That message was clear from experienced senior industry officials and marketing experts contacted by Intermodal Insights to offer their perspectives on how these relationships have evolved in the digital era.

"Personal connections are important to develop a long-term positive relationship. Emails, texts and [electronic data interchange] exchanges can serve as efficient forms of communication, but they are not an effective means of creating a relationship," said Steve Van Kirk, CEO of Tiger Cool Express and a former intermodal executive at Swift Transportation and Schneider.

What’s important in the intermodal context, he said, is to create value-driven relationships so that the combination of reliable capacity, time-definite service and cost savings versus truck can be presented as a great solution for many shippers.

To be successful, Van Kirk said, "Great intermodal providers can push the necessary information to customers, and free them up to perform other components of their jobs."

Richard McDuffie, chief operating officer of Dunavant Logistics Group, made a similar point.

McDuffie said that, as a 3PL, it’s crucial to have the relationships to come up with solutions at a time when shippers have smaller staffs.
**'Relying on Us'**

“They are relying on us to find a solution when something goes wrong from a logistics perspective,” he added. “It can be complicated for intermodal with so many touches from a factory in China to a [distribution center] in the U.S.”

Using a sports reference to describe quick decision changes, McDuffie said, “There is a lot of information available, but if you have to call an audible, the shipper doesn’t want to call that audible. They want the 3PL to do that. That is more than a tactical, operational choice. It is on a strategic level as well. It is about coming up with a solution the customer does not think of.”

“Relationships still count as much as they ever have,” said industry veteran Richard Metzler, CEO of LSO Shipping Services. “However, technology has changed the way we interact. It [interaction] is much more fact-based, more often and in some ways makes the fewer personal interactions better.”

“People still want to work with people they like, can relate to and can count on,” said Metzler, whose career has included executive positions at XPO Logistics, uShip and Xpress Global Systems.

Chris Spears, chief marketing technology officer at Arke, a business consulting firm, explained another facet of how customer relationships are changing — their growing complexity.

“Today the customer’s end-to-end experience involves multiple touchpoints that blur the physical and digital worlds. That involves thoughtful alignment of all your touchpoints — channels, devices, applications and more — to make the overall experience as seamless and frictionless as possible.”

It is especially important, he said, to maintain personalization with customers, citing the finding in a 2017 study by consultant Accenture that found 41 percent of U.S. consumers ditched companies because of “poor personalization and lack of trust.”

**Personalization Matters**

Effective personalization helps to keep customers and attract new ones, said Spears. Personalization can be achieved by aggregating data across multiple attributes such as a business contact’s role, location, purchase history and browsing history. A transportation management system, as well as mobile apps, can be important tools to aid in collecting that information.

“Personalization builds a foundation for success in today’s multi-touchpoint, multichannel, hypercompetitive markets,” he said, by converting that information into data that can be tailored to a more individualized approach without a substantial financial investment.

Van Kirk believes several other factors are at work to change customer relationships, which he believes have weakened in recent decades. In the past, seasoned managers explained the value of building meaningful relationships to younger workers. The result was a reputation for trustworthiness that served a worker well.

“I’ve always coached the sales teams that have worked for me that it is important to physically meet with our customers in order to develop a relationship,” Van Kirk said.

That can be more complicated as some shippers divide transportation functions between procurement and operations, leading to decision-making that has tended to treat transportation as a commodity. As managers rotate through the logistics role as part of their careers, relationships have become more transitory.

“If you are a carrier can you really trust [that] the next person in a rotational role will follow through on today’s promises?” Van Kirk asked.

Selling intermodal to customers in today’s market requires some skills that are well-recognized in the business world, several executives said.

**'Execute and Deliver'**

“It is important to understand and convey the value proposition your company is presenting to a customer,” according to Van Kirk. “It is equally important to make sure your team can execute and deliver the service that value proposition is based upon.”

At the same time, Van Kirk acknowledged that customers can certainly gain substantial information through websites and other electronic tools.

“Customer relationships have changed dramatically,” McDuffie said. “The customer is a lot smarter and has a lot more information at hand to make astute decisions. There is more of an educational type of relationship between customers and 3PLs.”

Today’s relationships emphasize quality of contacts, compared with past relationships that often were built around the quantity of contacts, such as lunches or dinners.

McDuffie cited a critical difference between business-to-business relationships and selling to consumers that has to be remembered.

“A consumer, he said, may want to know delivery times or other information that can be gained from a website or personal contact, but human interaction is critical in a business relationship.

“If you think about it, when the business is on the line, and a plant is about to shut down or there is a [product] rollout for retail store, that still requires human interaction — the hot touch. It still requires hot touch mentality, because for the person shipping that product, their job is going to be on the line.”

**'Human Touch'**

Metzler offered another real-world example of personal interaction’s benefits.

“Technology can enable the automation of routine functions (e.g., mobile tracking instead of check calls), but there will always be a high value for the human touch where things like doing a favor now because you know it will come back to you later.”

An example, he cited, “is cajoling a driver to take a [difficult] load in exchange for knowing you will take care of him down the road. I don’t know how you put that into an algorithm.”

He also offered the perspective that he does not believe “there will be a fully automated transportation and logistics relationship any more than I believe there will be fully autonomous trucks as the norm in my lifetime.”

Whether or not either of these changes occur, technological advances present other potentially valuable opportunities to mold the customer relationship.

**Benefits of Video**

Samuel Thimothy, vice president of digital marketing for One-IMS, said on a May 8 Transportation Marketing and Sales Association webinar that video has emerged as an important technology to reach customers.

Part of the reason, he said, is that it can be a “one-to-many” tool that reaches multiple potential customers at the same time, instead of the one-to-one approach that is more traditional.

Video can offer particular value at a time when buying habits are changing, he explained, citing statistics from marketing company Gartner that found customers do 74 percent of the buying
process before they contact a company for a specific purchase. Because of that, Thimothy said, “You have to ask yourself how to meet the buyer at the early stage of the process.”

Another important step is to consider other studies that have found 98 percent of potential customers who land on a website don’t take action, essentially because the information on the webpage isn’t effective.

“There is no doubt that video has increased the amount of converting, watching the content instead of reading the info written on the page,” he said.

Video can work well to attract customers, he said, because it can be more engaging than written content, and help to convert those potential customers into active buyers.

While he stressed the value of video, Thimothy also made an overarching point. “The number one thing to keep in mind,” he said, “is to know your audience. You have to fixate on that before spending any money. Knowing your buyers will make you align your product properly.”