



Customs Brokerage Customer Value & Loyalty Report – Overall

2019 | EXECUTIVE OVERVIEW

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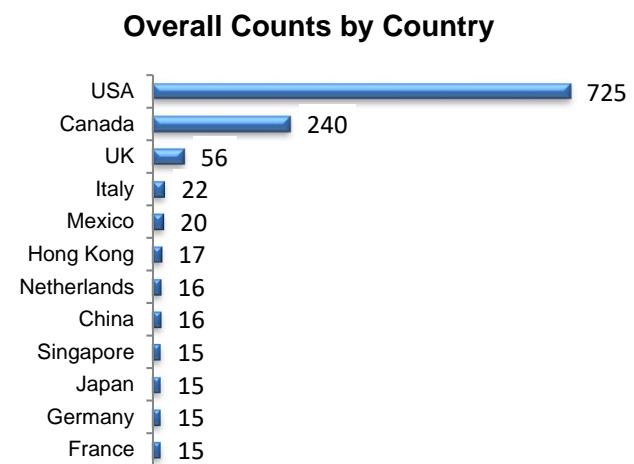
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Mastio's Customs Brokerage Study will...

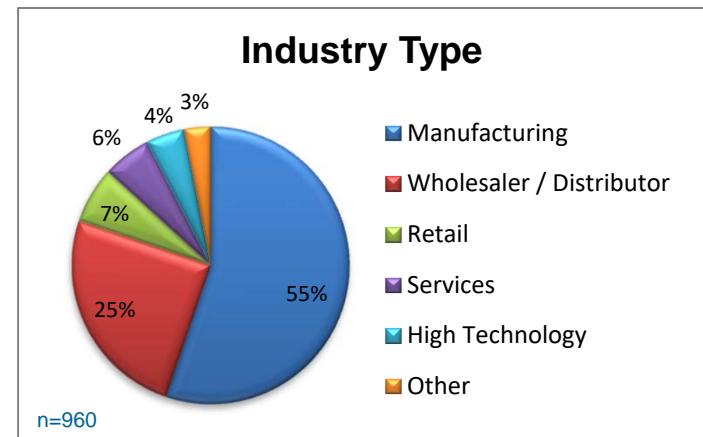
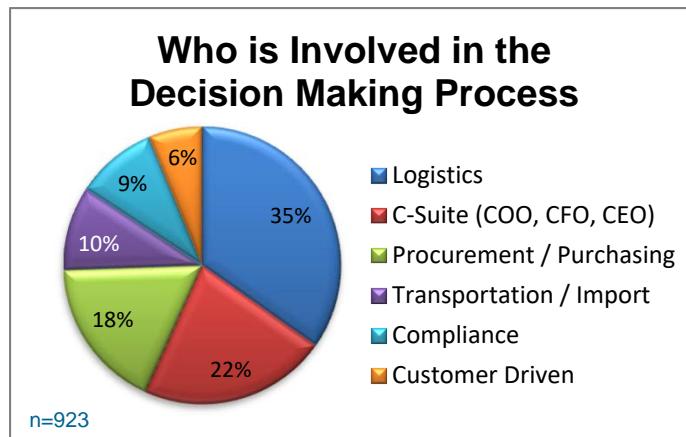
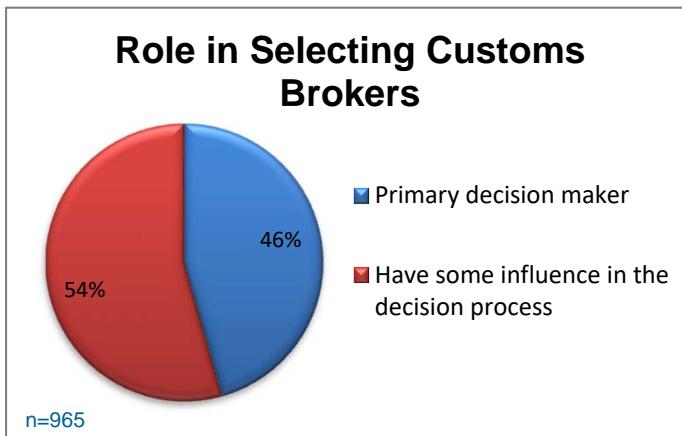
- Provide senior management with dashboard metrics – **performance score card**
- Provide a commercial focus and answer these types of key questions...
 - How do customers' make their purchase decisions? What key buying factors (attributes) do customers consider to be the most important when selecting between suppliers, both from a stated and derived basis?
 - What are the factors that lead to customer defection? What are the factors that result in retention / greater share of the wallet?
 - How do customers perceive your overall value and loyalty relative to key competitors? How competitive is your position in the marketplace? Who will be losing or gaining market share? What are the biggest drivers of your position and that of your competitors? **What is required to improve your position?**
 - How do customers perceive your performance on the key buying factors? What do customers perceive as your **strengths and weaknesses** relative to key competitors? Which factors should you target for improvement? Which factors will have the **greatest impact** on your ability to win and retain more business? What factors should be emphasized in marketing communications that will resonate with customers?
 - How large a role does price play in the purchasing decision? What performance factors will allow a premium?
 - Which competitors are the most vulnerable and which are strongest in their ability to gain and retain customers? How do you use this knowledge to have a direct impact on your growth and profits?

2019 Customs Brokerage Study Background:

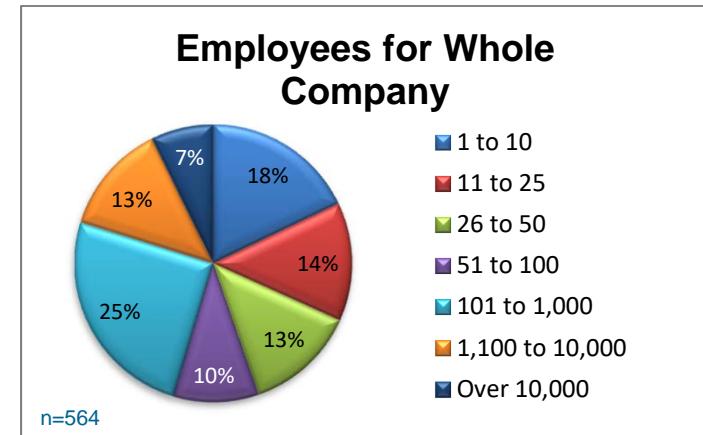
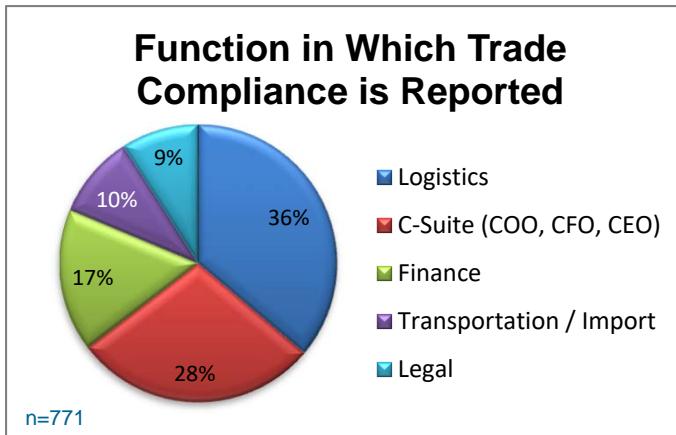
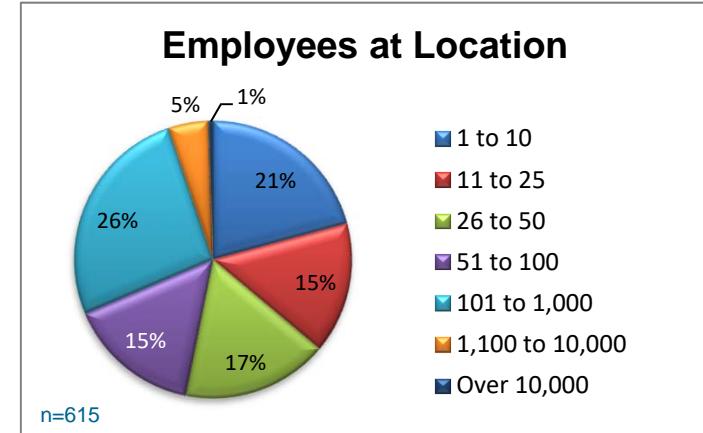
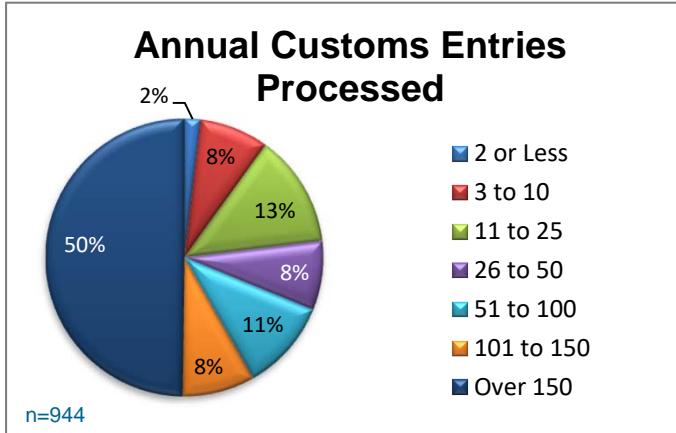
- The 2019 international study findings are based on interviews with 1,172 customers. First time Mastio has published this study.
- The 2019 international study also includes approximately 3,500 Voice of the Customer responses to four (4) open-ended questions about individual providers.
- The data was collected by telephone interviews with key decision makers beginning in November 2018 and ending in early April 2019. International interviews were conducted from late May through July 2019.



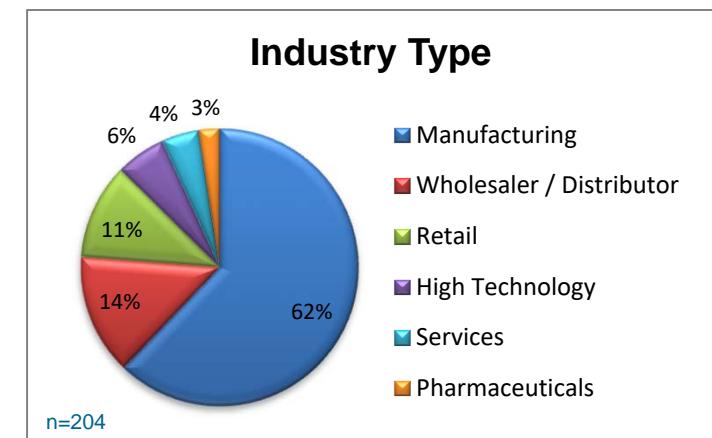
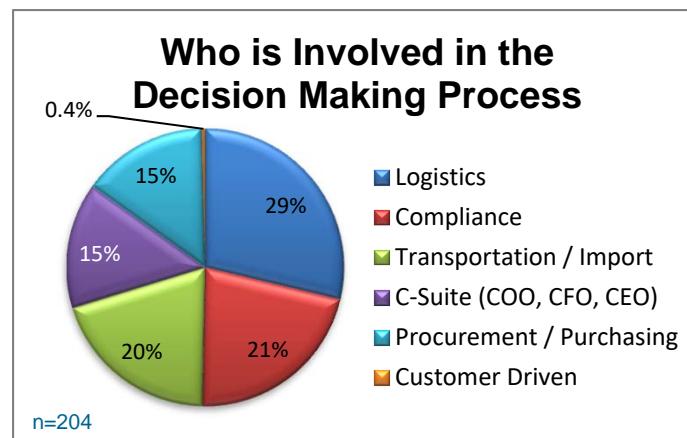
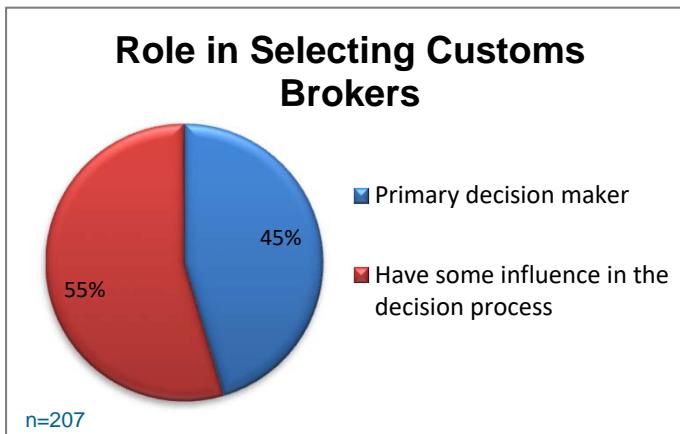
Respondent Type Overview - North America



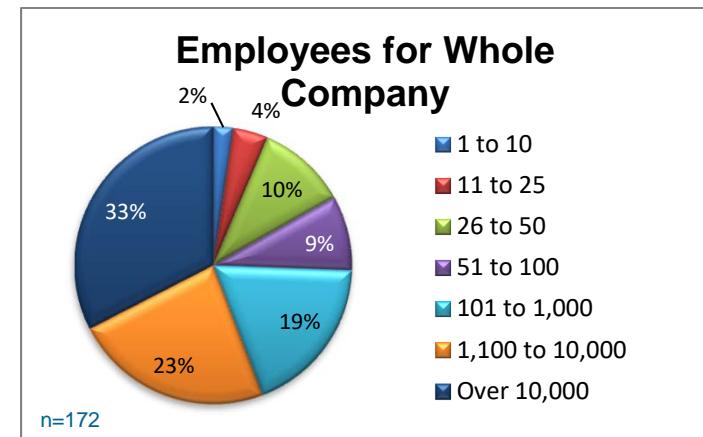
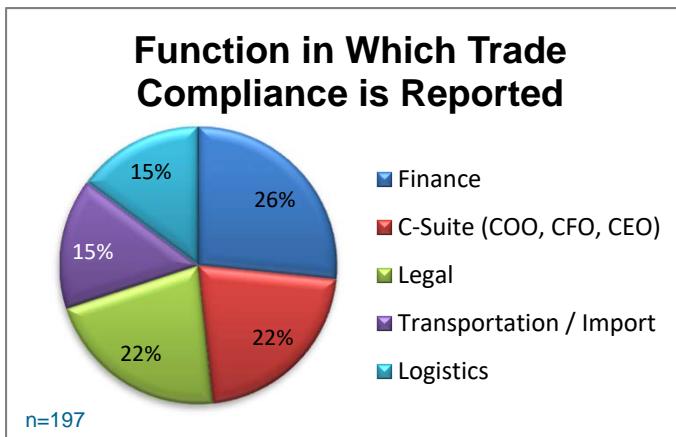
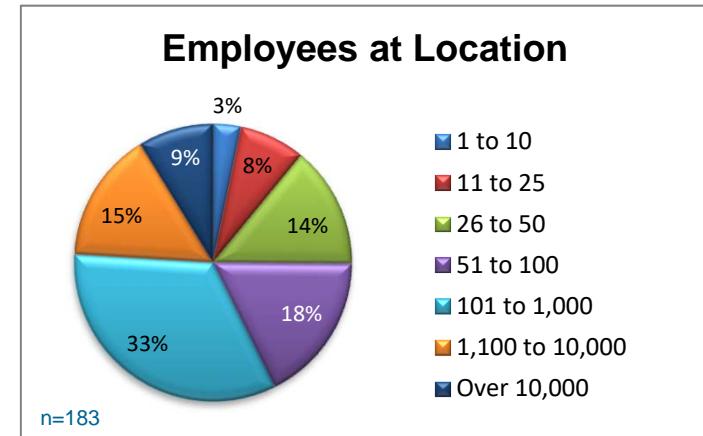
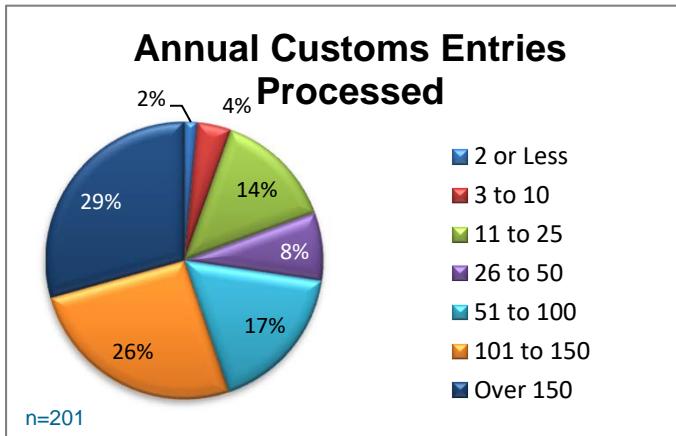
Respondent Type Overview - North America



Respondent Type Overview



Respondent Type Overview

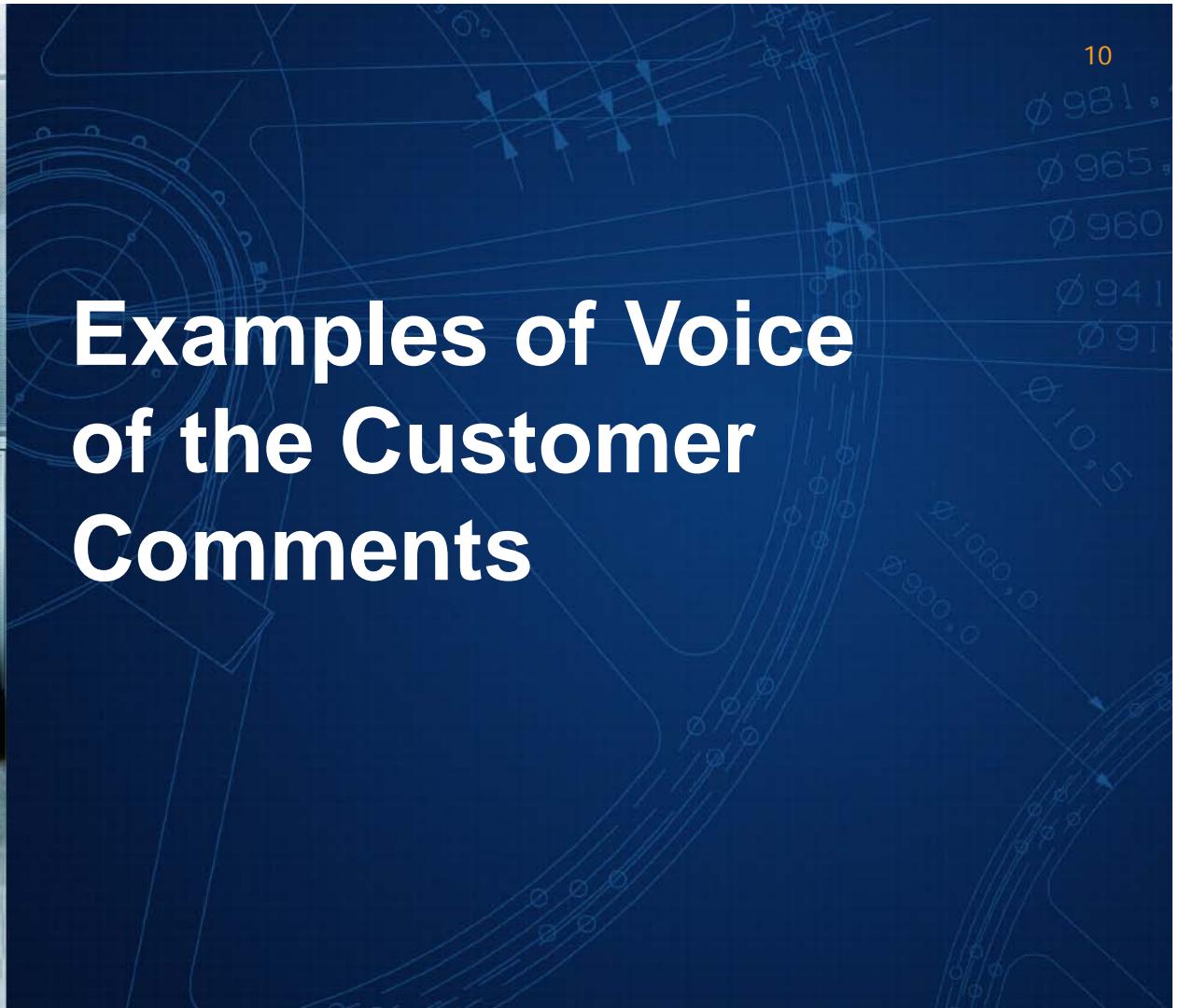


Companies profiled in the 2019 report:

Company
Agility
Bollore Logistics
C.H. Robinson
CEVA Logistics
Cole International Inc.
DB Schenker Logistics
DHL Global Forwarding
DSV
Expeditors
FedEx Trade Networks
Geodis Wilson
JAS
Kuehne & Nagel
Livingston International
Nippon Express
Panalpina
TNT
UPS SCS
Yusen Logistics

Customer experience attributes measured in the report:

Customer Service	Technology
Easy to contact the right person for help.	Systems and tools (Global Trade Management and online portal)
Effective problem resolution.	All-in-one platform to compile all required document images and transactions (globally).
Knowledgeable and helpful representatives.	EDI capabilities.
Willingness to go the extra mile.	Document images availability across multiple countries.
Provides educational opportunities.	Reporting of customs transactions across multiple countries.
Service Offerings	Transaction detail visibility.
Classification.	Company Reputation & Image
Trade compliance advise.	Strong positive corporate image and reputation.
Knowledge and Insight on emerging markets.	Honest and trustworthy. (integrity)
Duty minimization services.	Supply chain expertise.
Export process recommendations.	Trusted Trader
Trade consultation.	Overall Satisfaction with (insert custom broker company name).
Cost savings recommendations.	Pricing Factors
Fiscal representation acting as an importer of record.	Competitive rates.
Operations	Overall Value for the money you spend.
Accurate invoices and statements.	Loyalty Measures
Timeliness of invoices.	How likely would you be to recommend this company to a business associate? (Scale: 1 - 10 with 10 being the most likely)
Consistency of service around the world.	
Compliance with regulations.	
Ability to avoid problems before they happen.	
Entry accuracy (correct classification, value, country of origin)	
Timeliness of clearance (entry on time release)	



Examples of Voice of the Customer Comments

Voice of the Customer (negative)

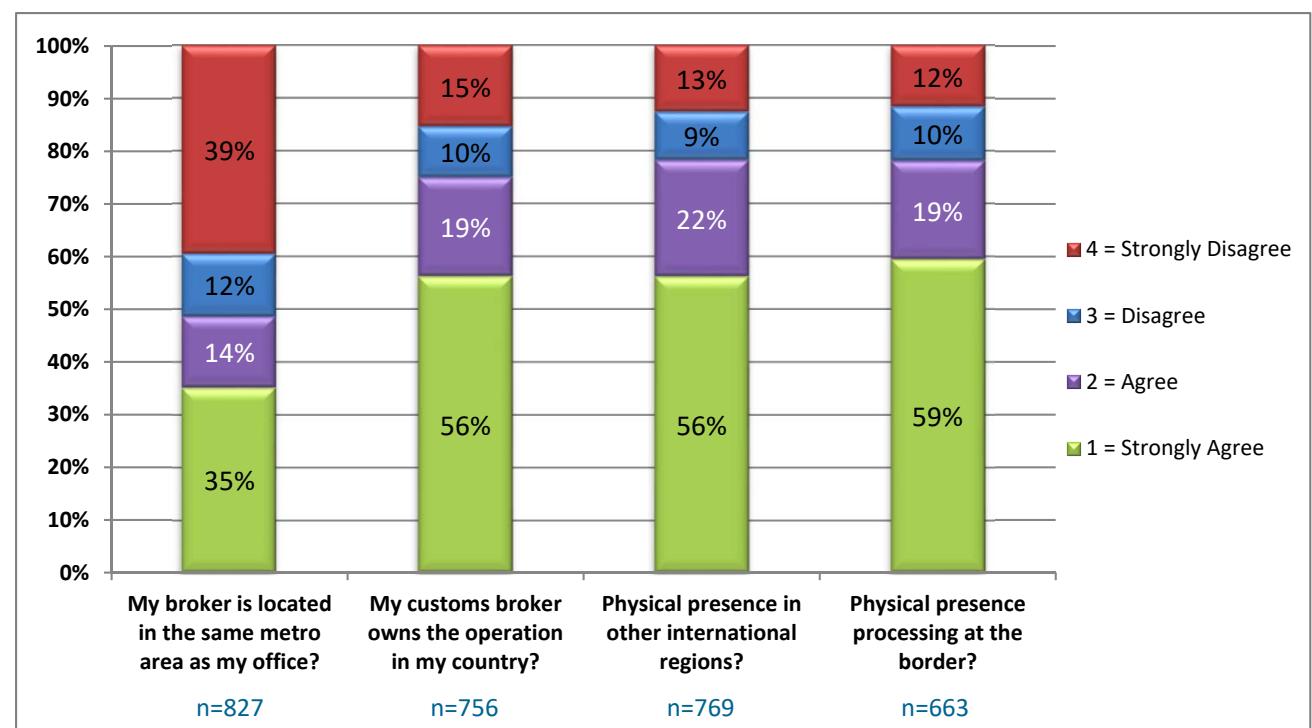
What other brokerage pain points do you have? (internal or external)

(Sample responses - 11 out of 363 total comments)

Statement
Our biggest issue would be the incorrect invoicing for the last three months.
We have some internal issues with brokerage, like not being able to reach the right contact.
Communication, letting us know when shipments arrive and are available. The majority of the time we are contacting them, instead of the other way.
Poor communication, it is a matter of getting tracking updated.
Lack of getting actions done in a timely manner, such as paperwork getting lost in the scale. Identifying the problem and getting it fixed is the problem when we do have delays.
My biggest pain point right now is the amount of fees paid due to section 301, which works out to be an additional 25 percent in extra tariffs.
The only thing is timeliness. For instance they had a strike at the dock and it really held us up. Freight seems to get held up when shipping overseas. Another time while shipping containers, we had to share a container with a company, and they got flagged which held us up as well.
I contact my broker and she does not return my calls. She ignores my emails and is just not helpful.
We have some issues with Customs clearance in the US, like regarding our high volume products, or our dangerous goods. They are all being checked at Customs which causes us some delay.
I like the fact that they have notifications if there are problems. Sometimes we are not notified of the delays, so there can be communication errors.
One pain point is length of time it takes to get a quote back from the overseas departments. Inaccuracy of the quote by not reading the detailed quote accurately on their end.

Importance of Physical Presence of Brokers

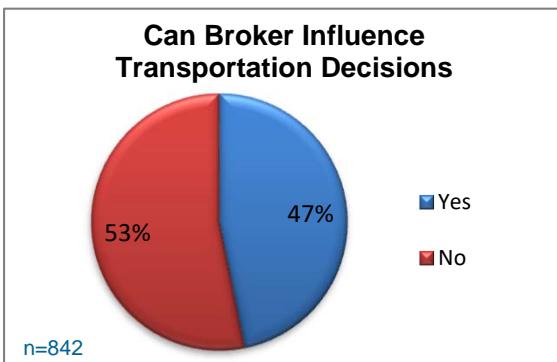
For each of the comments related to the physical presence of your broker, please indicate if you strongly agree or strongly disagree if it is important to you.



Voice of the Customer

Can you current broker(s) influence your transportation decisions? If yes, how?

(Sample responses - 13 out of 375 total comments)



Statement

Whether the shipment is doable. The suggestions they provide or the quotes, which we can then take that information and make a decision from there if it is feasible.

They could have an impact on our logistics route. For example, which customs broker is at what port and that has an impact on what logistic routes we take.

They will provide transportation on occasion. There are some other brokers that are exclusively used for parcel or small packages, but we have very little contact with them, basically just sending paperwork and then we are done. Any issues with those packages are handled on the other end.

By providing us with better rates.

Quality of the shipment can influence our transportation decisions.

They sometimes have better rates and go with them.

If they can't deliver to our destination, we need to find another broker.

It depends on the origin and how it is negotiated at the corporate level. When the broker can also offer the transportation, we will keep it all together because we like a seamless transport. The less people involved, the better.

A lot of them function as 3PL for us, so they have the ability to make certain transportation decisions.

They could influence our decisions based on what they are able to do and the timeliness of doing so.

We trust their experience.

They are always quoting air versus ocean, it is a timing thing for us.

It really depends on the rate or if we start having problems. As long as they get back with us quickly, which they usually do, everything is fine. If a broker did not get back with us in a timely manner, we would possibly look elsewhere.

Voice of the Customer

What would it take for you to switch from your current broker(s)?

(Sample responses - 19 out of 645 total comments)

Statement
If they offered me more tools.
For us to switch from our current brokers, it would be accessibility and transparency.
Bad service.
If there was an error to happen, that they would fix the error before the shipment.
Not sure aside from lower price, since we have been with them for so many years.
That is a corporate decision. It would have to be something really big. We have used these companies for years now and they have done a very good job for us.
It would take a lot to make a switch. The current broker has established a service and trust within our organization, so it would have to be a major reason to make the switch.
Non-compliance.
Someone to provide the same level of service that we have become accustomed to with our regular.
If current broker let us down, no longer serviced that area reliably.
Would take a lot to switch when used the same broker for 25 years.
Would take a lot to make a switch.
Someone who has experience in importing perishable items.
An act of God.
If customer service and compliance level dropped.
Someone who has better systems and better communication.
Poor customer service, and stopping their representation in the countries we need them to be in.
No damages guarantee.
I would not switch.



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Why Subscribe? Overview

Organizations succeed by offering a “package” that wins more loyal customers than the competition. Thus, having competitive customer data instead of relying on hunches or just talking to your customers alone, allows organizations to align their strategy, processes, structure, people and rewards, to deliver more perceived value than the competition. In the end, if you do not have customers who want to do business with you, especially in tough times, you are destined for hard times. Collecting customer metrics allows you to stay ahead of the competition.

“You can't manage what you don't measure.”

- Peter Drucker

Subscription includes:

- A C-level presentation of the findings: (1) A Report Card Analysis, (2) Gap Analysis, (3) Value Drivers Analysis and (4) Realignment and Improvement Suggestions.
- A printed book: (1) Executive Summary, (2) Supplier performance on factors measured, (3) Customer needs - importance of factors measured, (4) Inferential Statistics – the buying factors with the greatest impact, (5) Supplier Utilization, (6) Responses to Open-Ended Questions, and (7) Head-to-Head Supplier comparisons.
- Custom tagging of the data to your specific needs.
- Detailed analysis exhibits: Deliverables are very visual, easy to use and interpret with actionable insights being reached quickly.
- Segmentation Software tool: Allowing you not only to do a summary analysis but to also segment the data to conduct additional analyses.
- The raw data delivered in several Microsoft Excel spreadsheets linked by questionnaire number.
- Training and knowledge transfer on how to utilize and interpret the findings.

Comprehensive / Concise



“Progressive improvement beats delayed perfection.” – Mark Twain

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