

# LOGISTICS & MATERIALS HANDLING

## How will transport succeed in a 'higher expectation' future?

🕒 October 10, 2016   📁 Features   👤 By Walter Scremin



How will transport look in the future? Will people and governments ever accept driverless b-doubles careering through city streets? Will we see flying delivery vans? Near-instant drone deliveries, or delivery by particle beam, Star Trek-style?

Change won't be smooth. Driverless trucks might be available, but the regulations will take some time to catch up. Innovations raise serious questions about safety and security, which will become political as the regulators and the public weigh up the pros and cons.

Rather than focus on what might be coming, we need to step back and consider the principles which will drive future developments.

The big picture tells us transport is often a source of great angst in the supply chain, as it's one of business's greatest costs. It also tells us that both B2B and B2C customers are becoming more savvy, and have growing expectations.

Our ability to succeed in this 'higher expectation' future will come down to applying timeless principles of successful delivery transport: the ability to offer efficient, personalised service.

We need to continually ask: are we able to meet or even surpass the consumer's expectations? Already, supply chain innovation from global behemoths such as Amazon are having a knock-on effect across many industries. We all need to put ourselves in the mindset of the 'want-it-now' shopper.

Innovations such as next-day or half-day delivery, or parcel delivery tracking, become a standard expectation. Can same day delivery become same-hour delivery? If consumers come to expect it, we will need to figure it out.

A key principle is that the wrong transport option affects a product's cost viability to market, and the customer experience, which determines future sales. This applies to driverless vehicles, drones or standard delivery methods. If driverless trucks require a babysitter driver for safety reasons there may be some efficiency gains regarding fewer accidents and better fuel efficiency. But will there be big savings? How do we measure the performance? No matter what the method, you need a mentality to continually question and analyse to get results.

### Latest News

---

[Aus ranked 34 out of 140 for global connections](#)

---

[Case study: Innovation in Freight Transportation](#)

---

[Why the mining industry needs weighbridges](#)

---

[How to prevent warehouse accidents](#)

Unfortunately, many organisations fall over at the first step – not fully understanding their transport costs. Many variables need to be accounted for. While technological tools are available, the knowledge to use these tools to their potential is often missing. Without this crucial starting point, it's difficult to keep tabs on how your transport costs can be reined in and performance improved.

Greater efficiency and responsiveness are keys, which means better flexibility across the supply chain. Technology also plays a key role. In transport, we are seeing supply chains across the board benefit from telematics and RFID technology to track deliveries – QR codes are good for inventory and protecting against lost or misplaced goods, and play a big role in customer service by automatically updating customers on a parcel's delivery status. It's now a standard expectation among both B2B and B2C customers.

In a quest to become more efficient, we can expect more data-driven decision-making. New technologies such as blockchain, a distributed ledger system, may introduce greater transparency and security for contracts.

You don't necessarily need to be first to the market and take undue risks. But you do need a finger on the pulse to understand the changes and be open to new ways of doing things.

We can expect refinements in areas aside from technology, including more specialists in the market, more collaboration with clients, 3PL providers being more integrated and accountable, and collaboration between specialist suppliers across the supply chain. This may include insourcing specialist teams, which include back-up personnel for when you have absentees, or when you need to increase resources quickly. This might include working un-traditional hours to increase delivery efficiencies, or re-evaluating whether outsourcing the warehousing, transport and other supply functions is better than doing it in-house. While insourcing is nothing new, it remains underutilised.

With more pressure to be faster and traceable, and the competitive pressure of global markets encroaching on traditional local areas, companies will increasingly avoid running an entire end-to-end service themselves. Partnering with the correct suppliers who specialise in areas of the supply chain will be just as critical to a client's success in the future as it is now. The delivery method (plane, drone, train, truck, driverless car or pushbike) is still inefficient unless the cornerstones such as correct processes, systems, management and KPIs are in place.

The good news is that many of the solutions that make you more efficient are becoming more accessible. Insourcing a dedicated transport team makes you more responsive, and gives you more flexibility with costs. Telematics technology is now available to everyone via smartphone, whereas previously it was only accessible to the larger freight companies.

A healthy supply chain benefits business like a healthy cardiovascular system benefits an individual. It's inseparable from business success. Whether the crucial transport delivery happens via flying van or particle beam will be fascinating to see.

*Walter Scremin is general manager of national transport provider Overtime Group [www.overtimegroup.com.au](http://www.overtimegroup.com.au)*

0 Comments **Logistics & Materials Handling**

 **Login** ▾

 **Recommend**    **Share**

**Sort by Oldest** ▾



Start the discussion...

Be the first to comment.

**ALSO ON LOGISTICS & MATERIALS HANDLING**

**Pacific National welcomes five new locomotives**

1 comment • 2 years ago•



**Name** — Nice photo. Pity its of Aurizon carriages...

**Understanding the online forklift market: Buying and selling forklifts ...**

1 comment • 2 years ago•



**Warehouse Equipment** — Having this latest source of information's from the Forklift international company is such ...

**Are you breeding customers or victims?**

2 comments • 2 years ago•





**FreightExchange** — Spot on Rob.The difference between a victim and a customer is that you've set ...

**Air purifiers within cars making a mark in China**

1 comment • 3 years ago•



**Guest** — "many residents of Chinese citizens"Good work Matt.

 **Subscribe**    **Add Disqus to your site** [Add Disqus](#) [Add](#)    **Privacy**