Essential Guides

ROUTE TO SUCCESS
IN THE AGE OF THE CUSTOMER

How transport and logistics companies can drive a connected and efficient future with digital
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Transportation and logistics firms are envisioning an exciting phase of new growth as e-commerce continues to boom worldwide. It is projected to account for one-tenth of global retail sales for the first time in 2017,* and global trade is rebounding, according to the WTO.**

The future offers ongoing growth opportunities, but the road ahead isn’t completely clear. Competitive disruption and industry consolidation, new technology, and exogenous factors that range from regulatory changes, such as GDPR, to the security situation, to Brexit, all create concerns.

New technology offers opportunity and challenge in equal measure. Every person, every thing, and every business are now connected by social, mobile, and cloud technologies. As a result, consumers are more demanding, expecting effortless service and total transparency.

Customer experiences are now paramount for everyone – not just those who connect with them directly, such as parcel carriers; customer experiences are important for all who route, ship, and deliver products. Every buyer is used to the ease and service speed of companies like Amazon in their personal life. The appetite for faster, easier B2B purchasing is growing too, whether in identifying a provider fast, getting instant quotes, accessing advanced real-time tracking, or choosing deeply personalized express services. It affects one-off orders and supply chain contract decisions, as brands seek suppliers and subcontractors who help them deliver on customer promises.

The Age of the Customer is here. With it comes a need for omni-channel logistics that are optimally efficient and dependable, satisfy needs for transparency with more personalized, dynamic, speedy delivery options, and enable amazing customer experience from start to finish.

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* eMarketer.com report, July 2017
** World Trade Organization press release, September 2017
Innovation and reimagination are apparent wherever you look. Although hub-and-spoke infrastructures remain at the heart of networks, around them are now an array of innovative, disruptive ideas and new market entrants.

Digital-first disruptors are expanding the horizons. Crowd-sourced delivery brands, internet-based last-mile fulfilment services, and digital freight forwarders, such as Cargomatic, Barnacle and, Flexport are capitalizing on frustration with the traditional pace and patterns of the business, with varying degrees of success.

Innovation isn’t limited to new players: Business model reinvention is rife, with 3/4/5PL providers continuously adding new value-added services, and retailers building their own infrastructure. Innovative partnerships are announced almost daily. Diversification is common, as companies seek new revenue sources in the last mile and in spare capacity. Some companies are shifting into entirely new markets: Amazon is building a $1.5 billion airline cargo hub, Deutsche Post is developing driverless vans, Alibaba is investing $15 billion to build a global logistics network, and Finnish postal workers are mowing lawns.

With the power of digital data and technology behind them, there are few limits on how providers can potentially transform themselves to drive new revenues. Unfortunately, many companies are held back by inflexible IT that was never designed to interconnect, and data that is widely distributed between systems specialized to support only individual operations, such as fleet management, warehousing, and port or marine operations.

Today’s challenge is to escape limitations of legacy systems, gain a more holistic perspective, and unlock new value from the networks and complex relationships that characterize this sector.
In the past, the pursuit of greater profitability and efficiency have involved painful processes of cutting costs, pushing productivity, and maximizing capacity utilization, in continual attempts to squeeze additional revenue. It was inescapable thanks to razor-thin margins and extreme price pressure, exacerbated by SCM marketplaces and portals, such as Cargoclix, GT Nexus, and Freightos.

Now, a more efficient future is possible. Digital technology and data offer a wealth of new ways to drive better transparency and engagement in the supply chain, optimize every facet of operations, transform the back office, eliminate paper-heavy processes, and enhance the very act of transportation.

- Smart infrastructure, new vehicle technology, and autonomous driverless trucks and drone ships will change how cargo moves around the world.
- The Internet of Things (IoT) will connect every vehicle, bus, ship, engine, container, pallet, person, and process, enabling sensors to deliver data to leverage into value.
- Artificial intelligence (AI) will change how decisions are made, how fleets are managed, how cargo flows, and how businesses plan.
- Blockchain will change how information flows and interacts in real time, automate operations, and introduce smart contracts.
- Smart order picking with augmented reality (AR) headsets is on trial, drone deliveries are starting, and automated robot loaders are here already.
- The impact of 3-D printing may transform the volume and nature of cargo and shift pressure to the last mile.

Technology now offers a truly automated, efficient future, with access to predictive intelligence that will unlock opportunities to optimize everything from resourcing to capacity, cargo flows, maintenance, and turnaround times. It will enable real-time responses, automated and anticipatory logistics, and much more. As technology enables companies to rethink their supply chain design, costs could be slashed by up to 30%, up to 90% of planning tasks might be automated, and inventories could be reduced significantly, all contributing to fewer lost sales thanks to superior service.*

You must be digital to secure your future – but what will it take?

* McKinsey & Company Supply Chain 4.0 article, April 2017
The future we have outlined contains huge opportunities for growth. In the past, the route to expansion has been based on infrastructure expansion: buying companies, hiring more bodies, building new hubs, or expanding fleets. Yet this did not resolve efficiency challenges, control cost, or reduce complexity – sometimes quite the reverse. Agility and the ability to innovate can become even more hampered, while IT architectures become even more convoluted and complicated.

It is now time to focus on information as a driver of growth and enabler of future opportunity. Cloud technology delivers the agility you require for the future and the ability to improve your visibility, inform your decisions, help you differentiate, and create great customer experiences. With it you can maximize the benefit of technology innovation, and innovate around the customer, as you reshape around the shifting demands of the customer age.

Salesforce Customer Success Platform has all the assets to help you transform digitally, leveraging the super-scalability and flexibility of the cloud to reshape your future. It complements existing systems, so you can continue to gain value from legacy IT investments, tackle their inflexibility, and accelerate your shift to a more online, digital, customer-centric world. Without disrupting legacy systems for transport management, fleet management, or warehouse management, it adds connecting capabilities and configurable functionality in key areas, so you can unleash innovation and opportunity.
#1 COMPETE THROUGH CUSTOMER-CENTRICITY

Transform sales and service around your customers

Customer knowledge is often distributed and disconnected among legacy IT architectures, including ERPs, TMSs, and more. This leaves transport and logistics companies with no unified, 360-degree customer view with which to differentiate through effective sales and superior customer service, both of which are vital in a commoditized business. You may win initial orders by making the process easier and faster, through automated CPQ processes that enable faster delivery of complex quotes, but repeat orders require great service and deep relationships.

Customers now set the speed and quality of service. You must not just get to know them better but engage differently, gain their feedback, and deliver superb service. Decisions are made daily among B2B customers about who to retain as partners, based on their end-customer experience as well as contract economics.

Customer-centricity overall not only builds long-term relationships and repeat orders, but also helps to sell to new customers and retarget existing customers. You can use AI to create predictive insight about prospects and score leads, so your sales team can focus on the right opportunities and your marketing team can leverage all available data and analytic insights to create more compelling campaigns.

Salesforce Sales Cloud can help you turn more quotes into customer orders and establish a clearer and more accurate pipeline, while CPQ functionality facilitates quoting. It helps you to establish a 360-degree view of your customer, which will enable you to utilize Salesforce Service Cloud and Salesforce Communities to deliver proactive service, enable improved self-service, and create real-time service dashboards, delivering QoS that will encourage customers to return. When they contact you for help, you can raise cases effectively with our contact center solution. Using Salesforce Marketing Cloud can then help you do effective, personalized marketing.

SYSCO

On the road to growth via connected employees  READ NOW >>
#2 BUILD A DIGITAL CULTURE

Enable people and partners as you unlock innovation and agility

Cloud technologies can increase agility beyond any functionality that your current systems can deliver, enabling you to make faster changes to your business model and reduce operational costs, without disrupting essential systems or processes.

Winners will not only modernize their interactions with customers, but will also embrace community platforms to transform the relationship with partners along the logistics value chain. Winners will build apps that revitalize employee experiences, facilitating their onboarding or maintaining digital connections with drivers. Effortless communication, information sharing, and end-to-end transparency will ease critical processes and troubleshooting, through integrated case management and communications.

Corporate culture can only thrive when it is consistent and connect to every aspect of what you do. The interface with employees can be significantly enhanced with modern cloud, social, and mobile technology. This can drive significant benefits in any industry that is resource-intensive, and particularly in industries with a complex mix of full-time, contract, and part-time workers.

Reduce costs and accelerate action with Salesforce Platform to digitize paper-based processes. Build communities with Salesforce Community Cloud that enables employees and partners in a complex supply chain to engage, collaborate, and communicate with the aid of Salesforce Chatter.

POSTNL

Enhancing the employee experience in mail and parcels. READ NOW >>
#3 BECOME A DATA-DRIVEN BUSINESS

Use data to drive efficiency, inform decisions, transform operations

To thrive, businesses must leverage data in new ways, absorbing real-time data from multiple sources to drive supply chain optimization. Predictive intelligence will enable proactive and preventive maintenance, instead of reactive and remedial action. You can forecast the resources you need to meet intelligently calculated demand curves, and adapt fast to changing circumstances.

Data can underpin service value for customers, and the IoT will multiply this potential. Telemetry information holds untapped potential for value-added services and competitive differentiation, around temperature control, quality assurance, or richer visibility of connected cargo. Data-driven services, and offering valuable data to customers, can influence supply chain choices.

Rich data will transform operational efficiency, optimize the flow of goods, minimize delays, or balance out forecasted demand peaks to maximize load factors. Connected IoT data will enable next-best actions and least-cost routing, and inform you about capacity. Combined with AI predictive insights means you could aggregate loads to maximize the container or truck utilization of your network or that of partners. Benefits can be multiplied when offered to customers to influence their logistics decisions – such as grocery retailers who must plot purchasing around weather patterns, or general retailers who must plan around holiday and gift seasons.

“Like most other industries, transportation and logistics (T&L) is currently confronting immense change; and like all change, this brings both risk and opportunity. New technology, new market entrants, new customer expectations, and new business models.”

PwC, Future of the Logistics Industry
Data can improve cargo management or parcel handling, provide visibility for resilience, and let you use data such as the status of global trade routes, traffic data, or weather to manage risk and avoid transit delay. AI will deliver predictive capabilities to enable dynamic node-to-node route reallocation, or help make informed decisions to shift nodes on specific legs to keep cargo on track. Embracing real-time data means you can manage risk more easily and make decisions that keep your customers happy.

The Salesforce Platform can help you overcome legacy challenges and create flexibility to become data driven. It can help you create connections between data in different systems and make it meaningful and accessible – around customers, resources, your network, and your existing systems of record. Using Salesforce IoT Cloud you can connect existing data streams and integrate new sensor feeds easily to gain integrated views of data flowing from around your network. Analytics and predictive decision support are a natural fit with our AI-enhanced Salesforce Einstein Analytics.

“In a world where data and connectivity are the keys to the kingdom, new entrants could easily disrupt an air cargo sector that all too often clings to legacy technologies.”

McKinsey Insights
CHAPTER 5

SALESFORCE IN TRANSPORT AND LOGISTICS

Salesforce is one of the most trusted technology platforms in the world, helping our customers create their own customer-centric businesses and drive amazing customer success. Salesforce brings solutions built on the cloud that enable complete configurability to user needs, which lowers total cost of ownership and brings freedom from many limitations of legacy IT without causing disturbance to existing core systems. Salesforce connects critical organizational data, delivers organizational agility, puts greater control of processes and information in the hands of business users, and delivers much faster time to market and value than traditional technology.

We already help many freight, parcel and logistics customers around the world, including some of the largest brands in air transportation, shipping and road transport. We have built an ecosystem of expert and specialist Independent Software Vendors (ISVs) who extend the capabilities of our platform and bring specialist knowledge to bear to create integrated specialist solutions.

“Being closer to customers and their industries is ever-more important as supply chains become more complex.”

DHL, Trend Radar 2016

Partners who have built their solutions on the Salesforce platform include:

- Neurored offers powerful software for global supply chain, including track and trace, freight rates management, and more.
- Resilinc is a leading provider of supply chain risk and resiliency solutions for big data, mobile, and AI.
- Lanetix has one of the most widely used collaboration, CRM, and workflow software solutions for the logistics industry.
- CloudSense delivers a comprehensive omni-channel commerce platform that can bring logistics customers and companies closer than ever before.
- Dapps.ai offers fully integrated blockchain-enabled solutions enabling business process transformation and blockchain smart contract management.
- Revenova has built its CRM-powered transportation management system to support shippers, brokers, and third-party logistics customers.
We can help you enter the Age of the Customer, bring new agility to your legacy IT, and help you leverage the power of information to amplify your innovation and ideas for growth.

Salesforce is a business built on innovation and can help you adapt to an exciting and constantly evolving future. Today that innovation is focused on AI: Our Einstein AI technology will power all our cloud solutions, providing predictive analytics, machine learning, deep learning, and sentiment analysis. However, we only succeed if our customers succeed, so we provide many opportunities for our customers to meet, learn, network, and share those successes, and also meet our own and industry thought leaders via events such as World Tours and Dreamforce.

To discover how Salesforce can help you achieve rapid, agile digital change in your transport or logistics business, why not contact us today.

“What is interesting to see is the rise of the new breed of logistics providers that own no asset (fleet or warehouses), but are able to provide logistics services by aggregating 'information about assets' from people who do own them through leveraging data.”

Forbes
DISCOVER HOW SALESFORCE CAN HELP YOU CREATE CONNECTED TRAVEL AND TRANSPORT SUCCESS

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