EXPERT SPEAKS

Making Legacy Businesses Powerful in a Digital World

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While a myriad of sectors is much ahead in the digital journey, the logistics industry is still volatile, uncertain, and comparatively unorganized. The uncertainty for the sector is dependent on factors much expansive than some other industries as seen with the Suez Canal incident recently. However, these disruptions have caused the industry to become more resilient and competitive than ever before and with the ever-rising demand for economic growth, the sector is in the process of digital transformation.

The digital revolution 2.0 may have ascended quickly and caught organizations unaware, but the sector needs to perceive this change positively rather than fight it. Digitization and technological advancement are helping make the logistics industry more efficient, optimized, and ensuring speedy and timely services. Digitization with the help of data conversion services offers better productivity along with various opportunities for the organization to grow and expand. More significantly, digital platforms will become increasingly important in the logistics industry, allowing small companies to have a global reach and compete with the sector's established giants. Over the next few years, the race to build a dominant global platform will transform the customer's experience of logistics and will be the central issue in determining which enterprises will be the winners and losers in a truly digital logistics industry.

As the sector advances towards more transparency and efficiency through digitization, legacy businesses carry the advantage of scale, which is expensive for new businesses to gain. Large existing businesses face technology adoption challenges around scale and seamlessly integrating it remains critical in a digital environment. This is a complicated process especially when we talk of the enormous scale of data, network, and geographical reach for a logistics company.

Enterprise freight forwarders are leading the way by acting as a force function for the rest of the industry to adapt. The digital platforms launched by freight forwarders are allowing affordable and scalable solutions, real-time tracking, predictive insights into schedule reliability for sailings across most global carriers. Legacy businesses not only have the added advantage of functioning as hybrids in this new age – with strong boots-on-the-ground machinery paired with multi-modal transports and scalable digital platforms to ensure door-to-door delivery with real-time tracking of shipments. Just

as how budgeting needs to be zero-based, companies must prepare for zero base operating plans, which will allow room for digital natives to take that transformation journey and establish their business to expand global footprint and grow. I believe, well-established organizations taking the lead in becoming new age giants must keep in mind that the workforce needs to adapt to the vision of an organization for the vision to become a reality. The focus of hiring practice experts and strategic internal organizational change teams will help to encourage fresh perspectives and new age thinking across the organisation backed by proper training to existing leadership teams to face this 'sea-change'.

A focus on data and interpreting that data to make sound business decisions is the key to moving forward seamlessly. Just having data collected and not mining it to improve your operational capabilities will be a futile exercise and investment and many organizations have faced the same not knowing what to do with the data they have. Organizations should set up strong data teams comprising data scientists, data engineers, architects, and a leader to ensure that organization has access to clean high-quality data and a concerted attempt is made to convert all organisational knowledge into easy-to-access data, which can be analysed to generate significant insights. ℂ