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Are Shipper-Carrier communications still tone deaf?

I was considerably struck by one particular graphic in the article titled "Will new tools fix our old problems" in the September 2018 issue of Logistics Management magazine.

The article analyzed data from the 27th Annual Study of Logistics and Transportation Trends.

The graphic with the data that shocked me was the communication methods between shippers – companies that ship goods – and carriers. The graphic showed data for domestic (US) and international, but I am just going to focus on the US numbers herein.

Based on the percent of respondents:

> Email was used 28.4%
> Electronic Data Interchange (EDI) was used 24.8%
> Application Program Interfaces (APIs) were used 15.6%
> Telephone was used 24.1%
> Facsimile (a.k.a. "fax") was used 7.1%

Given that EDI has been around for several decades and is a backbone technology of the granddaddy of all supply chains – retail – I am glad I was sitting down when I saw this synopsis. To see that email use eclipsed EDI use was a complete surprise in this day and age of technology use.

Though, after I thought about it, based on my experiences at a few clients, I really was not that surprised at all, and that was a darn shame. Most shipper-carrier communications I experience are hybrids at best whereby some baseline data is transmitted via EDI but then the rest of the conversation is carried out via telephone, fax, or email. Ugh.

Forget about considering something like blockchain technology if your organization cannot even get its operations mindset wrapped around how EDI fits in.

What was so disconnected and out of touch was another graphic that highlighted the survey respondents' identification of key technologies for supply chain management. 40.7% identified data analytics as #1, with the Internet of Things coming in at a distant second place at 10.4%. My question is: How the heck can data be analyzed when so much of it is entering an organization via email, phone, or fax?

Granted, the survey results leave some interpretation to be desired. Some shippers and carriers may be 100% EDI capable while others are far less than so, thus the results are a bit muddied.

However, given that the survey queried for actions to improve progress towards performance goals, increasing supply chain agility (24.5%) and improving customer engagement (21.6%) were the clear top winning desires. But still … how is a company going to accomplish these targets when it cannot even succeed in implementing 30-year-old EDI technology, integrating it into its ERP or 3PL system, and incorporating it into its business processes?

Readers, we apparently have a far longer way to go in the evolution of our integrated supply chain systems if companies – and industries – are going to achieve the kinds of supply chain agility and transparency and performance being written about and being demanded by customers, be they businesses or people.

For any company out there who needs help, contact me. My book on successful supply chain vendor compliance lays out some business model tips for getting this – and more – successfully accomplished.

To access the entire article, go to:
https://www.logisticsmgmt.com/article/27th_annual_masters_of_logistics_will_new_tools_fix_our_old_problems

Thanks for reading.

their respective topics!
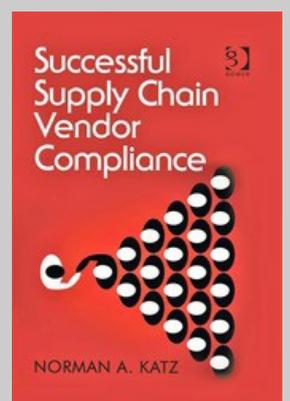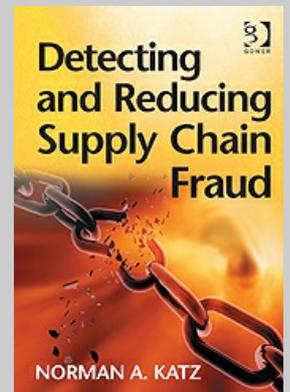
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