



**Meeting the  
Challenge  
Of A World  
Transformed**

# Shipper Attitudes on COVID-19

In March 2020, the novel coronavirus disrupted communities, commerce, industry and our way of life. We have yet to realize the full impact the virus will have on the future of business. One thing that has become clear is that business continues to move, and there's no industry where that is more important than logistics.

To better understand this new landscape, Odyssey Logistics & Technology (Odyssey) commissioned a third-party research study to learn what has changed for North American shippers. The questions ranged from what has changed with their operations, technology, talent, and processes to what technology has become invaluable to where they see their logistics operations headed.

This analysis distills logistics industry insights and offers a roadmap for how to rise to today's challenges and face the future of a logistics world transformed by COVID-19.

# Meaningful Insights

Upon reviewing the data, these are several practices and principles common among companies who are successfully surviving — or even thriving — during the pandemic:

- **Understanding Visibility is Crucial to Vitality**
- **Utilizing Cloud-Based TMS to Combat Changing Conditions**
- **Discovering New Ways to Automate Cost Management**
- **Expanding the Role of Risk Mitigation**
- **Closing the Communications Gap**

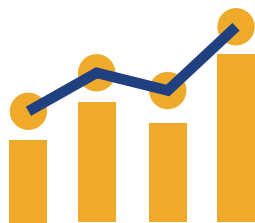
# Methodology and Audience

Odyssey commissioned the Peerless Research Group to conduct a research study of qualified shippers in May 2020. The required qualifications were “Involvement in the management of transportation, trade, warehousing, inventory or any other logistics related function for either their organization or for others.” The survey received 363 qualified responses.

Of those qualified responses, the audience profile broke down as follows:



Job Title/Function	
VP/General Manager	16%
Corporate/Divisional Manager	14%
Logistics/Distribution Manager	14%
Transportation Manager	8%
Operations Manager	8%
Supply Chain Manager	7%
Warehouse Manager/ Supervisor	7%
Information Technology Management	4%
Purchasing/Procurement Management	4%
Other	17%
<i>Base — 357</i>	

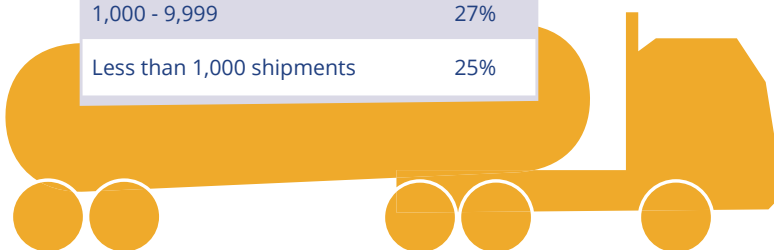


### Annual Company Revenue - 2020

Under \$50 million	42%
\$50 million to \$99.9 million	11%
\$100 million - \$249,999 million	10%
\$250 million - \$499,999 million	11%
\$500 million - \$999,999 million	7%
\$1 billion - \$2.49 billion	7%
\$2.5 billion or more	13%
<i>Mean revenues</i>	<b>\$540.3M</b>
<i>Mean revenues</i>	<b>\$89.5M</b>
<i>Base — 349</i>	

### Annual Number of Domestic Shipments

200,000 or more	17%
100,000 - 199,999	6%
50,000 - 99,999	8%
10,000 - 49,999	17%
1,000 - 9,999	27%
Less than 1,000 shipments	25%



# Understanding Visibility is Crucial to Vitality



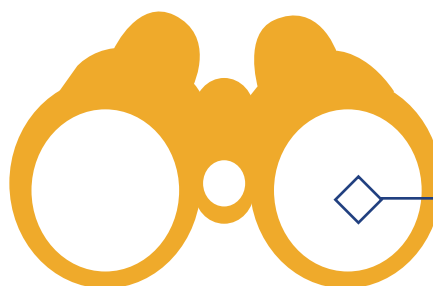
The “Amazon Effect” has changed the landscape for shippers. In addition to convenience, it has created an expectation of seamless transparency in shipping operations, freight transit and delivery. This expectation has become heightened and a major source of frustration during the pandemic.

Few shippers were prepared for disruptions to the global supply chain and even fewer were prepared for a wave of frustrated customers. Even Amazon was not immune, as negative reviews more than doubled at the start of the pandemic due to unreliable delivery of products.\*

\* <https://www.washingtonpost.com/technology/2020/05/21/amazon-shopper-complaints>

# 81%

of respondents cited ***Shipment Status Notification*** as the most important element of their shipping operation.



Disruptions may not always be controllable, but customers expect to be kept informed on the status of their shipments throughout the shipping cycle.

Research respondents recognize the value of supply chain visibility, with an overwhelming 81% citing “Shipment Status Notification” as the most important element of their shipping operation. Conversely, 41% cited “track and trace” as the greatest challenge to their operation.

The need for enhanced visibility goes beyond expectation-setting. It can be vital to cost management and compliance initiatives as well. Indeed, 45% of respondents plan to “keep a closer watch on shipping visibility” as a cost management initiative in the next 24 months.

*45% of respondents plan to “keep a closer watch on shipping visibility” as a cost management initiative in the next 24 months.*

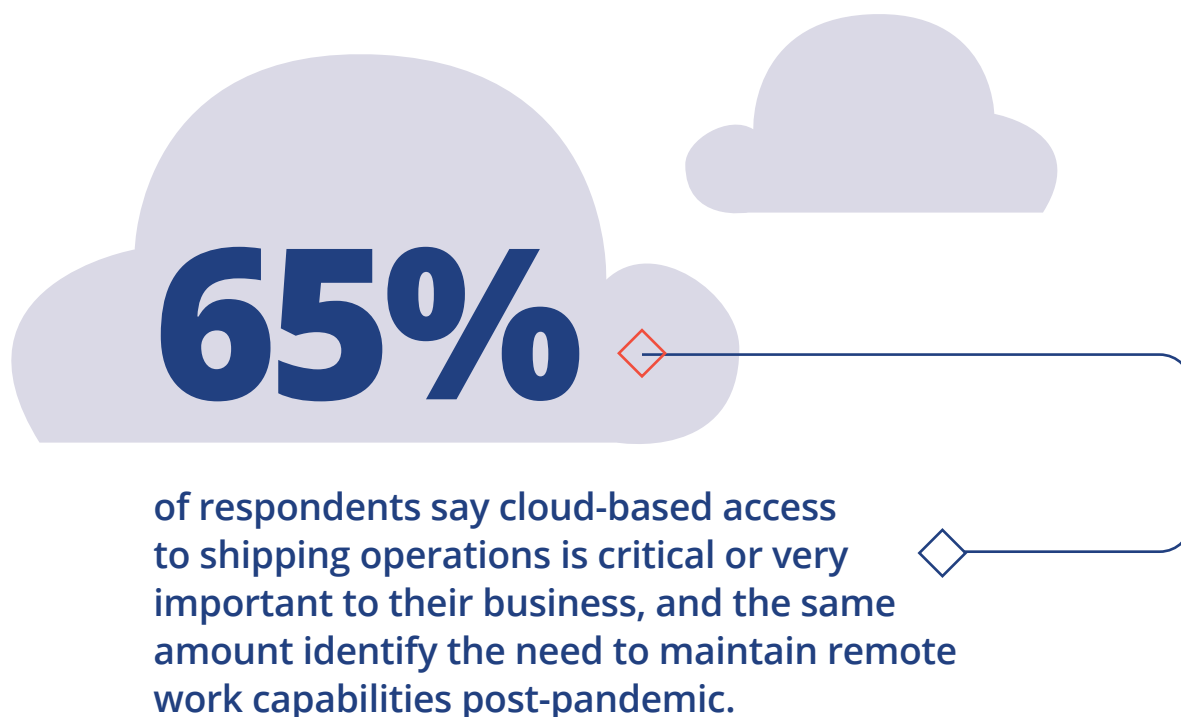
A hand holding a smartphone is shown in the foreground, with a blurred background of a financial dashboard. The dashboard features a candlestick chart at the top and several line graphs in various colors (blue, orange, red, green) below it. A glowing red arc highlights a portion of the dashboard. The overall theme is technology and finance.

# Utilizing Cloud-Based TMS to Combat Changing Conditions

For organizations that have not implemented a comprehensive Transportation Management Solution (TMS), the shipping process can be a tangle of phone calls, emails and disparate websites. That fragile network crumbled as businesses shut down or decentralized employees, creating massive logjams.

Those with a cloud-based TMS in place were able to rise above the bottlenecks. 65% of study respondents say cloud-based access to shipping operations has been critical or very important to their business.





The study revealed that shippers are surfing up to 10 different websites per week, in search of the best rates. Therefore it is essential to find a platform that automates this process and helps identify the most reliable options.

Cloud-based TMS also set shippers up for post-pandemic success: 65% have identified the need to maintain remote work capabilities. When considering future plans for decentralized operations, a cloud-based TMS is a critical component.

*The logistics industry has reached the tipping point where TMS has gone from a luxury, to a business necessity.*

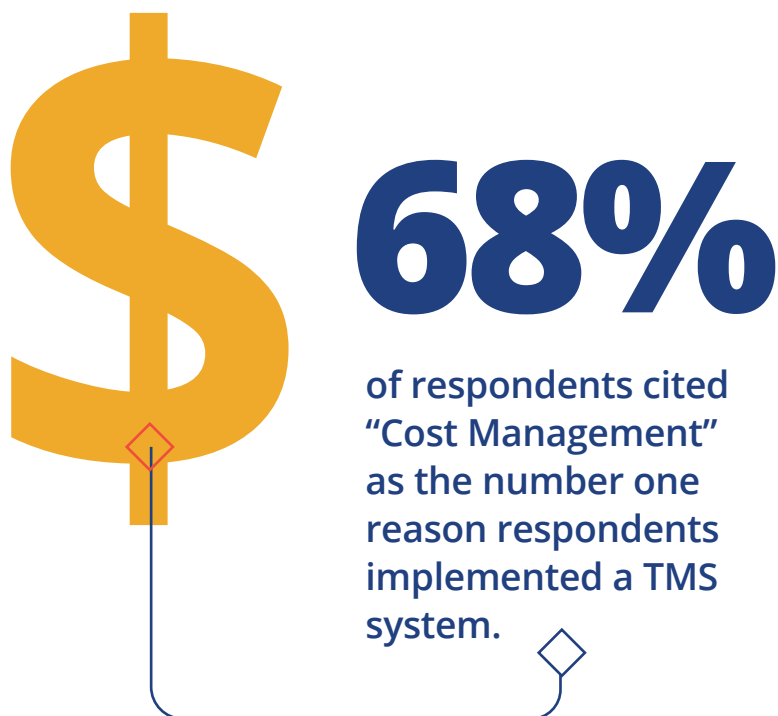
The coronavirus pandemic has accelerated the adoption of new technologies across all businesses. The logistics industry has reached the tipping point where TMS has gone from a luxury, to a business necessity.

# Discovering New Ways to Automate Cost Management

An aerial photograph of a container ship's deck, showing rows of colorful shipping containers in shades of blue, red, orange, and yellow. The ship's bridge is visible at the top right, with various equipment and structures on its deck. The ship is sailing on a dark blue sea.

As budget cuts and reduced margins thrust cost savings to the top of the list of priorities for shippers, research respondents revealed a combination of traditional and new approaches to achieve a holistic cost management approach.

Predictably, “negotiate shipping rates” will be a primary driver of cost savings. 61% of respondents indicated they will attempt to negotiate rates in 2020. However, early indications show that instability in market conditions with respect to price, capacity and service may not yield the bottom line results shippers are looking for.



Many shippers are realizing cost-savings through automation. Respondents believe that the number one way to improve control over logistics costs is automation and integration of transportation management processes.

Additionally, 68% cited “Cost Management” as the number one reason respondents implemented a TMS system. One example of how automation through a TMS can lead to increased cost-efficiency is navigating carrier websites. On average, shippers visit 8.3 carrier websites each week. A TMS can automate this process, delivering cost savings on shipping quotes as well as increasing productivity by aggregating information on one dashboard, eliminating the need to surf individual sites.

*On average, shippers visit 8.3 carrier websites each week.*

# Improving Risk Mitigation



Supply chain disruptions are a liability for shippers — adversely affecting costs, liability, production, service and the overall customer experience. That's why mitigating risk is a top priority for domestic and international shippers.

Risk mitigation is even more paramount as the industry battles a pandemic that has exposed fragility to supply chains and introduced new vulnerabilities to the future of conducting business. Shippers seek ways to maintain productive supply chains, while keeping all parties involved safe and healthy.



Transportation Management Systems (TMSs), logistics service providers (LSPs) and a host of cloud-based technologies can help mitigate risks. With coronavirus, they will have to evolve supply chain engineering practices to allow shippers to transform these new challenges into opportunities by improving supply chain workflows, safety and sustainability measures. Indeed, 51% of shippers said they were looking to improve decision-making and risk mitigation through the implementation of a TMS.

“Only about a third of shippers are currently using a TMS,” says Albert Lee, CTO Odyssey. “For those that haven’t made the switch, relying on antiquated, error-prone workflows means you are one mistake away from losing a significant piece of business.”

A Control Tower approach to supply chain processes helps mitigate risk via a holistic process and technology, which reduces the reliance on labor, and optimizes visibility from sourcing to delivery. Engaging Control Tower platforms help shippers achieve real-time visibility, dynamic routing options and predictive risk avoidance to keep freight secure and on-time.

*75% of shippers use real-time reports to capture shipment status information to automate and integrate transportation management processes to avoid risks.*



# Closing the Communications Gap

Even before the coronavirus disruption, shippers were struggling to keep up with communications that their customers and carriers required. The supply chain ecosystem is becoming increasingly fragmented across multiple partners, technologies and geographies. Paired with the heightened expectations and frustration noted previously, failure to excel at communications can lead to significant customer dissatisfaction.

The stress of delivering on communications was clearly felt by respondents. More than twice as many respondents said “Communication with Customers and Carriers” was the planning activity that took the most time, compared to any other activity. Communication with customers and carriers was the second most cited challenge faced in domestic shipping operations.



# 2-to-1

“Communication with Customers and Carriers” was cited twice as often as the planning activity that takes the most time.

A Control Tower approach for logistics operations can help automate mission critical communications, saving time and reducing disruptions. By gathering all supply chain data in a central dashboard, it can then be distributed in a consistent format – automating, and ultimately improving, communications.

*“If you are not improving your communication through automation, your organization is exposed.”*

“Communication is the foundation of customer service,” says Lee. “If you are not improving your communication through automation, your organization is exposed.”

It’s clear now that communications can easily become disrupted during unexpected emergencies. Ad hoc, decentralized communications platforms and methods suffer higher fail rates, where a centralized solution reduces stress and labor.

# Rising to the Challenge

Organizations that have met the challenge of the coronavirus pandemic have done so by making calculated investments in technology and processes that have limited the disruption to their business. The benefits are clear:

- By focusing on improving key areas such as visibility and communication, they have insulated themselves from customer defections.
- By seeking efficiencies through automation, they are less reliant on rate negotiation to maintain strong margins.
- By investing in cloud-based solutions, they are better prepared for the future realities of a decentralized workforce.
- By implementing TMS technology and Control Tower solutions, they are minimizing risk, and improving supply chain workflows, safety and sustainability.

When the world looks back on this time of crisis, it will be clear that businesses who thrived did so on the strength of their vision for a more digital, economical and efficient approach to logistics.



# Ready to Conquer the Changing Logistics Landscape?

For more information about how Odyssey Logistics  
can help your business thrive, please contact:

**[odysseylogistics.com/research](https://odysseylogistics.com/research)**



[odysseylogistics.com](http://odysseylogistics.com)

### **About Odyssey Logistics & Technology Corporation (Odyssey)**

Odyssey Logistics & Technology Corporation (Odyssey) is a global logistics solutions provider with a freight network exceeding \$3B globally. Odyssey improves its customers' supply chain performance through a proprietary, predictive global technology platform, an international network of logistics engineering experts and specialized processes that drive quality, safety and sustainability. Its Door-To-Done® approach to complex global logistics helps ensure products are delivered through a safe, secure and environmentally responsible system. In addition to being certified by the American Chemistry Council as a Responsible Care® partner company and a leader in Jones Act transportation, Odyssey offers a broad portfolio of services including intermodal, over-the-road trucking, warehousing, global forwarding, managed services and consulting. Serving multifaceted, intricate logistics needs, Odyssey operates in high-barrier-to-entry markets with specialized transportation services that include bulk truck, ISO Tank, railcar and tanker, as well as food-grade product lines. Odyssey also prioritizes giving back to the community by supporting various organizations, including Project Outreach and Junior Achievement®. For more information on Odyssey, visit [www.odysseylogistics.com](http://www.odysseylogistics.com).