

# Ubunye demystifies the complexity of logistics

*To overcome the challenges experienced in 2022 you need to mitigate risks and align your strategy with the trends predicted for 2023*

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/EINPresswire.com/ -- For us to truly understand the complexity of logistics, it would be necessary for us to have insights into what the day to day challenges are.



The biggest of all would be challenges related to speed and delivery times, as that directly impacts on revenue and turnaround times. These are not only imperative to meet customer satisfaction but is also one of the key components of business success.

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Understanding what the future holds for Logistics helps you combat the challenges”

*Rene Brunt, Founder and CEO of Ubunye*

Speed and delivery times however are not the only challenges that logistic faces. Below are a few more that would need careful consideration and planning if you want to drive your business forward.

Warehouse management errors

It doesn't matter how hard you try to run your warehouses smoothly and without errors, there will always be a gap for errors to creep in. Whether it be a misplaced product, packing and shipping errors, incomplete orders or damages to products while storing them, these errors could have huge impact on revenue.

Delivery delays

Factory shutdowns, port capacity issues, labour strikes and protests and a number of other disruptive events can cause delivery of goods to be slowed down or even left at a standstill.

Transportation cost

Cutting transportation cost is one of the most challenging parts within logistics and realizing that variables such as fuel prices that are out of your control should not be the key focus when trying to lower these costs. There should be other considerations such as consolidating shipments or reducing the number of carriers.

### Fragmented or poor communication

There are so many touch points within logistics which leaves potential for communication breakdown. This becomes even more complex where there is a need for partners and customers to have access to software that includes real time communication or visibility on deliveries and orders. Customers want full transparency into where their delivery is at every point of transit. When a supplier and partner have different communication measures, it leads to an insufficient supply chain and wasted time.

### Monitoring of driver's location and health

Getting reliable and trustworthy drivers are one challenge but ensuring that they stay safe and healthy is another challenge on its own. Most companies make use of tracing devices and apps that they can monitor their drivers to ensure that they are on track and in good health to make their deliveries. Not being able to know where your driver is and whether the goods will be delivered on time has many negative impacts for a logistics company.

### Reliance on third parties

Most logistics companies have strong relationships with at least one large supplier. Some companies however opt to deal with intermediaries that connect companies to transit companies. This creates a situation where a business does not have precise information about the cargo as the data flows through to the intermediary. This is a huge risk for a logistics company as not knowing at all times where and at what stage your product is in the logistics flow could be harmful to a business.

### Government and environmental challenges

Not staying up to date with Government and Environmental changes and not taking pre-emptive measures to align the business with these changes could impact negatively on a logistics company.

### Poor planning and risk management

To stay efficient and effective, periodic assessments and optimizations of each business sector is necessary and if that is not done there is no room for improvements to current processes to be made. Logistics need to be agile to changes in the market, product launches, global sourcing, credit availability and protection of intellectual property. If risks are not identified in time and planning to mitigate these risk not done, it could affect the business negatively.

Being able to plan according to mitigating the previous year's challenges and follow the upcoming trends is a fine art that has to be mastered for business growth.

Now that we have moved into 2023 there are some new trends that we must look out for:

### Emphasis on digitalization

Although digitalization is critical in the logistics sector, it has not received enough attention and leaders within the industry will be placing a lot of focus on development of their digital strategies

during 2023. They will have to incorporate digital technology into various supply chain activities across the business.

#### Being agile and adaptable

The logistics environment goes through constant challenges which are unpredictable and forms part of the unstable landscape they operate in. There are certain issues such as weather and political changes that they are not able to manage or control but they still need to respond to emerging challenges. Being able to do risk management and planning and anticipating these disturbances could minimize their risk and therefore it needs to form part of their overall strategy.

#### Emphasis on greenhouse reduction

Over the last few years the emission of CO2 has become evidently worse. With freight transportation contributing a high percentage of global greenhouse gas emissions, the logistics sector is under the radar to reduce their decarbonisation. There will have to be a focus within the sector to achieve reduction in greenhouse gas emissions and they will have to take strict measures to be able to achieve their goals.

#### Last mile delivery

This is the final step in the delivery process where the goods and services are moved from distribution to the end destination. It is a costly exercise that has been accelerated through the constant demand for instant delivery by the end users. There are many factors to consider when a business is planning on enhancing their last mile delivery but the ultimate goal is customer satisfaction and retention. It also increases brand loyalty which in the long run increases revenue for the business.

Some of the other trends to watch out for is logistics companies leveraging heavily on technologies such as artificial intelligence, cloud, automation and IOT to provide smart and innovative logistics solutions for their customers.

Book your seat for our FREE webinar -

<https://ubunye.com/explore/digitaltransformationoflogistics/>

Rene Brunt

Ubunye Holdings

+27 82 762 3461

[bps@ubunye.com](mailto:bps@ubunye.com)

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