

without a doubt

10 skills for a healthy logistics company

A checklist for a successful approach





Prepare for a strong(er) competitive position

In January the first reports were shared about the COVID-19 virus that caused many victims in China. The whole world watched carefully how the virus developed and whether it would leave China's borders. A few weeks later, the virus also occurred outside China and less than three months later, several countries went into lockdown to contain the outbreak of the virus, to prevent pressure on the healthcare sector, and to protect vulnerable people. This has a significant impact on the economy – and inseparably also on the logistics sector.

Research from the Dutch association for transportation and logistics (TLN) showed that in May – 1.5 months after the lockdown in the Netherlands – about 70% of the logistics service providers suffered from the corona crisis. This was confirmed by the sales figures, as entrepreneurs were confronted with a drop in sales of an average of 30% compared to the same period last year.

How do you survive a crisis of this scale? Or even better: how can you benefit from this? In any case, the corona crisis has taught us that data is crucial. Logistics service providers that make smart use of data are much more successful in taking advantage of market opportunities. Where should you start and what should you pay attention to? We have put together a checklist for you.

1. Smart logistics is data-driven

To start off, data should be central to a smart logistics process. With data or, in other words, information, you can go in all directions. With the correct real-time information, you can increase your communication opportunities towards your customers. Through clear reports, you also gain insight into your most important KPIs, so that your work can be adjusted accordingly. As a result, you can for example organize your warehouse more efficiently. Lastly, data can give insight into with which customers you earn money and which customers cost money. In short, information has an impact on many areas in your organization. And the great thing is: the data is within your reach. The only question is, are you using it to your advantage?

2. Calculate the workload

Our second tip for a successful approach is to calculate the expected workload. By analyzing your historical data, you can quickly see where the peaks are in the logistics process. At the same time, you can see when it is calmer. These fluctuations can occur seasonal, weekly or even appear in one day. By using the historical data, you can calculate the expected workload and then adjust your

resources accordingly. In this way, you prevent that too little or too much personnel is ready and at the same time you can plan the maintenance of machines smartly.

3. Stay in touch with your customers' needs

Your customers are the reason for the existence of your company. No customers means no logistics activities. You have therefore likely tailored your services to your customer's wishes. However, wishes change with time. Do you know what is currently going on? By proactively listening and asking your customers, you can respond more quickly to their wishes and possible frustrations. This way you stay one step ahead of the competition.

4. Sharing is caring

From the moment goods arrive until they are delivered to the end customer, you are an indispensable link for your customers. You can record detailed data in your system. What happened with which resources, how long was an article stored somewhere, and what additional (VAL) activities were carried out? Add all the information together and you have a valuable source of information. For you and your customers. Information with which they, for example, can respond better to demand or gain insight into the number of products that must be produced or imported. By proactively sharing data with your customers, you become a legitimate interlocutor.

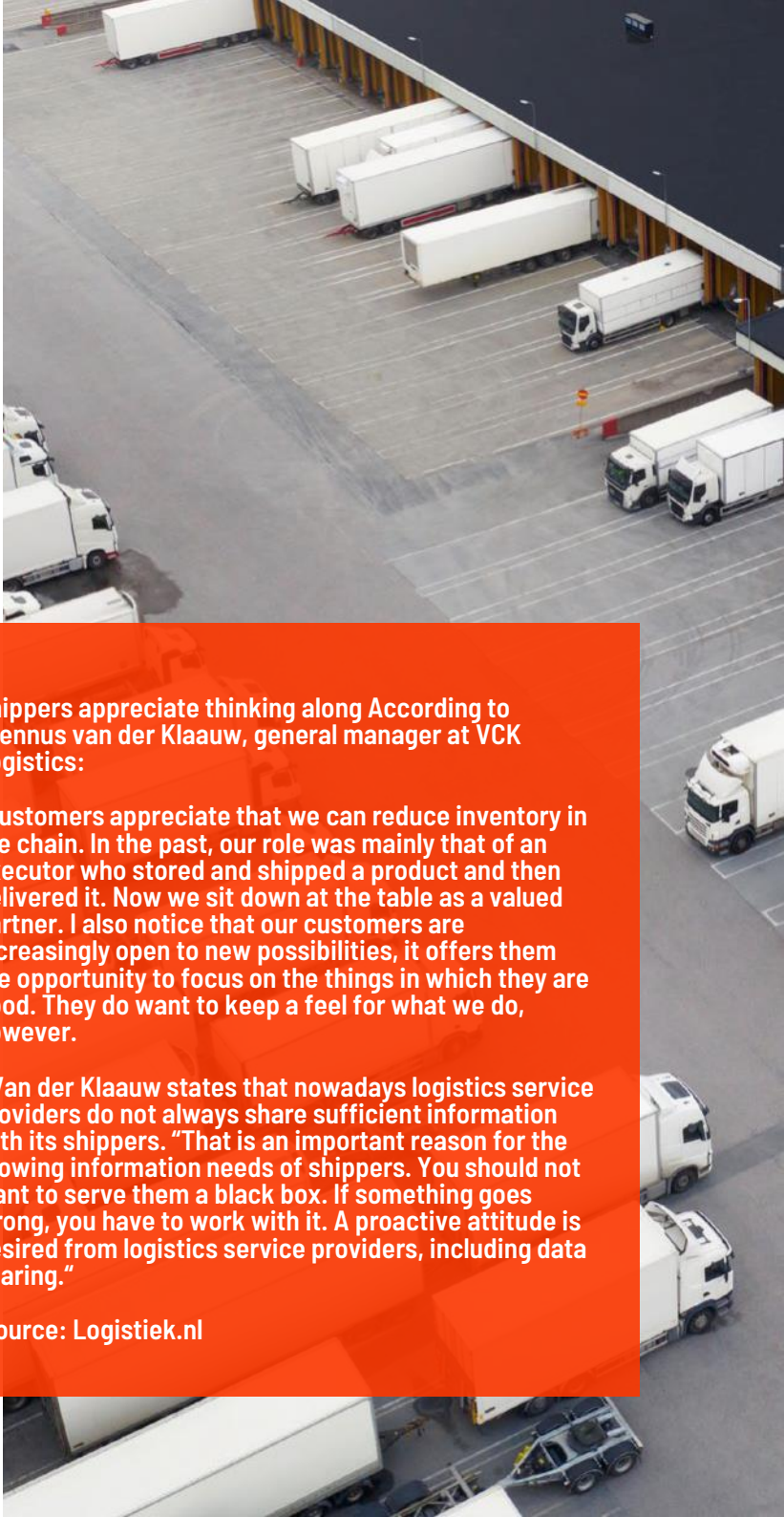
5. From digitization to automation

Where digitization mainly includes the step towards paperless working, automation goes one step further. With automation, you organize your warehouse or other processes in such a manner that they no longer require human interaction after the first step. Consider, for example, the process that is linked to stored goods. You scan it and the system links it directly to the relevant customer. Then your financial solution (seamlessly integrated or controlled via EDI) adds it to the invoice, which is automatically sent to your customer in a personal email message. Then you speak of automated, smart logistics.

6. Avoid confusion and frustration

It was mentioned earlier that manual actions should be minimized as much as possible, and errors should be kept to a minimum. At the same time, there is a need from your customers to be able to follow all processes and steps, so that a completely transparent process is created. Can you not offer them that? Then chances are they will go to your competitor.

Apart from that, by using EDI you can realize a huge efficiency boost. The integration of EDI ensures that you create a seamless flow of information and a smoother collaboration between your internal and external systems. In short, EDI saves you time, costs, and errors by automating repetitive tasks. Even if both parties work with a different system. In other words; share information at lightning speed with EDI and prevent information from falling between two stools..

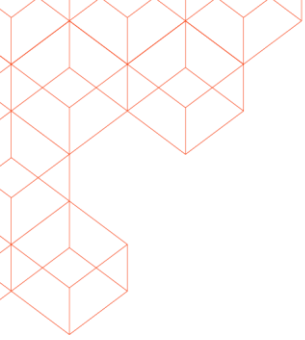


Shippers appreciate thinking along According to Brennus van der Klaauw, general manager at VCK Logistics:

“Customers appreciate that we can reduce inventory in the chain. In the past, our role was mainly that of an executor who stored and shipped a product and then delivered it. Now we sit down at the table as a valued partner. I also notice that our customers are increasingly open to new possibilities, it offers them the opportunity to focus on the things in which they are good. They do want to keep a feel for what we do, however.

“ Van der Klaauw states that nowadays logistics service providers do not always share sufficient information with its shippers. “That is an important reason for the growing information needs of shippers. You should not want to serve them a black box. If something goes wrong, you have to work with it. A proactive attitude is desired from logistics service providers, including data sharing.”

Source: Logistiek.nl



7. Broaden your network

Many logistics service providers are specialized in a specific segment or area. For example in the supply of the catering industry or the route Netherlands-Italy. On the one hand, this makes your organization the best partner for that specific segment, but at the same time, it is also vulnerable when things are going (temporarily) less prosperous in that sector or country. By not concentrating on one or two specific customers, but also adding an odd one, you create a diverse customer base and spread the risk.

Nic Bakker (CEO) and Arjen Hoekstra (CFO) at Bakker Transport & Warehousing: "By spreading and focusing, a solid foundation arises. Bakker Transport & Warehousing specialized a few years ago in the transport of Food Grade and limited its working area to North-West Europe. Also, the company invested in a modern warehouse. As a result, they were able to continue to be part of the food chain and absorb the decline in work. Because where there was a lot of hoarding in supermarkets, the world of catering and festivals suddenly came to a halt. Truckstar festival, F1, European Championship, and the Eurovision Song Contest: all events where people enjoy food and beverages. This is felt in the entire chain, including Bakker. However, they were able to absorb the decline through their warehouse activities and deliveries to the supermarkets."

8. Connect your warehouse & transportation operation

Goods are produced, assembled, transported, stored, transported again and delivered by a retailer of an end consumer. Transportation plays an important role during the logistics process and a smart warehouse is, therefore, exactly attuned to its own fleet or the fleet of external transporters. For example, you increase the transit at your loading docks by allowing your carriers to reserve time slots. Or you can keep your terrain structured with Gate Access Control. And of course, you limit your costs by having your trucks drive out the door as full as possible. All this can be achieved with a warehouse that exactly matches your transport activities.

9. Simplify invoicing

From the moment goods are delivered until you send the invoice, can sometimes take a few days. After all, you need a signed proof of delivery (POD) to start invoicing. This must, therefore, come back with your drivers and then be processed in the invoicing system. Especially when your drivers transport abroad, this process can take one or even several weeks. Fortunately, with modern technology, it is possible to start invoicing immediately upon delivery. For example, by using an app on your driver's smartphone or tablet, on which your customers can digitally sign the POD. As soon as the signature is placed, it is immediately communicated to the system and the invoice can be sent out.

10. Software that grows with you

The COVID-19 pandemic has shown that no matter how thoughtful your plans are, unexpected events can always occur and turn your world upside down. Where some companies could barely keep up with the incoming flow of orders, other logistics service providers had to do everything to keep their business afloat. Then it is good to know that you can reduce certain costs to the minimum, for example, the number of users who must have access to your software solution. Leaving aside the corona crisis, you still want to maintain as much flexibility as possible. Think of seasonal fluctuations or a strong growth of your company. Software as a Service (SaaS) offers a solution. By using SaaS, you easily adjust the number of users and pay less. You can also increase the number of users with the same ease. In this way, you are flexible and ready to grow

Your partner for success

Boltrics is an expert in the logistics sector with a proven track record of helping small and midsize businesses transform using the right technology solutions. We specialize in 3PL- and cold logistics and are ready to help you take the next steps on your path to success. We take the hassle out of implementation, upgrades, and routine maintenance of your business solutions so you can focus on what matters most.

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