Study Reveals Gap in AI Adoption and Sustainability Goals Across American and European Logistics Industry

- *HERE Technologies publishes results of a multi-country survey of transportation and logistics professionals.*
- *Cost, disruption, and know-how cited as barriers to widespread tech adoption.*
- *T&L industry missing opportunities to improve supply chain visibility.*

UNDER EMBARGO UNTIL 8:00 AM PT on FEBRUARY 6, 2024

Las Vegas – Manifest Supply Chain Conference – [HERE Technologies](), the leading location data and technology platform today unveiled insights from its latest 'On the Move' survey of transportation and logistics (T&L) companies in the Germany, the United Kingdom (U.K.) and United States (U.S.). The survey, developed in part with Amazon Web Services (AWS), shows a significant gap in the adoption of basic data analytics and Artificial Intelligence (AI), along with a lack of sustainability goals and progress toward achieving real-time supply chain visibility.

Identifying Opportunities for AI Adoption

According to the multi-country survey conducted by YouGov, only 50 percent of T&L professionals across the three countries state their organizations utilize basic data analytics in their operations. At the same time, 25 percent of all respondents state their organization leverages AI capabilities. This underscores the untapped potential of AI – from data analytics supported by machine learning to optimizing fleet routing, predictive maintenance and streamlining processes for strategic decision-making. The findings contrast with all three countries ranking in the top 20 of last year's World Bank Logistics Performance Index [1].

While the study highlights the lack of data analytics and AI utilization, it also identifies the key barriers to technology implementation. Cost is the number one barrier to further technology implementation according to T&L professionals in all three countries. Thirty-one percent of professionals surveyed in Germany cited cost barriers alongside 23 percent of respondents in the U.K. and U.S. Potential disruption to existing services (12%) and lack of internal expertise (11%) were the second and third highest cited barriers to technology implementation.

T&L professionals want reliable solutions that are easy to use and can be seamlessly integrated into their existing processes and systems without requiring extensive technical expertise or costly technology overhauls. Thirty percent of all respondents rank improving fleet utilization, route planning and tracking as top considerations when improving operations.

Sustainability in the Shadows

Despite the global emphasis on sustainable practices, the study reveals a significant gap in the prioritization of sustainability among logistics companies across all three regions.

Across all three countries, a majority of respondents state their organizations do not have sustainability goals, with 27 percent citing they are "under development." A total of 33 percent stated their organization is without sustainability goals with no plans to develop metrics. An unexpected 66 percent of T&L professionals in Germany indicate their organization currently does not have defined sustainability goals or metrics specific to transportation and logistics operations.

Sustainability consistently ranks the least important consideration, across all three countries, when it comes to wanting end-to-end supply chain and logistics management. Instead, German logistics professionals are prioritizing the need for better route planning and real-time tracking, while the US respondents emphasized drivers' safety, and T&L professionals in the UK prioritized improving customer satisfaction.

Environmental and operational resilience remain core topics within the global logistics industry in 2024. Technology implementation for more efficient operations will be crucial as the industry continues to face market and cost pressures. Sustainability metrics can be a by-product of technology implementation that improves customer satisfaction, driver safety and fuel consumption.

Looking for end-to-end supply chain visibility

The study reveals that 3 out of 4 T&L professionals surveyed in Germany (72%), the U.K. (72%) and U.S. (68%) believe their company is making some progress toward achieving real-time supply chain visibility. However, less than 1 in 4 respondents across each country believe their operations have made 'significant' progress.

Full, end-to-end supply chain visibility is hard to achieve. Consistent across all countries surveyed, T&L professionals indicate ocean freight is the mode of transportation providing the least amount of real-time visibility. Conversely, respondents in each country cited truck operations as having the highest amount of real-time visibility in their supply chain. Respondents in each country placed real-time tracking and route optimization as their number one and two most valued capabilities to improve their supply chain visibility.

"On one hand, this study shows the progress being made by companies towards increasing their supply chain visibility. On the other hand, it's clear the industry currently lacks the contextual data, AI capabilities and tools needed to optimize fleet deployments, routing, and appropriate mode switching," **said Remco Timmer, Vice President of Product Management at HERE Technologies**. "As a result, we're seeing increased demand for location data and services that enable logistics companies to overcome disruptions in real-time while reducing emissions and improving employee safety in the process."

About the Study

HERE enlisted YouGov to conduct, from January 2-10, 2024, a multi-country survey of 300 T&L professionals in each country (Germany, the United Kingdom, and the United States) representing companies small and large. The T&L industry survey explores various trends and topics including, supply chain visibility, sustainability, data analytics, artificial intelligence (AI) and overall barriers toward technology adoption.

The survey contains insights from transport and logistics companies across these three key markets, serving as a guide to help professionals navigate current opportunities and challenges in the supply chain, fleet, and logistics management.

Why HERE?

HERE is working with AWS to help solve location-related challenges for the supply chain and logistics industry across the globe. HERE brings the power of location services with the leading cloud and IT services to accelerate speed to market and time to value.

To read the full 'On the Move' survey report, with global insights and tailored finding for Germany, the U.K. and U.S., visit: https://www.here.com/solutions/supply-chain/2024-logistics-tech-trends

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About HERE Technologies
HERE has been a pioneer in mapping and location technology for almost 40 years. Today, HERE's location platform is recognized as the most complete in the industry, powering location-based products, services and custom maps for organizations and enterprises across the globe. From autonomous driving and seamless logistics to new mobility experiences, HERE allows its partners and customers to innovate while retaining control over their data and safeguarding privacy. Find out how HERE is moving the world forward at here.com.

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[1] 2023 Logistics Performance Index, World Bank