

CASE STUDY / HENKEL

How Henkel Uses FourKites Supply Chain Visibility to Improve the Customer Experience and Company Operations



FOURKITES

Improving Visibility to Elevate the Customer Experience

Henkel AG & Co. KGaA, commonly known as Henkel, is a multinational industrial and consumer goods company headquartered in Düsseldorf, Germany. The Adhesive Technologies business unit develops and manufactures adhesives, sealants and functional coatings for a wide range of industries, including aerospace, automotive, technology, healthcare, food and beverage, consumer goods and more.

With a supply chain distribution network that spans the globe, Henkel relies on numerous logistics service providers (LSPs) to help ensure the timely delivery of its products over the road (OTR), via less-than-truckload (LTL) and full-truckload (FTL) shipments. Looking to increase supply chain visibility and gain access to accurate data on the status of OTR customer deliveries — and ultimately improve the customer experience — Henkel selected FourKites as its global partner due to the company's industry leadership, the technical strengths of its platforms, and the customer-service orientation of its teams.

PARTNERSHIP AT A GLANCE

Nearly 1 million LTL and FTL shipments projected to be tracked in 2023.

Actual time of arrival (ATA) data available in minutes vs. hours, means **service level measurements are more accurate.**

Measurable efficiency improvements in **dispute resolution, crisis management, time savings** and **cost savings** realized.



Lack of Visibility Created Challenges for Henkel and its Customers

Henkel and FourKites began their collaboration in 2018, while Henkel Adhesives chose FourKites as its supply chain visibility provider in 2020. Like many manufacturers who rely on logistics service providers to manage product shipments, Henkel sought to improve visibility into the location of its in-transit shipments in order to increase efficiencies and eliminate manual processes, which in turn would help customers better manage their own tight deadlines and complex operations.

Armed with real-time visibility, Henkel, too, would benefit. End-to-end supply chain visibility data would enable better monitoring and benchmarking of partner LSPs. In addition, Henkel would be able to more accurately track and troubleshoot late shipments, minimizing the associated fees and penalties.

Visibility Delivers Improved Efficiencies and Cost Savings to Henkel



TIME AND COST SAVINGS

While elevating the customer experience was a top priority for Henkel when partnering with FourKites, Henkel realized several other benefits. For one, the burden placed on customer service to manually track shipments has been eliminated. When you consider how many hours the customer service team spent tracking shipments, the time and cost savings Henkel has captured since the FourKites deployment are substantial.



LSP PERFORMANCE ACCOUNTABILITY AND IMPROVEMENTS

Improved visibility also adds up to increased transparency regarding the efficiency and accountability of Henkel's LSPs. Armed with up-to-date and accurate data on LSP performance, Henkel now has the insight it needs to proactively address service issues when necessary, as well as reward providers that maintain or exceed service level agreements.



EQUITABLE DISPUTE RESOLUTION

In addition, Henkel now has accurate delivery data, so if a customer claims a shipment arrived late, Henkel can either verify or dispute that information quickly, ultimately reducing late fees and penalties.

A Staged Rollout Helped Ensure a Successful FourKites Implementation

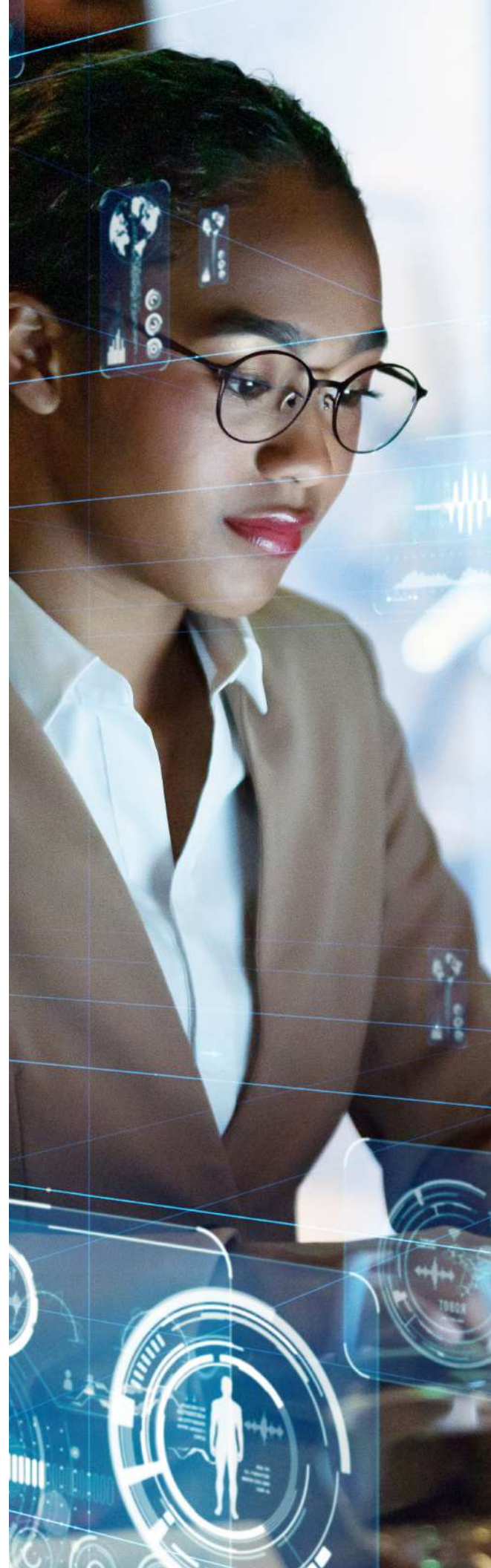
The rollout of the FourKites platform occurred in multiple stages — both internally and with customers around the world. As an initial step, dedicated project managers on Henkel's logistics teams demonstrated to the company's LSPs how sharing the data was key to its Track & Trace program's success.

"Henkel's long-term relationships with its LSPs and the mutual trust forged over the years helped ensure a smooth process, along with technical guidance from the FourKites support team."

The Henkel logistics team also worked to secure buy-in from internal stakeholders before giving customers access to the FourKites OTR tracking data. Customer service representatives loved having easy access to real-time visibility and up-to-date ETAs for customers, allowing them to accurately track a shipment in minutes instead of hours and proactively share updates. Henkel's sales reps likewise were excited to share real-time visibility data with customers, while members of the finance team now use FourKites to dispute late fees and penalties.

“Once we started our rollout with FourKites and more people saw what it could do and the value it can deliver, there was a strong demand for FourKites access from across our organization.”

ISTVAN LENCZ
HEAD OF LOGISTICS, HENKEL
ADHESIVES DIVISION



Enhancing the Customer Experience through FourKites Visibility

Speed, high-quality data, convenience, proactive resolution, improved planning

Getting to the point where Henkel's visibility data was "customer ready" required close collaboration between Henkel and FourKites. The collective team closely monitored tracking coverage and quality, expanding the rollout only when a minimum of 85% of loads were being tracked with sufficient quality.

With FourKites, Henkel and its customers in North America and much of Europe now have visibility into shipments from pickup at Henkel warehouses to delivery at the customer site, including real-time status updates and highly accurate Dynamic ETAs®.

Henkel has since drastically reduced its response time to status requests from customers — and because customers can access FourKites status updates directly through Henkel's eShop platform, they can proactively track their own shipments without having to rely on Henkel. This greatly improves project planning for customers who need to know precisely when their shipments will arrive.

FourKites has been honored to support Henkel in its efforts to increase visibility into its over-the-road transport providers, and looks forward to an enduring partnership as Henkel further deploys the FourKites platform across the globe.

How the Henkel-FourKites Integration Works

DATA INTO FOURKITES

Shipments sent to FourKites via interface with Henkel's Oracle TMS.

ORACLE
TRANSPORTATION MANAGEMENT

Henkel carriers confirm truck/GPS reference to FourKites.

Henkel



INFORMATION OUT OF FOURKITES

eURL and ATA (actual time of arrival) sent to SAP.

SAP

Live tracking data visualized on FourKites platform.

Henkel



About Henkel



With its brands, innovations and technologies, Henkel holds leading market positions worldwide in the industrial and consumer businesses. The business unit Adhesive Technologies is the global leader in the market of adhesives, sealants and functional coatings. With Consumer Brands, the company holds leading positions especially in hair care and laundry & home care in many markets and categories around the world. The company's three strongest brands are Loctite, Persil and Schwarzkopf. In fiscal 2022, Henkel reported sales of more than 22 billion euros and adjusted operating profit of around 2.3 billion euros. Henkel's preferred shares are listed in the German stock index DAX. Sustainability has a long tradition at Henkel, and the company has a clear sustainability strategy with concrete targets. Henkel was founded in 1876 and today employs a diverse team of more than 50,000 people worldwide – united by a strong corporate culture, shared values and a common purpose: "Pioneers at heart for the good of generations."

More information at www.henkel.com

About FourKites



FourKites® is the #1 supply chain visibility platform in the world, extending visibility beyond transportation into yards, warehouses, stores and beyond. Tracking more than 3 million shipments daily across road, rail, ocean, air, parcel and courier, and reaching over 200 countries and territories, FourKites combines real-time data and powerful machine learning to help companies digitise their end-to-end supply chains. More than 1,200 of the world's most recognised brands — including 9 of the top-10 CPG and 18 of the top-20 food and beverage companies — trust FourKites to transform their business and create more agile, efficient and sustainable supply chains.

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