

## 6 things to consider when choosing a 3PL partner

- ✓ **What size 3PL is right for you:** Too small of a company may not be able to offer the coverage you need. Too large means you may find yourself at the end of the client list, especially if your 3PL is focused on various businesses across multiple industries. Start-up's or companies going through an acquisition may not offer the same services today as they will next year. Make sure you are thinking about what's best now and five years down the road.
- ✓ **What kind of technology is offered:** Is it important for you to have GPS tracking, mobile communication, electronic signature capture, real-time inventory, and dynamic routing? What information are your customers interested in receiving? Make sure you aren't paying for something you don't need and that you are getting the most out of what is being offered. If your customers benefit from it then it's important to consider.
- ✓ **Experience levels:** Find out what types of delivery teams will be representing you. Are they employees, contractors, or brokers? Will they be servicing other clients in the area or are they dedicated only to you? Do they have the flexibility to incorporate your values into the way they provide their services? Consider how this may impact your Key Performance Indicators?
- ✓ **How are the 3PL's being incentivized:** Not all deliveries are created equal, but no matter how easy or challenging, each customer deserves a positive experience. Make sure there is a plan to motivate the 3PL to improve satisfaction levels. This should go both ways so that if they aren't performing up to your standard they are penalized. This puts the power in their hands and makes it worth going the extra mile to keep your customers happy.
- ✓ **How is customer satisfaction measured:** All major 3PL companies track customer satisfaction. Find out what areas they succeed in and how they measure up to their competitors. The best predictor of the future is what has happened in the past.
- ✓ **How will management work day-to-day:** Depending on how complex your delivery operation is you may need a manager and clerical staff on-site. Find out what type of management they plan to put in place and how accessible regional managers and VP's are. The last thing you want to deal with during a holiday sale is a situation that isn't receiving the proper attention.