Ocean to save up to 60% cost

$170k
Air Cost

$71k
Premium LCL Cost

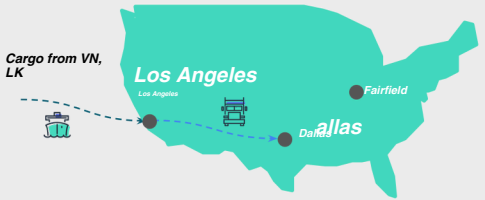
Use Buyer’s Consolidation to combine shipments into an FCL box

Single Client → **Multiple Vendors** → **Origin Consolidat ion**

After origin consolidation,
BC moves as a normal FCL shipment
saving up to 15% of transportation costs.

Freight + Omni Network Design

Service Level	Case	Estimated Cost to Fulfillment Center	
		Estimated Total Cost	Per unit (carton) Cost
Fast Transit Time	1	$5,278,637	$14.86
	2	$3,360,194	$9.46



03

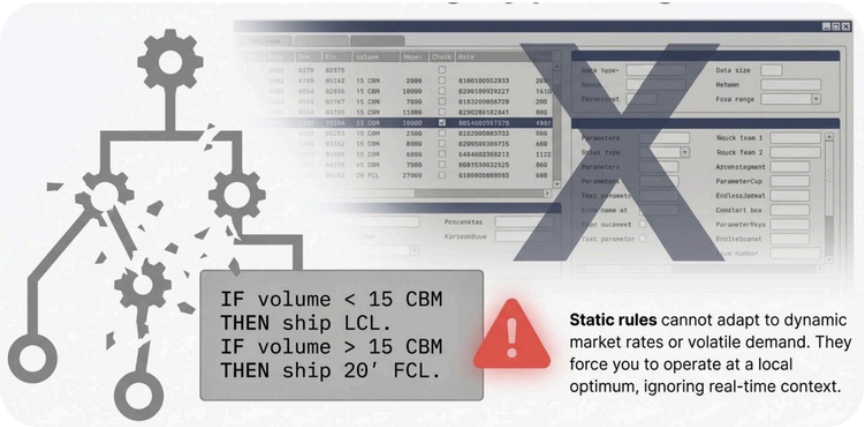
Live data: automating savings detection

Poll

Are you currently using spreadsheets for your shipment planning?

Planning today

Planningtoday mightbe a set of heuristics, orchestrating multiple spreadsheets, requesting multiple quotes to identify what's the best way to ship.



Supply Chain Optimization (SCO) uses a proprietary algorithm to reduce logistics costs while meeting transit times

Baseline scenario

SUPPLIER A

PO #1 | 65 CBM

PO #2 | 42 CBM

FCL

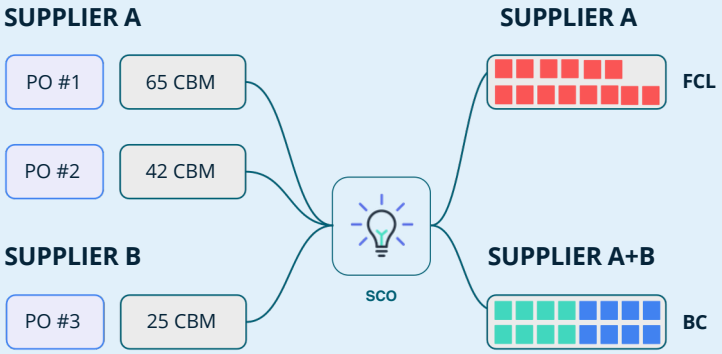
SUPPLIER B

PO #3 | 25 CBM

FCL

Total 3 Containers
Avg Utilization at 78%
Costs $9,000

Recommended scenario



Total 2 Containers
Avg Utilization at 86%
Costs $6,300

04

DEMO of In-App SCO

Hello Ryan!

Book a shipment | Search freight rates

There are 3 overdue tasks and 3 are due today

Shipments
415
- 87 with exceptions
- Location
- Milestones
- Exceptions
- Supply Chain Optimizations
- Quotes & Bookings

Products
2589
- 204 missed cargo ready date
- Purchase Cost
- Purchase Orders
- Order Exceptions

Containers
567
- $3,596 Est. past free time...
- Demurrage & Detention

Customs Declarations
316
- 18 under hold or exam
- Customs Release Status
- Customs Exceptions

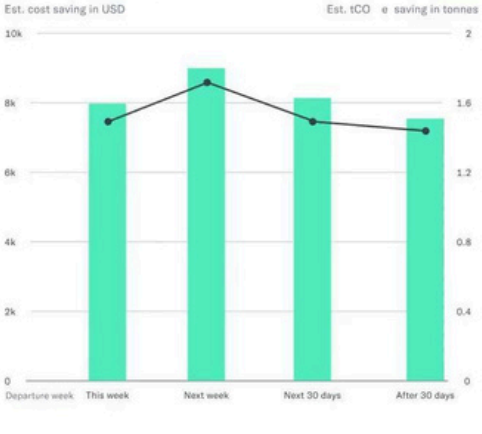
All | Reset

Supply Chain Optimization

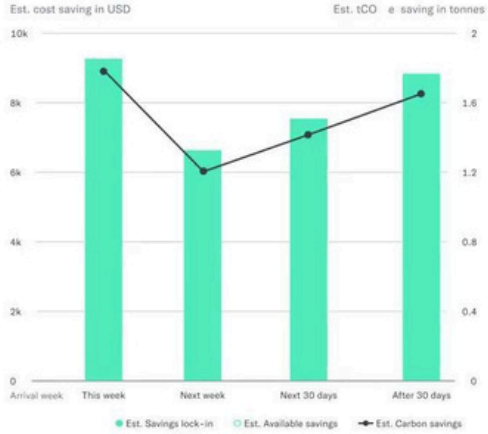
Available consolidation opportunities

Recommendations requiring review	Est. Savings available	Est. Carbon reductions available
5	$6,351.45	1.55 tCO_2e

Departing consolidations



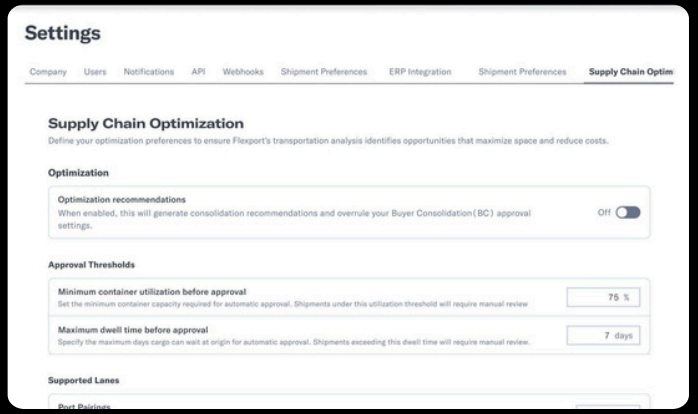
Arriving consolidations

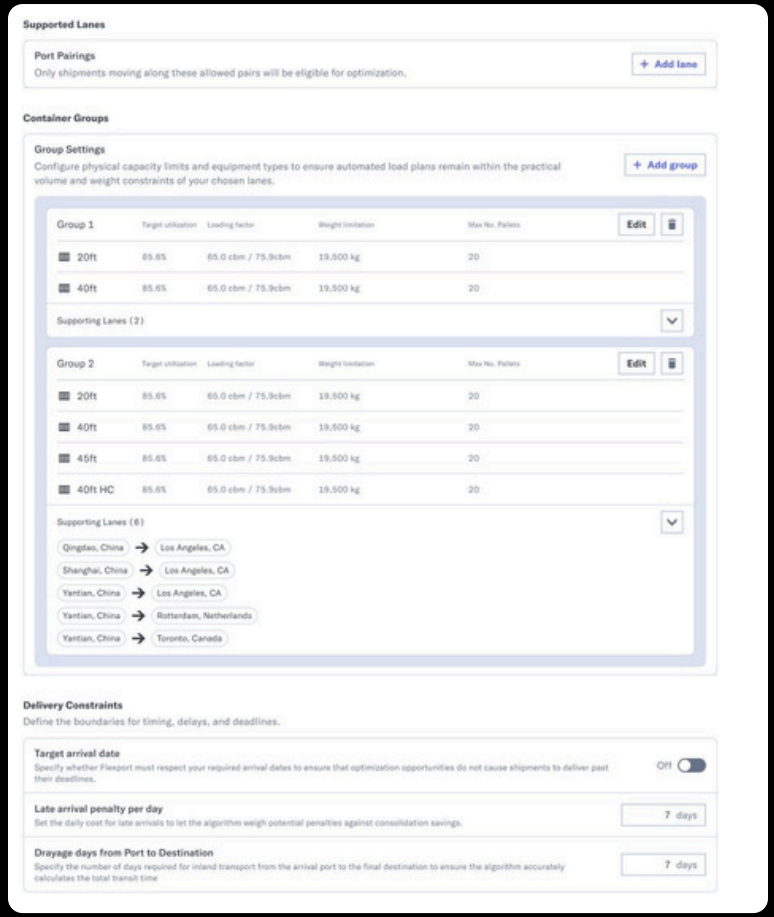


Analytics timespan: Last 6 months

Setup SCO & BC configuration

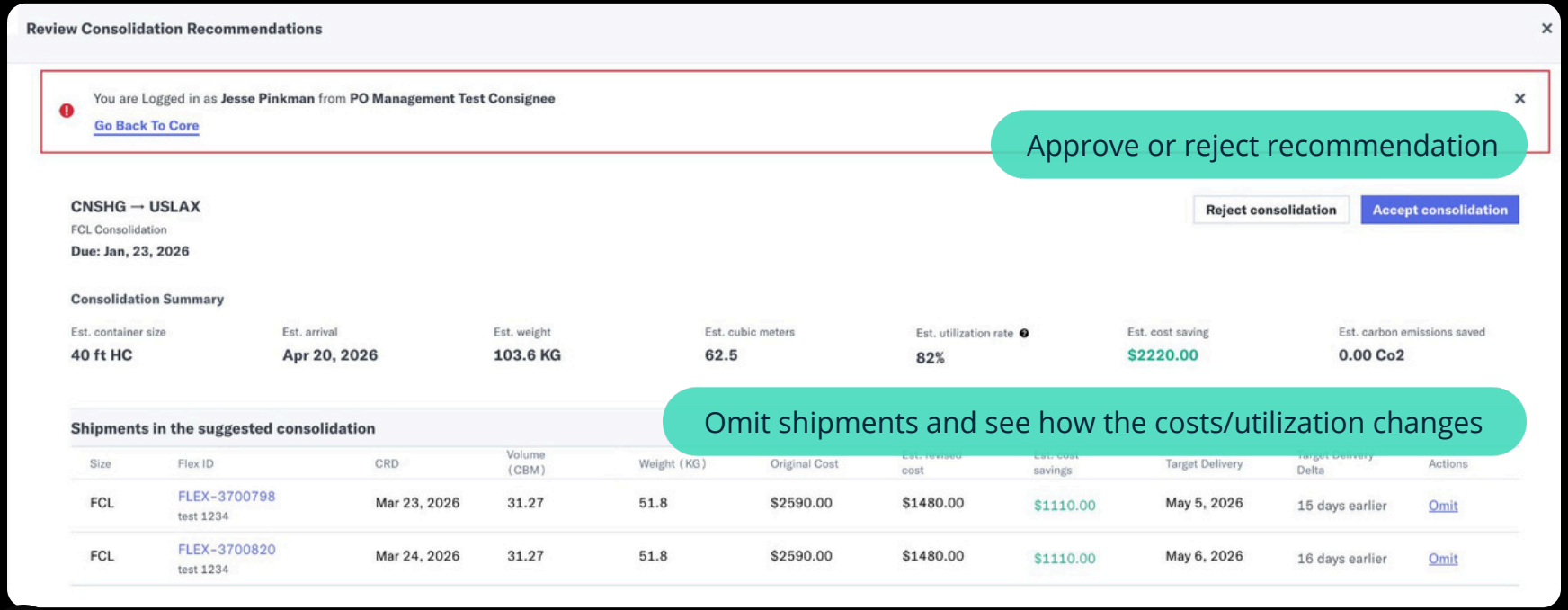
Configure the parameters that fits your operational requirements





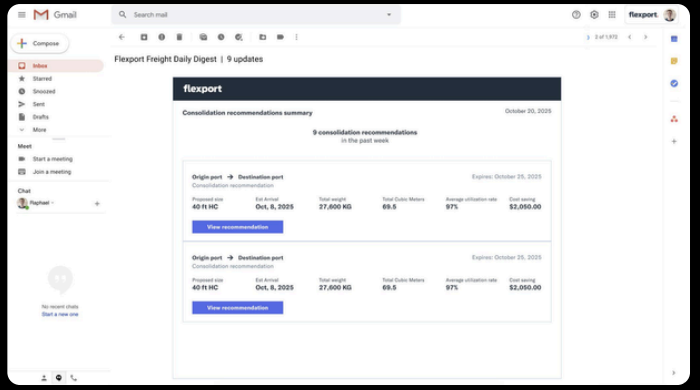
Client review & approval

The intuitive, data-supported view streamlines complex shipment approvals with One-Click Consolidation Approval.



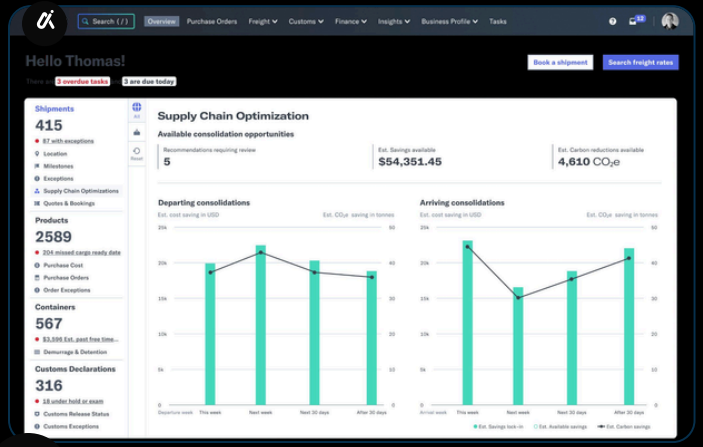
Email notification & operations execution

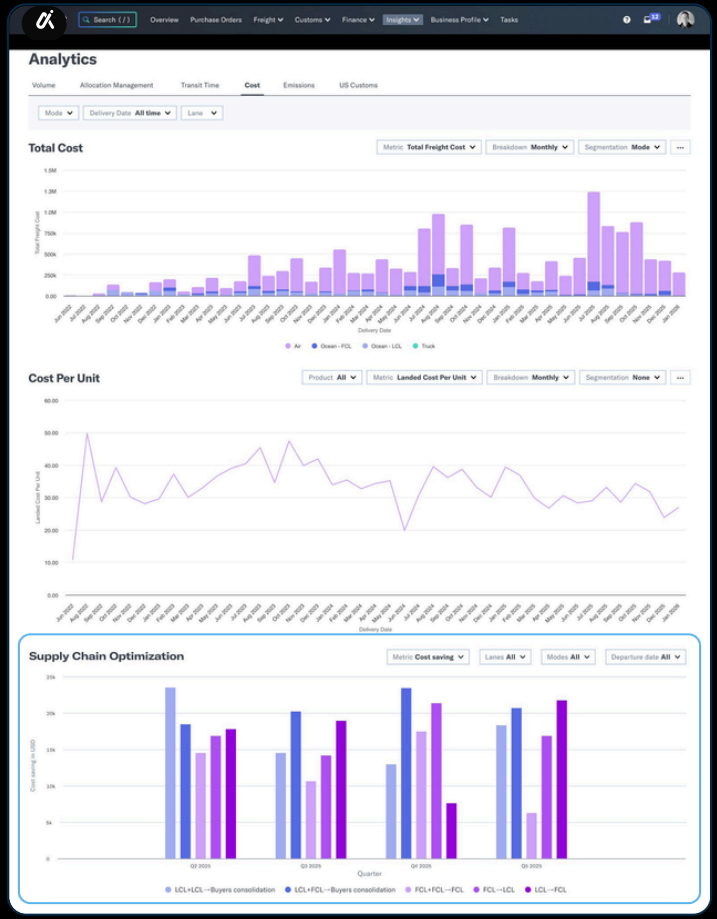
All related parties will be notified via email when recommendations are available and on the final decision.



Analytics panels

Keep track of shipments and associated savings





05

Measuring Success: Case Studies

Do any of these challenges resonate?

Manual planning and replanning reducing frequency of identifying opportunities

Siloed departmental goals

Operational complexity preventing shipment coordination

What are some examples we've seen in the field?

Up to 15% savings

from adding Buyer's Consolidation into your mode mix solutions.

Average 50% of 20s

reduced byconsolidatingunderutilized

FCLs + using BC

Up to 30% of air shipments

to take advantage of HAWB fees and utilizing higher weight breaks.
reduced byair consolidations allowing you

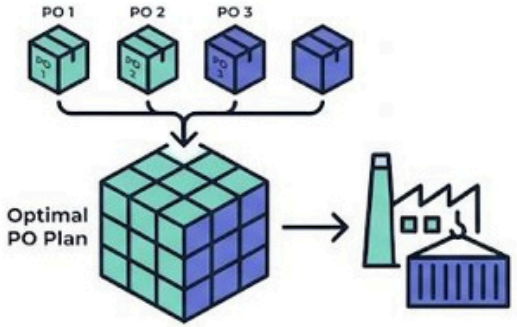
06

Coming up next

Coming up!

Moving upstream to purchase order level optimization.

More air opportunities.



Total paid across 3 Flex IDs

Per KG: $3541.24

HAWB costs: $1,116

Total cost: $4.657.19

Total paid across 1 Master Flex ID

Per KG: $3,260.26

HAWB costs: $372

Total cost: $3,632.26

Total savings

Per KG: $280.98

HAWB costs: $744

Total cost: $1,024.93

07

Key takeaways

Key takeaways

Establish a continuous improvement rhythm

Quarterly health checks: Shift from annual reviews to 90-day audits to capture shifting margins and lane patterns.
Prevent efficiency creep: Continuously update your "baseline scenario" so optimized savings become your new standard.

Anticipate strategic network shifts

Model early: Start "network design" studies 12 months before warehouse moves or fulfillment center expansions.
Validate unit costs: Use data-driven modeling to negotiate future logistics contracts based on projected per-carton costs

Integrate procurement with logistics

Optimize at the source: Align PO sizing to lock in savings before booking.
Unlock the "double win": Reduce carbon footprints and costs simultaneously by shifting modes (air to ocean) and maximizing loads.

Thank you!