

Business Drivers for Logistics Service Providers

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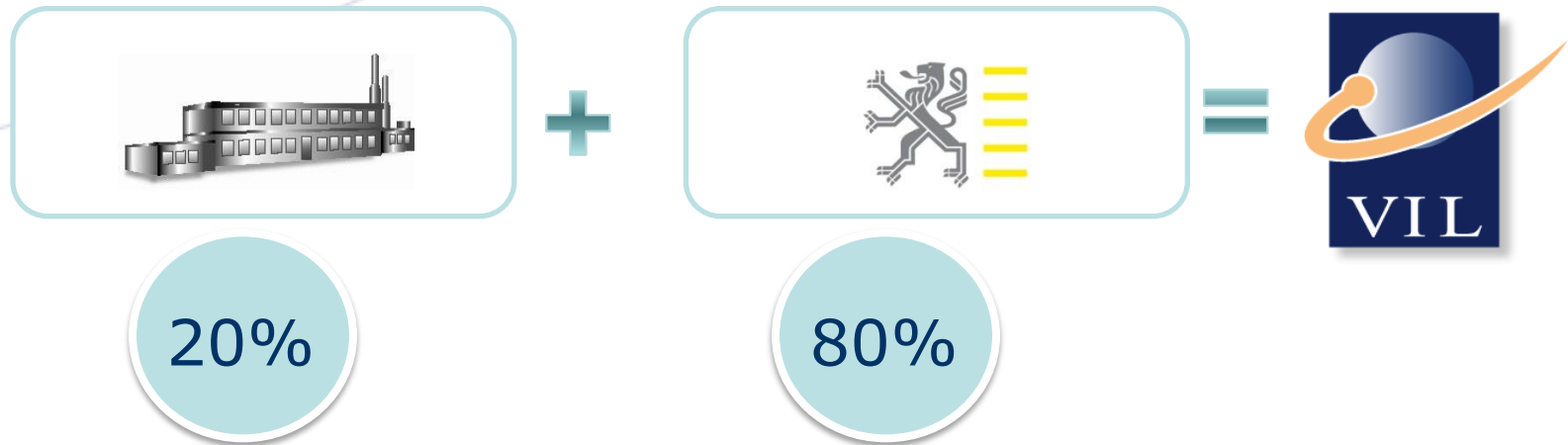
VIL: mission

“To leverage Flanders as a sustainable and innovative logistics top region”

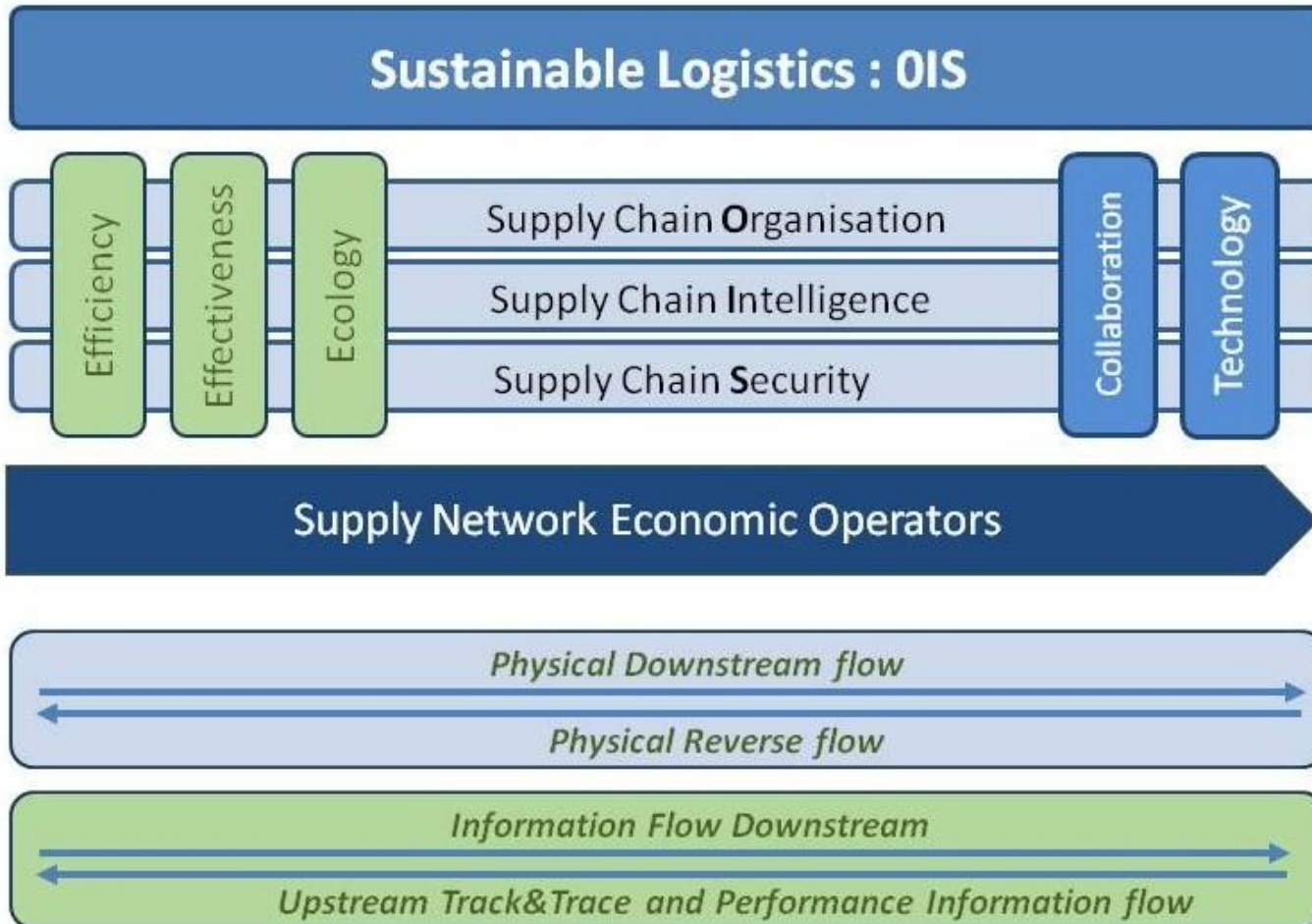
- Innovative and collective logistics projects
- Business driven
- Targetgroup: logistics services providers & shippers
- Bottom-up decision process
- Implementation through pilot cases and PoC's: direct valorisation

VIL: logistics projects

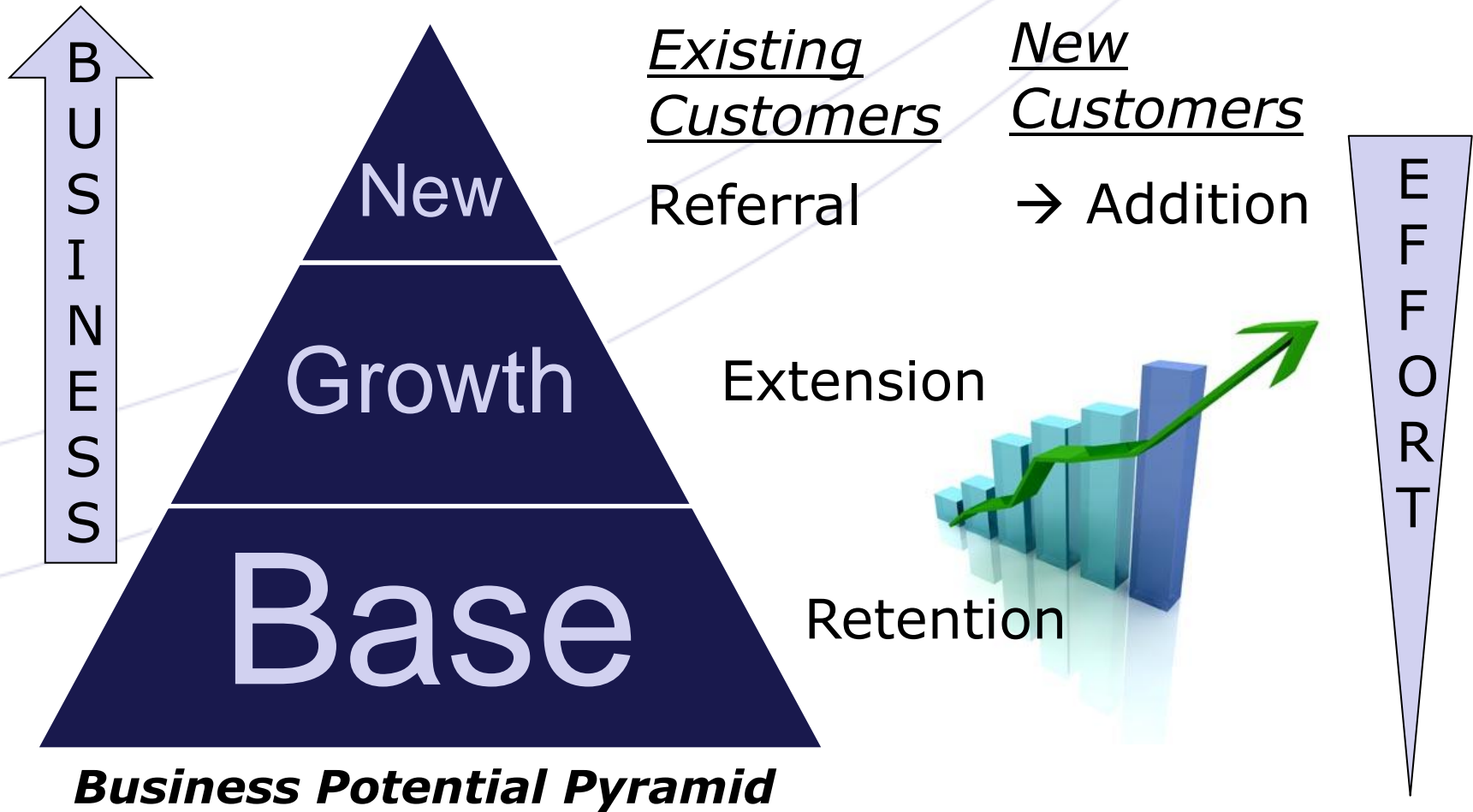
Competence centre stimulating **Flemish** companies to invest in **innovative** and sustainable **logistics** projects in order to increase their competitiveness.



VIL: areas of competence



Business drivers – Overview



Business Potential Pyramid

- TCO (Total Cost of Ownership)
- Performance (e.g. reliability)

Business Drivers

Total Cost of Ownership

- Cost reduction and efficiency improvements
 - Operational
 - Administrative
- Consolidation of goods
- Effective management of the supply chains
- Continuous improvement / innovation



Business Drivers

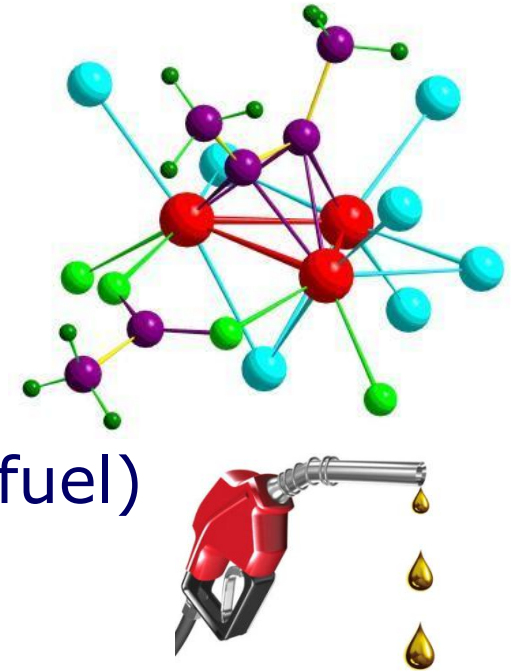
Performance

- Reliability / stability → Trust
- Flexibility
- Responsiveness :
daily (operational) + tactical
- Supply Chain visibility
- Effective collaboration / communication



Challenging environment / trends

- Product offerings are expanding
- Globalisation (inbound as well as outbound)
- Supply Chain complexity
- Legislation increasingly stringent
- Rising logistics costs drivers (e.g. fuel)
- Growing competition
Low concentration in LSP market



Conclusions

- Innovativeness may help LSP's to differentiate themselves from their competitors
- Logistics outsourcing should also focus on long-term relationships → win-win
- Gain knowledge on what customers are likely to value in the future → pro-active improvements
- Services that are more complex have greater potential to leverage from technological progress and innovation





On our way to smart logistics, stimulated by supply chain visibility and responsiveness



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