Supply Chain Trends: Technology and Data Continue To Pave the Way

A 3PL can help you implement supply chain processes that increase efficiency and cut costs.

Today's shippers increasingly have access to sophisticated tools that make managing supply chains easier. Two of the most important of these tools are technology and data. With the right processes in place, shippers can use these resources to efficiently move products from sourcing, manufacturing and all the way to delivery with ease.

Below, we list five of the **supply chain management** trends that 3PL experts are currently talking about, and what each means for you.

1 | Technology advancements are creating more efficient logistics operations.

Artificial intelligence (AI) and the internet of things (IoT) facilitate fast and accurate automation. Through these technologies, advancements in warehousing have been seen in machine learning, robotics and augmented reality. Third-party logistics (3PL) providers that utilize robust technology and data-driven warehouse systems are equipped for simpler inventory management, a safer working environment and improved productivity.

2 | Maintaining data integrity is essential as real-time data is collected online.

Supply chain managers and engineers depend on data to make better-informed decisions. Using predictive analytics, 3PL providers can plan routes to avoid traffic congestion, determine the shortest distance for shipping, plan around weather disruptions, and make last-minute changes based on real-time data. However, ensuring that data is clean is imperative to a healthy supply chain ecosystem as shippers increasingly utilize online technologies.

3 | Cyberattacks are a growing threat in the transportation industry.

There are efforts — including policy changes and funding — at the federal and state levels that are focused on increasing cybersecurity awareness and requiring cyber incident reporting. Unfortunately, what makes 3PLs great at their business can also put them and their clients at risk for cyberattacks. That includes the use of online transportation systems and data sharing among all parties to help ensure rapid movement along the supply chain. When researching 3PL companies, ask what precautions they take to minimize their vulnerability.

4 | Sustainability isn't just a trend but a necessity.

Predictive analytics may be used by 3PL providers to modify routes to meet transit time requirements. That means if a shipment is not urgent, it can be carried by more environmentally friendly and fuel-efficient methods. Data-driven logistics can also help companies reduce fuel emissions by using decentralized hubs near their customers. Consolidating cargo loads, load planning and scheduling backhaul shipments will also help reduce fuel emissions. A 3PL can go over different options that are better for your business and the environment.

5 | Companies must adapt to disruptions caused by climate change.

Using predictive analytics, 3PL experts can mitigate risks of low or no inventory by planning supplier logistics around inclement weather patterns or redirecting carriers away from hazardous areas. Additionally, new technology is being developed to monitor not only a shipment's location and timing, but also its temperature to help ensure safe transportation of cold chain shipments.

A third-party logistics provider can help you leverage innovative shipping technology.

Companies that leverage technology and utilize data benefit from improved operational efficiencies and cost savings. 3PL experts, with their deep understanding of how the supply chain works, take these resources a step further by applying context and interpretation in their analysis for better decision-making. Working with a logistics expert who knows how to make data-driven decisions can help move your business forward and overcome supply chain challenges.

See how GlobalTranz can simplify the way you manage your supply chain.

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