U.S. XPRESS ENTERPRISES
SERVICE THAT MATTERS–DRIVEN BY INNOVATION

Major Trucker Moves to New CRM System, Recovers Up to $350,000 in Lost-Opportunity Costs

Overview

Country or Region: United States
Industry: Transportation

Customer Profile
U.S. Xpress Enterprises is the second-largest privately held trucking company in the United States, with more than US$1.6 billion a year in revenue.

Business Situation
The company needed to standardize on a single customer relationship management system to ease access to operational data and streamline sales processes.

Solution
U.S. Xpress Enterprises deployed Microsoft Dynamics CRM and tailored the solution to support end-to-end business processes.

Benefits
- Recover as much as $350,000 in lost-opportunity costs
- Apply strategy to improve closure rates
- Enhance business insight
- Improve sales productivity
- Augment customer service
- Reduce IT costs, improve agility

"Over the course of the year, each salesperson was applying around $10,000 worth of their time gathering customer information. Now, with Microsoft Dynamics CRM, we have that time back, know our customers even better than before, and can reapply the lost-opportunity costs of around $350,000 to reaching out to new prospects."

Bob Poulos, Vice President of Sales and Marketing, U.S. Xpress, Inc.

U.S. Xpress Enterprises is a leading trucking company in the United States with US$1.6 billion in annual revenue. With growth through acquisition, U.S. Xpress Enterprises relied on multiple IT systems and lacked visibility into its nationwide operation and affiliate companies. To solve this, the company established a data warehouse and implemented Microsoft Dynamics CRM to provide companywide access to that information and to facilitate end-to-end business processes across strategic planning, bidding, sales, and marketing. Now, with Microsoft Dynamics CRM in place, U.S. Xpress Enterprises has streamlined preparation for sales calls, enabling the company to recover as much as $350,000 a year in lost-opportunity costs. The company has realized improved sales productivity and reduced IT support costs by tens of thousands per year, while improving its closure rates on new business.

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"Where Microsoft Dynamics CRM really beat the competition was when it came to providing business intelligence to the people across our company. Our people could create the dashboards and reports they needed to really take charge of their own destiny and do so with little to no involvement from the IT department."

Tim Leonard, CTO, U.S. Xpress, Inc.

Situation

U.S. Xpress Enterprises is the second-largest privately owned truckload carrier in the United States, with US$1.6 billion in annual revenue. A holding company, U.S. Xpress Enterprises includes U.S. Xpress, Inc., which accounts for $1 billion of the company's revenue, and a range of regional affiliate companies including Arnold Transportation, Smith Transportation, Total Transportation, and Xpress Global, a less-than-truckload company.

Complexities in IT

With a diverse portfolio of transportation companies, U.S. Xpress Enterprises has an equally diverse IT infrastructure because of acquisitions. Following the economic downturn, U.S. Xpress Enterprises made the strategic decision to standardize its IT systems to gain better control of operations and costs. As part of this strategy, the company began to move its divisions and affiliates to U.S. Xpress, Inc.'s IBM AS/400 enterprise resource planning (ERP) system. At the same time, U.S. Xpress Enterprises employed a master data strategy, by which it would build a data warehouse to centralize all operational information.

To give employees access to the newly consolidated operational data, U.S. Xpress Enterprises considered the advantages of using a customer relationship management (CRM) solution. But as Bob Poulos, Vice President of Sales and Marketing for U.S. Xpress, Inc., points out, the company's former CRM system had actually hindered efforts to share information. "Our legacy system was 13 years old and so heavily customized that we were tied to our vendor for support and unable to upgrade the solution," he says. "In addition, it had no

connectivity to any of our data, and to establish that connectivity would have been a massive undertaking."

The Need for End-to-End Functionality

Needing a way to access company information, leadership understood it would need to deploy a new CRM package. By deploying a new CRM system, the company aspired to not just give people access to data but also provide the tools people needed to support end-to-end business processes, from strategic account planning and bidding for new accounts all the way to sales, rating, billing, and operations.

As Todd Davis, Senior Director of Pricing and Marketing Services for U.S. Xpress, Inc., explains, providing business insight and facilitating end-to-end business processes is key. "The trucking business has notoriously low closure rates; each year, we price around $75 billion in freight and close about $1.6 billion of that," he says. "Being able to better understand our customers and automate the entire sales process can have an enormous impact."

For Poulos, the benefits of a comprehensive CRM package meant the possibility for new levels of collaboration in sales. "We didn't know which affiliate companies had talked to which customers, because they all relied on different systems," he says. "Because of this, we were unable to operate our sales teams together in cadence by identifying our business on a nationwide scale to ensure that we weren't competing against ourselves by targeting the same customers with different operations. In addition, we needed to be able to better identify opportunities and any cross-selling opportunities."

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Lack of insight into customers also resulted in tedious manual tasks. For instance, sales representatives spent as many as seven hours preparing for each customer meeting because they had to pull reports and contact other departments across the company to get the information they needed. And as Poulos notes, this resulted in "Tens of thousands of dollars in lost opportunities per salesperson per year, because salespeople spent time finding information rather than selling."

At a corporate level, having comprehensive insight into the business would ultimately mean that U.S. Xpress Enterprises could provide better sales forecasts. Says Poulos, "We lacked a way to conduct pipeline forecasting, which, as a company that makes major capital investments, is absolutely critical in helping us operate in the most profitable way possible."

Solution

After considering a range of CRM systems, U.S. Xpress Enterprises chose Microsoft Dynamics CRM. "For our salespeople, in particular, the fact that Microsoft Dynamics CRM worked through Microsoft Outlook made it a great fit and helped us adopt it with greater ease," says Poulos. "It also fit with our existing Microsoft infrastructure, and we felt that we could avoid having to heavily customize it to meet our needs."

In terms of drawing on the company's data warehouse, Tim Leonard, CTO of U.S. Xpress, Inc. , goes on to note that, "Where Microsoft Dynamics CRM really beat the competition was when it came to providing business intelligence to the people across our company. Our people could create the dashboards and reports they needed to really take charge of their own destiny and

do so with little to no involvement from the IT department."

At U.S. Xpress Enterprises, 125 people now use Microsoft Dynamics CRM every day. These people span sales, pricing, marketing, operations, rating, and billing.

Using the solution, sales staff can now enter a new customer prospect record into Microsoft Dynamics CRM from their laptop when meeting with a customer onsite. Through integration, this customer prospect record is then converted into a customer account record in Microsoft Dynamics CRM when the associated billing entity is created in the underlying AS/400 ERP system. The AS/400 billing entity data, as the system of record, drives the account record creation in Microsoft Dynamics CRM, connecting all customer and financial data.

Sales staff can then view underlying ERP data within a single solution and perform regular sales tasks. For example, staff can record sales opportunities against that customer record in Microsoft Dynamics CRM and track that customer through the entire sales cycle, including the request for proposal (RFP) process, which is routed through pricing analysts via a workflow. Says Poulos, "When sales staff are out in the field with customers, they can quickly route request for quotes back to our pricing team. A manager can then view a queue of all incoming requests and distribute those out to our pricing analysts, based on a range of criteria such as the value of the deal or even an analyst's workload."

When sales staff meets with customers in the field, they now have a comprehensive

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view of that customer's account. Says Poulos, "A salesperson can quickly see how much revenue we are doing with a customer, run an aging report for that customer, view that customer's most active shipping lanes with us, and view basic contact information."

With all customer and sales information in one system, marketing staff can then target specific customer groups with marketing campaigns. Through an add-on that draws on company information from Hoovers, sales or marketing staff can also generate lead lists and apply those leads as tasks to the individual sales reps.

Future Plans
In the future, U.S. Xpress Enterprises will provide access to Microsoft Dynamics CRM through smartphones, enabling salespeople to have anywhere access to the information they need. The company is also building an enterprise bid-management system based on Microsoft Dynamics CRM. This data library will provide historical insight into past bid activities, allowing salespeople to query individual lanes and target the most promising new opportunities.

Benefits

With Microsoft Dynamics CRM providing access to a central repository of information and helping to automate core business processes, U.S. Xpress Enterprises has seen impressive results. Most notably, the company has been able to ease preparation for sales calls—recovering as much as $350,000 a year in lost-opportunity costs—improve sales productivity, and reduce IT support costs by tens of thousands per year, while improving closure rates on new business.

Recover as Much as $350,000 in Lost-Opportunity Costs
Before Microsoft Dynamics CRM, salespeople spent as many as seven hours preparing for a meeting with a customer to gather all related account information. Now, that information is a report that only takes up to 90 seconds to run. Says Poulos, "Over the course of the year, each salesperson was applying around $10,000 worth of their time gathering customer information. Now, with Microsoft Dynamics CRM, we have that time back, know our customers even better than before, and can reapply the lost-opportunity costs of around $350,000 to reaching out to new prospects."

Apply Strategy to Improve Closure Rates
With a comprehensive view into both its sales pipeline and its customers, and empowered with tools it needs to manage them, U.S. Xpress Enterprises can more strategically target its customers with competitive pricing and specific offers to help close more deals. Says Davis, "By using Microsoft Dynamics CRM, we have improved the management of sales representatives' activities, performed strategic account planning and bid management more effectively, and eased reporting—all of which have helped us improve our closure rates."

Enhance Business Insight
With all information in one system, U.S. Xpress Enterprises has newfound levels of business insight—a particular benefit for its managers. "With Microsoft Dynamics CRM, we're now able to have that executive-level conversation," says Leonard. "We can go through our pipeline and see what sales calls we have made, what calls are in the pipeline, and then drill down into those

activities and see what our estimated wallet share is with that customer and who we are competing with. That conversation can then extend to our midlevel managers and associates as well. They can now also see where we're getting new wins in our customer portfolio so that they can inform their teams, build morale, and see what work is coming so that they can plan and staff accordingly."

Boost Sales Productivity

By delivering enhanced business insight, enabling easier reporting, and supporting end-to-end business processes, U.S. Xpress Enterprises has seen considerable improvements in sales. Says Poulos, "By using Microsoft Dynamics CRM, we can handle $1.6 billion in sales per year with only 28 people in sales."

Leonard adds that business users now have the tools and easy access to information that they need to do their jobs more efficiently. "After going live with Microsoft Dynamics CRM, one business user, who was brand new to the system, replaced two of his cumbersome spreadsheets with a graphical dashboard in only one day," he says. "That's how we knew this was a success."

Augment Customer Service

Because Microsoft Dynamics CRM works together with the company's AS/400 ERP system, staff now have a single view into a customer. Says Davis, "Now, with one source for company information, our management and support teams can operate as one, improving our execution and responsiveness to our customer needs and improving those relationships overall."

Reduce IT Costs, Improve Agility

With its legacy CRM system, U.S. Xpress Enterprises had to rely on a vendor for IT support and development, accruing tens of thousands of dollars per year in consulting costs. Now, two people on the U.S. Xpress Enterprises IT support team can manage Microsoft Dynamics CRM on their own, lowering overall costs and improving IT agility. Says Davis, "With only two IT staff members and some light coding, we're able to bring new functionality to the business."

Additional Resources

- Try Microsoft Dynamics CRM.
- Learn more about sales force automation.
- Hear from other Microsoft Dynamics CRM customers.

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers in the United States and Canada who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:
www.microsoft.com

For more information about U.S. Xpress Enterprises products and services, call (800) 251-6291 or visit the website at:
www.usxpress.com

For more information about Customer Effective, call (877) 252-2171 or visit the website at: www.customereffective.com

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Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what's most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.

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