



TRANSPORTATION 2025

Achieving Resilience Amid Profound Change

By Poornima Apte

The transportation industry is bracing for significant changes.

While e-commerce is projected to expand, a shortage of truckers who haul freight across the country is expected to linger. Add in rising freight rates, escalating consumer demands for quicker deliveries and penalties for missing delivery windows, and companies have a steep hill to climb when it comes to transporting goods.

Given that nearly 73% of goods in the United States moved by truck in 2019, according to the American Trucking Associations, there's a lot at stake.

It's why Steve Martin, senior vice president of transportation logistics at Ryder, recommends that business leaders focus on developing a clear transportation strategy that prioritizes optimization and resilience while positioning their business to take advantage of new opportunities.

More specifically, to improve their transportation networks and gain a competitive advantage, Martin said companies should take the following four steps:

1. Improve Visibility. Martin encourages businesses to use data to improve visibility into their supply chain networks. For

example, RyderShare™, a collaborative digital platform, helps users visualize complex relay operations that truck fleets routinely execute. Since every node of transit operations is laid bare, glitches become easier to pinpoint and fix.

The platform enables store managers to know when shipments will arrive and manage exceptions in case of delays, such as those caused by traffic. This allows companies to schedule personnel to receive the deliveries, improving productivity and lowering costs. Managers used RyderShare™ this way early in the pandemic, when demand for certain goods outpaced availability.

2. Prioritize Flexibility. Having digital platforms that can facilitate collaboration among stakeholders and readily accept new technology solutions will enable a company to pivot more easily. "Technology is changing very rapidly," Martin said. "Having your platforms designed to continue to adapt and modify with changes is really important."

Predictive analytics and autonomous vehicles are among the innovative forces that will disrupt the transportation industry and require businesses to build flexibility into their plans, Martin said.

3. Stay Balanced. Transportation managers need to factor in safety, service and

cost. A narrow focus on only one of these pillars can potentially derail the best-laid plans. Balance all three priorities for optimal results, Martin advised.

4. Embrace Change. The pandemic has been an abrupt disruptor, but it's by no means going to be the only one in the years to come. Accepting that change is inevitable encourages innovation within organizations, Martin said. "Build partnerships, experiment and run pilots so that you learn what's happening," he said.

When Outsourcing Makes Sense

Considering the changes ahead and the importance of having the right strategy, businesses might benefit from outsourcing their transportation and logistics needs.

Transportation and logistics providers that are investing in new technology and staying ahead of the changes that are reshaping the industry are most likely to succeed, Martin said.

"If the partner is not paying attention to the disruptors and what's happening on an innovation standpoint, I think you're going to find yourself being left behind by others that have that type of capability," he said.