



Freight Forwarder – July “Time Critical Technology”

The global supply chain is becoming shorter by the day as bespoke, niche technology products become mainstream technology, a great example of which is the use of GPS. Around ten years ago it was the preserve of specialist users but today it is commonly found in mobile phones, personal vehicle and even some air conditioners!

Such progress gives us the opportunity for greater commercial focus and the more efficient utilisation of our resources. ‘Big data’ analysis and cloud based management reporting is now facilitating information flows that are both practical and enlightening for organisational decision making.

The link between customer and supplier is now being merged with traditional communication barriers falling. Mobile apps for end consumers, logistics-on-demand services, smart cities, drones and driverless vehicles are all slowly becoming a reality. Today, but especially in the near future, such changes will improve our decision analysis and reinforce our management of those enterprise risks that underpin our operations and profit margins.

Amazon are a prime example of how technology can be leveraged to develop a business model driven by ‘on demand’ services. Amazon and their competitors such as Ali Baba expect their competitive market advantage to become increasingly time critical. For example, within the US they have built 58 fulfilment centres tasked with the objective of ensuring an online order to delivery delay of no more than 2 hours. An amazing target for such a large organisation let alone if one compares it to those of earlier consumer logistics services in the 1980’s.

Uber exploded onto the logistics on demand stage and continues to expand. At the moment it’s about people, but they have set their sights on also exploiting their technology in the area of goods and material movements,



Amazon and Uber provide services in the way they do not by taking advantage of existing technology but exploiting it better than their competitors. Uber is not a logistics company and they are not a Taxi company. They are a technology company that developed a consumer focused mobile application which can be used by anyone with a smart phone to order a service on demand. In the process, they gradually disrupt how logistics operate across the world and are even challenging the social fabric of some societies; as witnessed by the industrial action of many French taxi drivers earlier this year.

The way that companies connect technology will be the essential aspect to ensuring they manage their risks across the supply chain partners and their own operations. It is thought that 90% of all existing business data has been created in the last two years and that this will now double every 1.2 years. The key will be what we do with the data.

Business data and its analysis is the key to understanding your business, your supply chain, your customers and your competitors. Unfortunately, it has often been our experience that despite the cost in money and time, many business reports are created because they always have been, and offer only minimal key business information. Where the value is added?

Better management of your data will lead to better compliance, and when business decisions are based upon accurate data it is reflected in your road transport, air, rail freight and shipping partnerships. This will transform how you transition goods and services throughout your supply chain. It will also identify where your delays are, and even identify those events which will delay movements before they happen. This will permit the nimble decision making that is necessary for flexible logistics provision.

Such data will however bring the challenge of hard decision making and necessitate strong leadership. Recently we were recently involved in a pilot road transport project where a company had ordered a new fleet of vehicles based upon the best data they had at the time. However, this data largely came from old systems, processes and procedures that had not changed for a number of years.



With the introduction of new process underpinned by new technology, integrating the demand, scheduling and journey management, upskilling the operating team, and finally overhauling how they captured and reported data. Through the information now available we and the company management immediately saw opportunities for improvement.

The new fleet and the driver team were underutilised, compliance levels were low and risks were high. Reporting which had previously been poor became key to providing the management team with the insight they needed to deliver an efficient operation and within two months of the six-month pilot project the company began to plan the adoption of the new technology and process. The strategic decisiveness has given them complete visibility of not only their own fleet, but also that of their contractors and start the journey of delivering both efficient and safe operations

By integrating their technologies, they are now significantly better at managing time critical activities. They are reducing the frequency of negative business incidents, analysing their demand planning, and better scheduling both their own and their contractor's resources.

As technology continues to advance it is ever more critical that our businesses respond appropriately. While the pace of change means it will never be possible to future proof a solution what you can do is stay ahead of your competitors by developing a strategy that will allow your business to manage not just its changes, but also the service changes expected by your customers.