

Get Fleet Fit

Fact sheet

Cargo Productivity

Squeezing more out of every trip not only boosts revenue, it can also cut down on wasted fuel.

It might seem obvious that running your trucks part-loaded means you're not maximising what your fleet can do. We like to think all trucks run at maximum capacity all the time, however the reality is far from that. The <u>best data available</u> suggests trucks in Australia are running empty for around one quarter of their trips with part-loading even more likely. That's a big opportunity to improve cargo productivity.

Of course, it's not always possible to put more payload on a trip or trip segment. Contracts and delivery schedules often dictate when a consignment must leave the depot or arrive at the customer, regardless of the spare capacity onboard. Some contracts don't allow freight from multiple customers on the same trip. And sometimes, a suitable backload just can't be found, so you have to run empty just to get the truck back to base. It's not easy.

Around

1/4

of truck travel
is unladen

Using more of your truck's **legal** load capacity has multiple benefits:

- You get more revenue on the same trip
- Sometimes you may be able to eliminate the need for additional/later trips
- Running costs increase marginally, but likely far less than the extra revenue (meaning more profit)
- The emissions from additional fuel burn are also far lower than doing another trip
- Better utilisation means you may be able to reduce the number of trucks you need.

While you should try to optimise loads, don't ever overload trucks beyond their legal limit as this can result in fines, safety risks, and cause costly failures from premature wear and tear.

It won't work for everyone or every trip, however there are ways to utilise your available payload capacity:





- 1. Backloading: Finding a backload can be hard however there are many apps and digital platforms now making this easier including online auction sites (e.g. <u>Truckit</u>), backload booking services (e.g. <u>Ofload</u>, <u>Loadshift</u>, <u>Fillme</u>), and even <u>Facebook groups</u>. If you're on a regular schedule and run empty return, think laterally about which new customers can fill that journey leg.
- 2. Hold the truck! Some freight just isn't urgent and can be held back to combine with a later load instead of rushing out half-empty. Work with your customers to prioritise only the urgent deliveries and manage your scheduling accordingly. Landscape supplies company BC Sands does both: incentivises customers with a premium freight cost for urgent delivery and works with experts to optimise loads and increase truck utilisation. Read more about how this business increased their revenue per hour driven in the Get Fleet Fit BC Sands Case Study.
- 3. Share the burden: Working with others may be the key to unlocking payload benefits. From working with an existing customer to negotiate a revised contract schedule or delivery time, to seeking new customers nearby to help fill your empty trucks, and collaborating with other carriers to share or consolidate loads.





4. Mixed loads: Sensitive freight and incompatible loads are both obstacles to filling up a truck. Thinking outside the square can help you find ways to improve your operations. For example, using multiple temperature zones in the same reefer body or trailer can combine frozen, chilled, and dry goods for grocery transport. Likewise, segregation devices can be used to combine incompatible loads like dangerous goods and other payload. These are innovative solutions enabling increased productivity and could reduce the total number of trips taken.



Adapted from Global Cold Chain Alliance

5. Go bigger (or smaller). Ideally, you should match your fleet to what you do most of the time, not what you might do 'one day'. Optimisation is about buying fit for purpose trucks to optimise your fleet. If you only need a small truck for the majority of deliveries, then driving around a larger truck for the 1% wastes a lot of fuel, creates unnecessary emissions, and attracts other costs. Likewise, if you do multiple extra trips using small trucks (e.g. to attract drivers without a truck license), it can also be a false economy. One larger truck with one licensed driver might end up saving you money.

All these methods can help to maximise utilisation of your fleet assets, reduce costs per delivery, and maximise revenue per delivery. By better controlling what goes on the truck, and when, you might also be able to get by with fewer trucks or a fleet better aligned with your business/customer requirements.

Find out more

Big Rigs regularly features different backloading services for Australian truckies, including a kind of 'dating app for trucks' and one operator's story of using backloading to expand his fleet.

The **NSW Government** introduced a unique truck body allowing segregated loads of linen to be carried together, improving the efficiency of pick-up and drop-off services.

For refrigerated goods, an international study compiled by the International Refrigerated Transportation Association (IRTA) has shown some of the options for combining cold-chain loads.

Get Fleet Fit has been designed by NatRoad to guide truck operators towards improved fuel efficiency and reduced emissions in alignment with future government regulations and customer expectations. We've developed a 5-step roadmap to help create a clear, actionable plan for your business, plus more detailed information on important topics to help you along your unique journey.



