

Transportation options

Owning

Costs

- High upfront costs
- Maintenance
- Depreciation
- Need to drive the vehicles yourself or hire on a team
- Insurance

Benefits and Downsides

Pros:

- Can guarantee delivery times. (Since you own the vehicles)
- As the company grows shipping should get less expensive.

Cons:

- Lot of costs that need to be managed which can take time away from other parts of the business.
- Increase in production can mean needing to rapidly grow your fleet of vehicles.

Leasing

Cost

- Low upfront costs
- Maintenance
- Need to drive the vehicles yourself or hire on a team
- Insurance

Benefits and Downsides

Pros:

- Can guarantee delivery times. (Since you own the vehicles)

Cons:

- Lot of costs that need to be managed, which can take time away from other parts of the business.

Outsourcing

Cost

- No upfront cost
- More expensive noo ship and cannot guarantee delivery

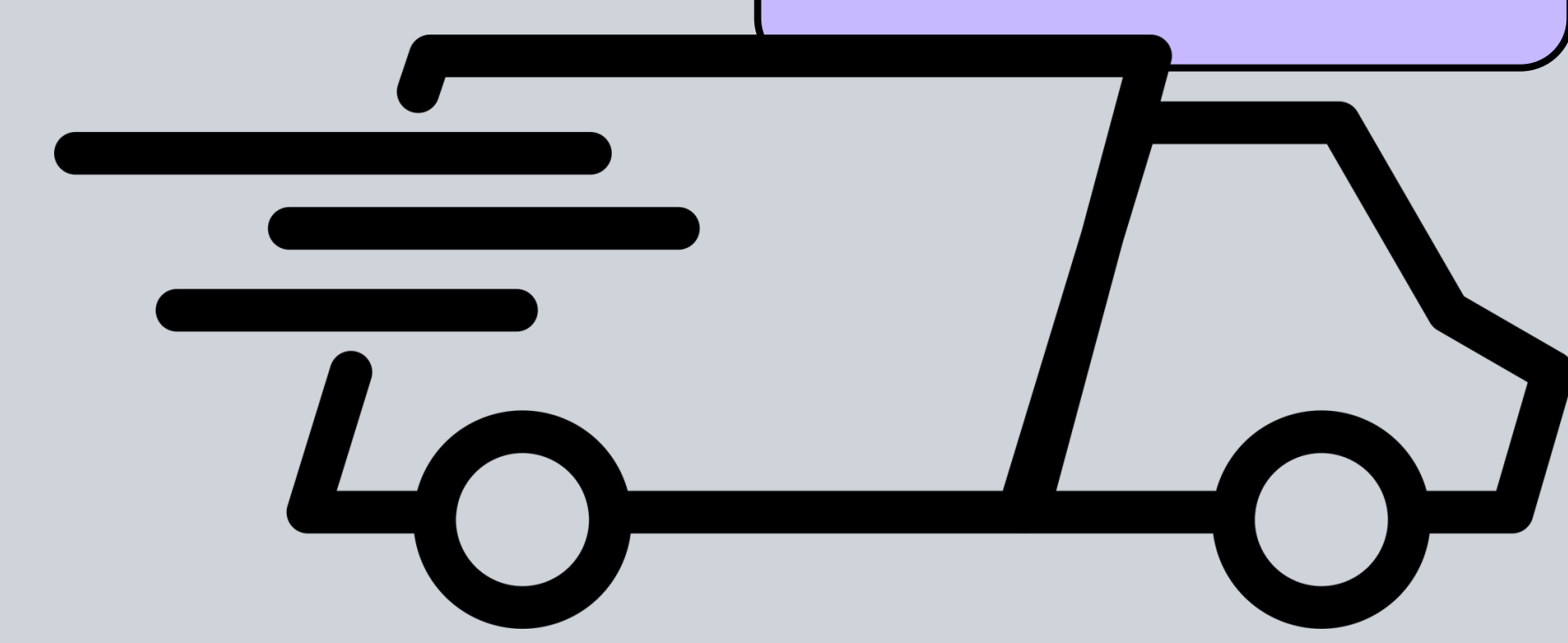
Benefits and Downsides

Pros:

- No worries about shipping logistics

Cons:

- Not a great option for short trips with potentially perishable items
- Unexpected rise in costs



How this tool can help

The problem: Many businesses struggle with transportation issues. Below I will explain the three main issues with shipping and how transportation issues can affect your business.

- **Losing Market Shares:** Losing business is never a good sign, having slow or expensive shipping can potentially cause both of these things so choosing the correct transportation is vital for a company to succeed.
- **Increase in Price:** Over the last 5 years, we have seen some crazy changes in the transportation industry, especially during COVID-19, where shipping rates more than tripled in some industries. ([Link](#)) These increases in pricing can impact your business in multiple ways.
- **Less Flexibility:** When choosing transportation options, many businesses will sacrifice flexibility, these can add on a lot of unnecessary stress to a business.

How can this tool help your business? This transportation tool can be used to help all sizes and types of businesses and to help make sure each business chooses the best transportation option for themselves.

- **Smaller Businesses:** This tool can be used by all sorts of small businesses, whether you are a small bakery or up and coming technology company. This tool can help you decide what the best way to transport your product is
- **Large Businesses:** This tool can help large businesses decide whether to build a large fleet for transportation or whether outsourcing would be more efficient. It also allows businesses to consider transportation overseas.



10 Questions to ask yourself



1. What is your total transportation budget, including upfront and ongoing costs?
2. Where are your customers located, and how does this impact shipping logistics?
3. How urgent are your shipping needs? Do delays risk product expiration?
4. Would owning, leasing, or outsourcing transportation best align with your strategy?
5. If outsourcing, do you have multiple providers to compare and choose from?
6. Does your company have the time and resources to managing transportation challenges?
7. How do other competitors in your industry handle their transportation?
8. What level of control do you need over your shipments?
9. Are there any regulations or compliance requirements affecting your transportation choices?
10. How do you plan to measure and optimize transportation efficiency over time?

