Customer Specific Pricing

So you think you're ready for customer specific pricing? If you ship freight regularly, moving lots of LTL freight on a daily or weekly basis, then it might be time for you to look into customer specific pricing. As a freight broker, FreightPros has a leg-up on the competition. Getting customer specific pricing is much easier with a broker than without, so we're here to tell you all you need to know about customer specific pricing, starting with the basics.

What Is Customer Specific Pricing?

Customer specific pricing is a pricing agreement between a shipper and a freight carrier. The basic idea is that shippers who move a necessary amount of freight, thereby bringing a previously agreed upon amount of business to the freight carrier, can be eligible for cheaper, better freight pricing. Think of it like going to Costco and buying in bulk. These relationships are between one specific carrier and customer, not a shipping contract using multiple carriers, so each CSP contract is unique to that particular shipper/customer.

Who Is Eligible For Customer Specific Pricing?

Anyone is eligible for customer specific pricing, as long as you have at least \$20,000 in monthly freight spending. Each carrier has their own specifications with measuring this number, and there are a few instances of special circumstances, but that \$20K number is usually the minimum amount of freight spending needed to be eligible for customer specific pricing.

Why Should I Get Customer Specific Pricing?

First and foremost, customer specific pricing can save you money. It does this in a number of ways. Though the \$20K freight spend is a deal-breaker, there are many different tactics used by brokers to get good deals for their customers. Oftentimes, a broker will include an <u>FAK (Freight Of All Kinds)</u> that help cut down on freight class prices for their customer. Also included in some CSP contracts is the ability to remove an accessorial used on each shipment, such as a liftgate. This adds to the value of the contract.



FreightPros at a Glance

Founded in 2009

282nd Fastest Growing Company on2013 Inc500 List

Freight Solutions

LTL Quoting & Transportation Management

Full Truckload Services

Strategic Carrier Planning

Billing Auditing

Fantastic Pricing

Why We Rock at Freight:

We Are Transparent with our Customers

We Treat our Customers as Partners

We Excel by Actively Embracing our Core Company Values:

- Support
- Produce
- Respect
- Balance
- Develop

How Do I Get Customer Specific Pricing?

Assuming you've reached the \$20K monthly freight spending plateau, there are a few things that will be needed to request customer specific pricing. You'll need to provide FreightPros with invoices proving your monthly shipping spend, as well as a letter of authorization on your company letterhead stating you give FreightPros permission to negotiate shipping rates with the carrier on your behalf. We'll also need to know about all your classing items in order to have a possible FAK, and any accessorials that we might able to bargain with. For example, if you are always shipping to residences needing liftgates, we can use that bargaining chip to try to get that LG accessorial lifted as part of the CSP. If you're a long-time customer with us, we'll already know all this stuff, but if you're new be sure to let us know all about your shipping practices, down to the smallest detail.

How Long Does It Take To Get Customer Specific Pricing?

On average, it takes about 4-6 weeks to get a response for customer specific pricing. Of course, this time can be shortened or extended depending on extenuating circumstances, but it's best to be patient throughout the process. Many times our FreightPros will need to negotiate multiple contracts with multiple carriers to get the best pricing for you. Part of the process of negotiating a really good CSP contract is always leaving no stone unturned. This back and forth can make the CSP process a long one, but always well worth it when it comes to saving you money!