7 Ways In Which Technology Has Shaped The Warehousing and Distribution Industry
On the surface warehousing and logistics is much the same - the provision of storage for palletised goods and their distribution on a regional, national and even international level.

But behind the scenes, the day-to-day activities of a third party logistics provider have changed so much as a result of innovative technology that it’s almost unrecognisable from 25 years ago.

We’ve all seen how advances in technology have shaped our personal lives with tablet sales exceeding desktop sales for the first time and smart phone users totalling almost 40 million in the UK in the last year alone.

As the defining element in many major supply chains, third party logistics providers have followed suit meaning that the services they offer are more efficient, more effective, and more flexible than ever before.

Here are the 7 top ways in which technology has shaped the warehousing and distribution industry:

1. **THE IMPACT OF THE RISE OF E-COMMERCE AND NON-STORE RETAILING**

   In recent years we’ve seen increased pressure on retailers to provide immediate response and high-quality solutions to their customers’ demands. The online channel is helping to inspire and excite consumers with half of consumers using three or more channels and social media becoming more and more influential on consumer behaviour.

   Consumers are now less concerned by the acquisition of goods and are more concerned with the nature of those products and their real value forcing retailers to focus on quality and customer experience, part of which is the instantaneous availability of their chosen purchases.

   The shift in purchasing behaviours has changed the very nature of the warehousing and distribution industry with e-commerce providers now almost forming their own sector and third party logistics providers needing to offer return logistics capabilities as well as tracking abilities direct to the consumer on top of conventional solutions.

   The very definition of what many 3PL providers’ customers demand has now changed so significantly that this alone has had a substantial effect on the industry and now requires its own specialist solutions.
TRACKING SOFTWARE ALLOWS FOR IMPROVED COMMUNICATION & ACCURACY

Development in consignment tracking technology now gives businesses access to greater volumes of information at much deeper levels than they used to – be that distribution information or stock data. With state-of-art tracking systems, not only are organisations able to use this data for their own benefit but it’s becoming increasingly popular to allow their own customers to access to certain information.

With increased international trade, many supply chains are growing and now feature more than just one or two organisations. With tracking information available to all those involved, communication channels open up and data can flow seamlessly between parties. This means less time is wasted chasing information because it’s all there, logged in the tracking system, allowing planning to be carried out further in advance and more accurately.

VEHICLE EFFICIENCY HAS IMPROVED SO THE SUPPLY CHAIN HAS TOO

Fleets are now required to make more frequent deliveries in residential areas or along multi-drop delivery routes as a result of increased activity in other areas of the supply chain. Transport planning specific to urban deliveries, as well as investment in a mixed fleet to meet any sized consignment is essential for a provider to be able to offer efficient and cost-effective solutions.

The adaptation of operations to facilitate same day deliveries which are increasingly demanded by consumers requires investment in labour and opening times amongst other areas. As a result, there is a significant effect on contract commercials with greater input required by the third party logistics provider to meet each delivery. This has forced commercial vehicle manufacturers to look at how they can give their customers a competitive edge and now forms the basis of many purchasing decisions.

Furthermore, increased demand for more environmentally-friendly solutions has seen manufacturers implement technology in their factories to reduce costs for themselves, allowing them to invest in new areas such as restricting emissions and increasing efficiency - a saving which is passed on to commercial vehicle operators, which in turn is passed on to their customers.
REAL-TIME DATA ALLOWS FOR IMPROVED CUSTOMER SERVICE & HIGHER SATISFACTION LEVELS

An almost instant feed of information from a third party logistics provider to their customer, and then direct to the retailer or final consumer, has become a central part to many operations and is now a key part of many contracts.

With real-time data, data-sharing becomes easier as the user looking for specific information already has access to it. Customer service levels have improved as it’s easier to effectively respond to customer queries.

With this level of access, it allows for complete transparency between third party logistics provider and customer, forcing quality levels up and ultimately increasing customer satisfaction.

SYSTEM OPTIMISATION WITH BAR CODE SCANNING AND PROGRESSION TOWARD RFID

Bar code scanning and RFID is about optimising day-to-day activities and operations to enable a provider to offer a superior service level to their customers.

Once in place a system such as this can reduce amount of labour required to carry out picking and analytical tasks as well as altering the skill set needed to manage stock. Through a more data driven approach, operations can be fully optimised because of the ability to forward-plan and lead times will be reduced due to picking becoming easier to facilitate.

Operations remain much the same in theory but processes become much more time sensitive and allow for short product life cycles in the warehouse.
Most logistics companies have adopted various forms of vehicle monitoring, from cameras to tracking devices, due to the endless benefits that they can provide.

From a safety point of view, having the ability to know how your drivers are driving rather than just where they’re driving means logistics companies are able to not only identify areas that may cause an issue, but turn these into a positive training initiative. In addition, having the ability to know where your drivers are and that they’re safe allows logistics companies to show a greater interest in their employees, meaning staff satisfaction should be greater and staff turnover should be lower.

From an efficiency stance, with data and real-time information more readily available, not only can consignments be consolidated but routes can be optimised due to an increased ability to plan in advance and to make changes at the click of a button.

Imagine a system where your software talks to your suppliers’ software. A system where all your information is provided in one place and can be cross-referenced again your own data. Imagine that you could easily compare performance and optimise your stock levels, as well as predict your demand and accurately forecast your business growth with scalable figures.

Well that’s available. Right now.

Warehouse management systems are now fully integrable with transport planning, CRM systems and external databases. So you really do have the information you need at your fingertips, all at the click of a button.

If you’re looking for a company that actively invests in technology to guarantee you’ll receive the best possible solution, you should call RCS Logistics on 0845 500 4005.
RCS Logistics is a leading third party logistics company, head-quartered in Corby in the heart of the Midlands. Our hub location provides excellent transport links throughout the UK mainland and Europe, meaning that we are the ideal 3PL partner for pallet storage, warehousing, logistics and transport.

Whether your consignment is large or small, RCS Logistics affords all its customers the same professional service, operating on a 24-hour, 36-days-a-year basis, we are dedicated to delivering consistently excellent operations, understanding our customer’s business’ and providing best-fit and bespoke solutions.

W: www.rcslogistics.co.uk
E: enquiries@rcslogistics.co.uk
T: 0845 500 4005