



Freight & Analytics

Finding Shippers 101

**A guide to
getting your
brokerage
off the ground**

Your first steps as a broker

Shippers and brokers have a symbiotic relationship. One has goods to be moved, the other has the means to move it.

Freight brokers are the middleman between a shipper and their customers, ensuring that the shipper's products arrive at the right place, at the right time, with as few hiccups as possible.

What may seem simple is quite complex. And it's even more complex when you're just getting your feet wet. Navigating those first steps as your brokerage gets off the ground is no small task.

You may be starting from scratch, just a big vision and some determination. Others may start brokerages after

leaving larger brokerages, bringing with them a book of business. Some start brokerages knowing exactly which carriers they'll connect with but lack shippers to service.

Everybody starts their broker journey from different places. Still, the first step for most is the same: You've got to find shippers.

We'll break down how the top brokerages find these shippers, but we won't leave you high and dry there. After we outline how it's done, we'll show you a few practical next steps like growing and vetting your carrier network, setting up best practices for sustainable growth, and how to use data and analytics to supercharge your operation.

Finding Shippers 101 is a quick distillation of a broker's first steps, aimed at helping you chart your own path forward.

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Finding shippers



It's prudent to say this at the outset: You're going to do some cold calling. The tried and true method of connecting with potential customers hasn't gone out of style, but you can't go into it without the proper prep work. Let's talk about what all needs to happen before you hop on the phone.

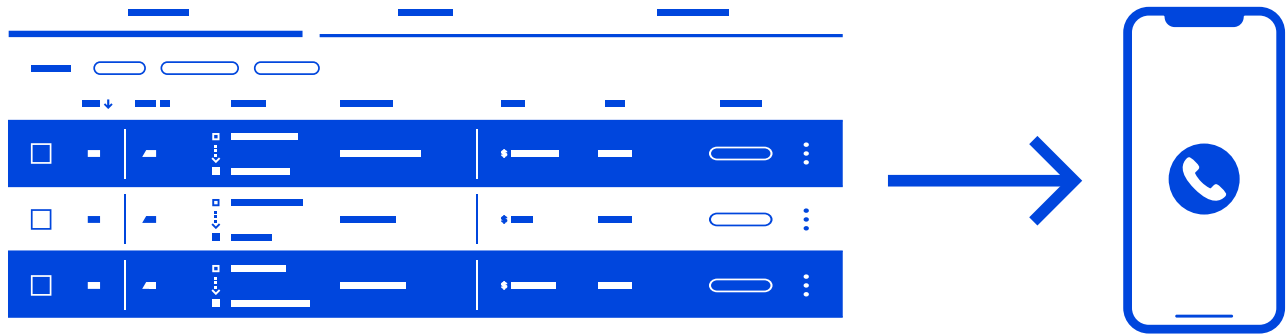
Prospecting is a critical skill for any sales professional, and as a freight broker, you're now a sales professional. Congratulations.

Before you begin cold calling, sit down and identify where in the market you want to begin your business. Don't just

call anyone anywhere, pick either a region of the country, a specific market, or a particular industry to focus your prospecting. This makes things simpler, whereas casting a wide net may leave you a bit disoriented or spread thin. Aim small, miss small.

With your business targets set, spend time crafting an image for your company. The strength of your brand will pay dividends as you grow, as your level of service will directly affect your brand's reputation. Take time now to make sure you have a website, company name, a professional email address, and optionally, a presence on LinkedIn. Get yourself a bank account and an LLC set up if you choose.

Before the call



Once you've identified where you're going to prospect and who you're going to call, you're going to need a load board. We're partial to our own [DAT One](#), the industry-standard load board. There, you'll need to do some research, because you can't hop on a call with a shipper empty-handed.

If you can't talk specifics about rates or current capacity conditions, you won't be able to have a meaningful conversation.

So, for your potential customer, use tools within DAT One to see what it will cost you to get a truck. Then take a peek at market

conditions to understand any region's state of supply and demand (how many loads are available vs trucks available).

Once you've done the preliminary market research, don't call without having a value proposition. As a new broker beginning their book of business, a common strategy is offering a more affordable rate than the market. Assuming you have few or no customers at this point, you are also a solo operation. Don't view that as a negative. Flip the script and remind your potential customers they will only have one point of contact if you secure the sale. As an extension of that, you'll be able to provide them with white-glove service.

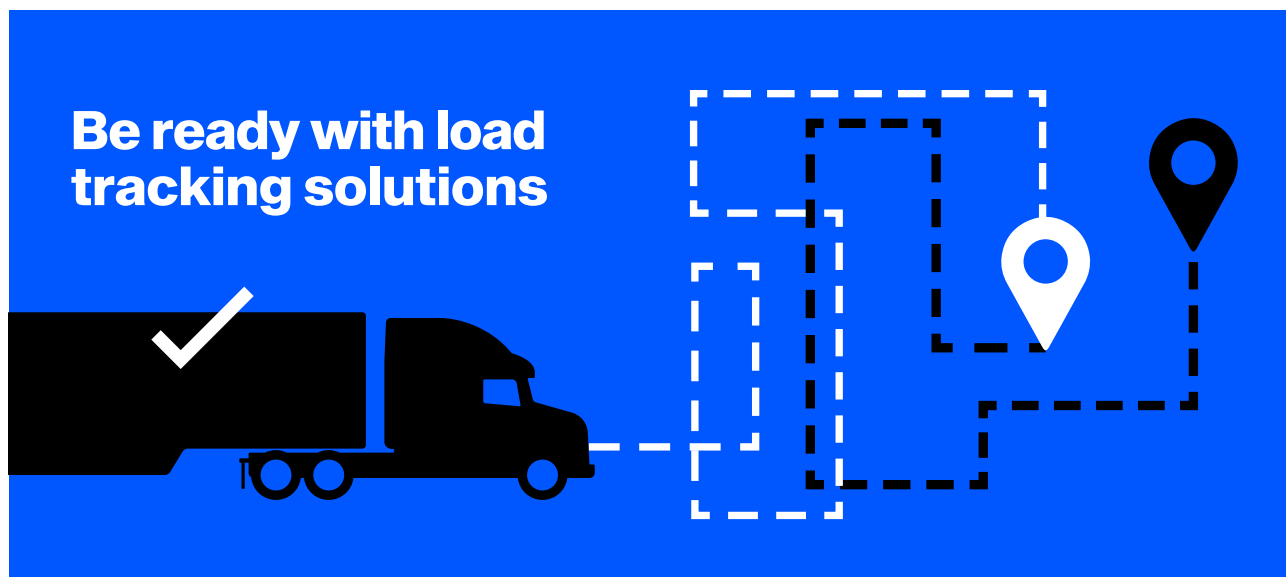
BEFORE THE CALL

To support conversations around pricing and rates, it's never too early to start thinking about how analytics can help boost your negotiating power. For more info, check out analytics solutions from [DAT iQ](#).

Being a new broker doesn't necessarily stack the odds against you. You're more flexible, agile, and open to custom service options. Use that to your advantage to create a unique value proposition to give your prospects.

Be ready to meet Shipper Scorecard Requirements. Most shippers consider load tracking table-stakes for their operations. Load visibility ensures that they always know where their product is any time anywhere.

Make sure you have a plan for tracking before the call so you can speak to how you're planning to keep them updated on their loads. Tracking will not only ensure that you're considered by the shipper, but it will also help keep your carrier reps from spending their days on check calls.



During the call

Every company is different. For you, this means avoiding some of the freight broker cold-calling scripts you find online. They can't possibly suite every shipper customer you call. We prefer to share general guidelines for your call that can be adapted for your prospect and allows breathing room for your personality to shine.

Nail your energy and enthusiasm

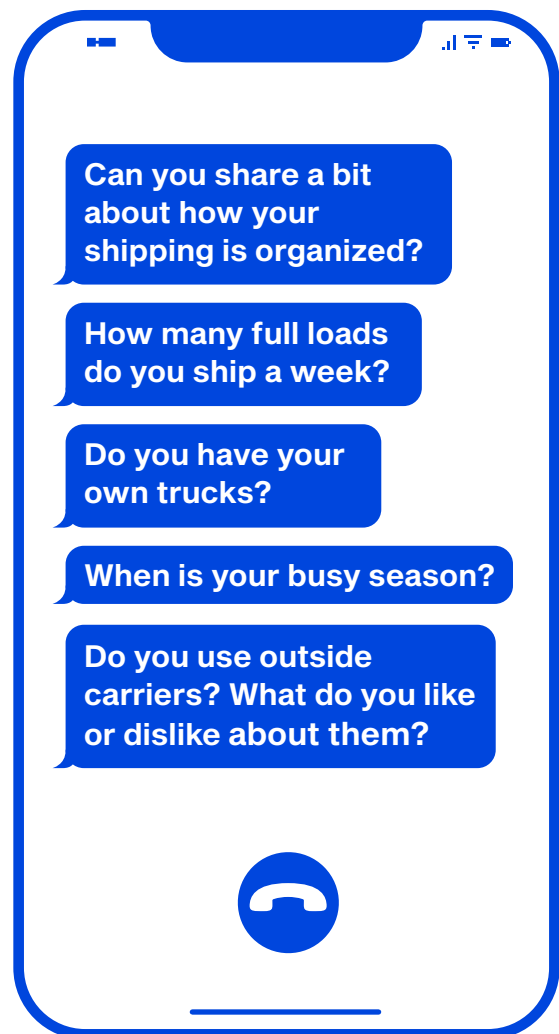
Whether we want to admit it or not, being likable sells. Do your best to make sure you're approachable, actively listening, and enthusiastic about helping your customers. It helps to stand up on the call and smile as you speak. Don't be afraid to walk as you talk, either. It helps keep your energy up. Some sales pros suggest putting a mirror close by so you can always remember to smile while you're chatting.

Close with confidence

If the conversation has gone well and you feel like you got a good rapport with the customer, ask them for business. A simple "Do you have truckloads I can handle for you?" is all it takes. Customers that ask this straightforward question fare much better than those waiting for an offer to cover loads. Don't beat around the bush – go for it and secure the sale.

HERE'S A PRO TIP FROM OUR FRIENDS AT FREIGHT 360:

Have prepared questions



Can you share a bit about how your shipping is organized?

How many full loads do you ship a week?

Do you have your own trucks?

When is your busy season?

Do you use outside carriers? What do you like or dislike about them?

Building a network



Of course, the other side of the coin is finding carriers. If you've found your shippers, great. Now you've got to move their goods. To do that, you need carriers.

Strong carrier networks are the bread and butter of any freight brokerage.

Without them, you've got nothing. No way to move goods, no way to make money.

For brand new brokers, part of the challenge of building a network in the beginning will be because it typically takes 90 days to establish a line of credit, which makes it more difficult for shippers and carriers to vet you as a prospective partner.

You'll have plenty of work to do in those first 90 days, but writing and soliciting company reviews can help you start building your reputation and growing your network.

The trouble is, you've got to build a network of carriers that you trust.

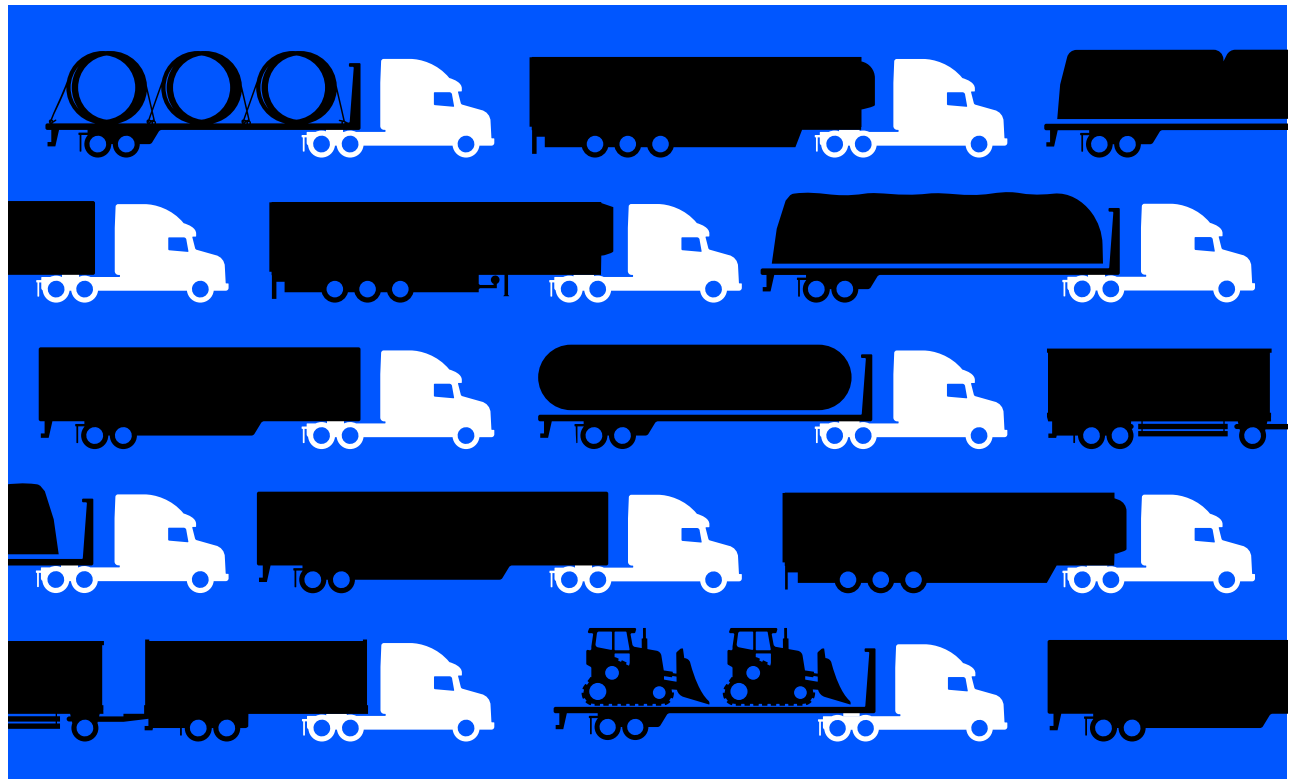
You'll have to do a bit more vetting and background work before you onboard new carriers, and tools like DAT's [load board](#) come in handy here. You can post loads there and find trucks quickly. It'll save you a headache or two, trust us. Plus, DAT's load board comes with the [DAT Directory](#), which makes finding trusted carriers a cinch.

How can you find trusted carriers?

Vetting carriers is difficult and daunting. Tools like CarrierWatch allow you to verify that a carrier is legitimate and vet their credentials – it makes the whole process easy and fast. Both you and your customers will know shipments are in good hands. With CarrierWatch, you can validate the carrier's cargo insurance and safety ratings, so you're not caught off guard by carriers with less-than-ideal operating standards. You can even bring on carriers fast with other tools like OnBoard, making network-building

even faster. We offer Private Networks on DAT so that brokers can develop more exclusive relationships with the carriers. You can verify what other brokers have to say about that particular carrier by visiting our DAT Directory page.

Optimize your profile on DAT by including as much as possible, such as contact information, how you post your loads, and credit scores. Source company reviews and ensure you use a domain email address (yourname@yourcompany.com instead of yourcompany@gmail.com) consistently to help generate trust among the carriers that you work with.



Sustainable growth

The logistics industry values old-fashioned customer service, and once you've got some shippers and carriers in your corner, it's a good time to hang tight and focus on servicing them. Instead of simply adding more and more and more customers, grow to a manageable size, then double down on customer service.

Spending time developing a relationship of reliability and trust is how you'll get to the next phase of growth, so don't skimp on it here. Do everything you can to make your customers happy, go above and beyond, and instead of only growing a business, grow a reputation. Because a good reputation can be flipped into future business. If your service is exemplary, word will get around.

It may be slower growth than you like, but this is an important part of your journey.

Think about it: If your customers like and trust you, they'll pay for that instead of searching for cheaper, untested alternatives. Your trust, reliability, and thoughtfulness toward your customers can separate you from the pack. Don't overlook it.

Don't be afraid to take a loss, either. Sometimes preserving relationships while you lose money creates long-term financial rewards because of trust and the history of the relationship. You've got the agility and flexibility that big brokerages can only dream of. While starting a business is nerve-wracking, calculated risk could launch you into bigger profits down the road.

Taking care of customers builds long-term relationships, and long-term relationships build a stable business. That's our goal.

Consider a TMS

At this point, your business may be running off spreadsheets to manage invoices, billing and payments, or customer prospecting. And that may be fine up until this point, but you're about one typo away from that spreadsheet crashing. That's no way to run a business.

Here, we believe in the power of DAT Broker TMS. It's a TMS (transportation management system) purpose-built for brokers, not a shipper solution that got a facelift. It may be helpful to think of this as a brokerage-in-a-box – a one-stop shop for running a business with everything you need in one place. We intentionally built it to streamline your business, so you'll end up growing your business instead of your back office staff or another collection of filing cabinets against a wall.

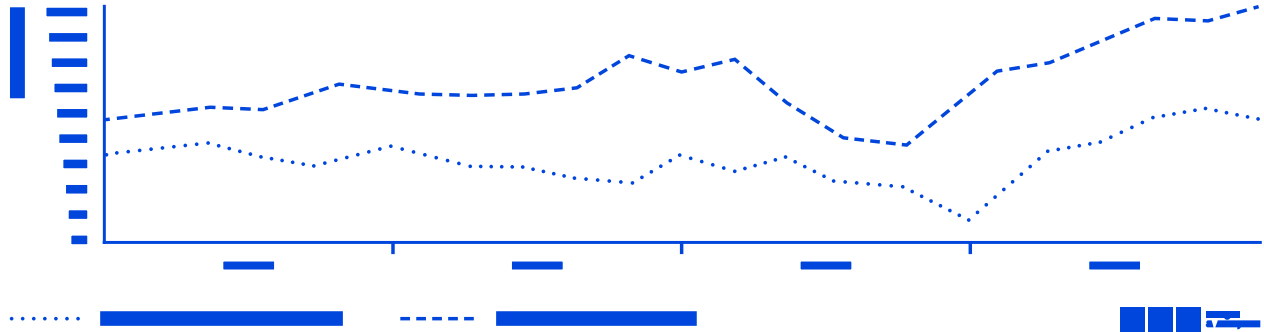
While we're talking about scaling and growing, [DAT Broker TMS](#) will grow with you. Instead of offering modules, integrations, and customizations in groups, we let you add on individual modules only as you need them – you won't pay for features you don't need.

All of your accounting, documentation, and tracking, along with the entire freight cycle starting from finding trucks to getting paid, lives inside the DAT Broker TMS. Once you're streamlined and efficient, growing to that next level is far easier.

If you're not quite ready to spring for a whole new TMS, that's okay. We've got a host of tools to help you streamline your operations. No matter where you are in your journey, we have solutions to help.

RateView Insights on informed pricing LEARN MORE	OnBoard Vet and bring on new carriers fast LEARN MORE	CarrierWatch Assess safety scores LEARN MORE	Trucker Tools Visibility you can trust LEARN MORE
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Understanding the market



Now that you're operating on solid ground, built on long-term partnerships and organizational efficiency, this is a good time to step out and tackle new areas of business.

The stability you worked so hard to create fuels your expansion now.

Expansion can come in the form of new industries to service, new geographic areas, or new types of freight entirely. Tools like [DAT iQ](#) shine here – we take over \$1T in annualized invoices and turn that into actionable market data.

You'll see the most profitable lanes, hot or cool markets, and insight into historical, current, and forecasted rates. It's a 360-degree view of the market that makes sure that your business' expansion and diversification are informed and built on sound rationale.

Plus, we make it easy to understand the industry. As you're growing, your understanding of logistics' complexity will grow, too. As your operation and understanding grow, the right tools will help. Here are a couple of our favorites.

Market Conditions Index (MCI)

[MCI](#) is a simple, definitive metric for truckload supply and demand, showing you how many trucks are in a market in comparison to available loads. With that information, you'll identify seasonality shifts, and geographically normalized search and post behavior. Plus, it accounts for inbound and outbound volume.

We see early-stage brokers quoting prices to shippers without knowing the balance of supply and demand. Brokers with MCI in their toolboxes know how much it costs to find trucks for shippers. They see where trucks are hard to find, and price accordingly. This helps brokers negotiate with solid footing. It'll be easy to find where you have breathing room for lower rates and where you can anticipate paying a premium.

MCI also has a forecasting element that lets you look ahead at load-to-truck ratios for the upcoming 8 days. With that, you can schedule shipments for days when the capacity conditions are working in your favor.

RateView

[RateView](#) makes pricing easy. With it, brokers can look at historical and forecasted rates for any lane or market. It's a safeguard against misinformed quotes that leave you without a profit margin.

RateView is a synthesis of over \$150B in freight transactions from over 68,000 shipping lanes. Once that data is sorted and categorized, brokers have a transparent view of how the market handles rates on any given lane. That information powers confident negotiating and gives you the upper hand.



Looking ahead

It's not easy getting a brokerage off the ground, but you've done the hardest part – starting. As you do the leg work of finding shippers and growing your network, remember Rome wasn't built in a day.

As always, DAT is ready to help. We've helped thousands of brokers, from the top brokerages in the country, to start-ups like yours. Our products and resources are built to fit your growth journey. For more of those resources head to dat.com/getstarted

About DAT Freight & Analytics

DAT Freight & Analytics operates the largest truckload freight marketplace in North America. Transportation brokers, carriers, shippers, news organizations and industry analysts rely on DAT for market trends and data insights based on 400 million freight matches and a database of \$1 trillion in annual market transactions.

Founded in 1978, DAT Solutions LLC is a wholly owned subsidiary of Roper Technologies (NYSE:ROP), a diversified technology company and constituent of the S&P 500 and Fortune 500 indices.

**For more resources
head to dat.com/getstarted**

**Ready to talk to one of our
experts? Call [\(855\) 636-8027](tel:8556368027)**



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