

It's time for the logistics sector to step up its sustainability

A joined article by Bexter and Cohelion

Sustainability, environmental responsibility, and operational efficiency are major themes in the business, transport, and logistics world today. Many players across industry, pooling, and returnable asset management have ambitious aims to lower their carbon footprints and play their part in protecting and respecting the environment.



Of course, every company has its specific priorities, nuances, and needs. But the sector as a whole has a crucial opportunity to think innovatively and take meaningful, lasting action. So we exist to help our industry, pooling, and logistics clients consider their business activities holistically: Optimizing their own performance while becoming frontrunners in evolving the sector's sustainability as a whole.

Getting there, though, is a step-by-step process of business evolution. Below, we'll explore some fundamental metrics that can support you to achieve your optimization, sustainability, environmental, and efficiency goals — which all starts with identifying your company's unique OKRs and related KPIs.

Evolving your logistics operation starts with OKRs

By tracking objective-based results, companies across industry and logistics can clarify and quantify how they're performing on specific, practical objectives. That's why we advise our clients to first focus on identifying the Objectives & Key Results (OKRs) they're aiming for.

For example, let's say you're looking to reduce your carbon footprint. That's your OKR — now how are you going to measure whether you're achieving it? You'll use Key Performance Indicators (KPIs). To track this specific sustainability OKR, you'll need to monitor various KPIs. To name a select few: Are you optimizing asset usage? What are your cycle times per client? Are your trucks making fuel-guzzling empty journeys, when — with cooperative planning across the wider supply chain — they could be full on every trip?

Now let's dive into the purpose of each of these KPIs in turn, exploring why and how you'd want to focus on them when assessing how you're performing on a carbon footprint-lowering OKR.

Purpose #1: Optimizing overall returnable asset utilization & cycle time

If you know exactly where your returnable assets are and when, you'll be able to streamline your operations so you're only using the materials, fuel, and storage space that's absolutely necessary to provide your service optimally, or get your goods safely shipped to their destination.

Imagine if, by knowing precisely where your assets are, when, and for how long, you could eliminate the time they're sitting unused and serve your client pool with 2k pallets, not 3k. You'd reduce your overall volume of assets in trucks on the road, so you'd reduce your fuel emissions. You'd reduce the water and chemicals used to wash those assets, which would further lower your firm's environmental footprint. Of course, cost optimization is a simultaneous benefit: With fewer assets in use, you'd reduce warehouse, cleaning, fuel, repairs, and personnel costs overall.

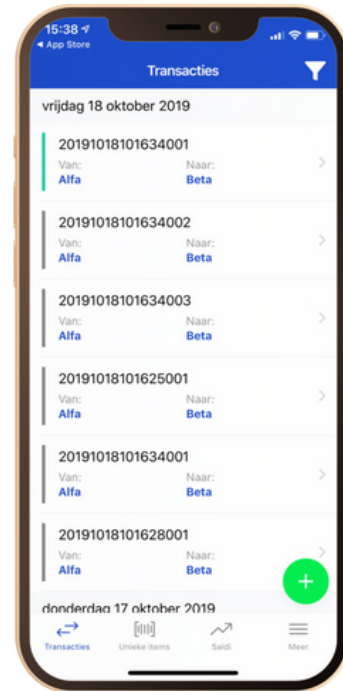
With the right data, tracking, and insights, you can stay fully in control of your assets' status and locations at all times, guaranteeing optimum service with a streamlined operation — shaving down carbon emissions and costs simultaneously.



Purpose #2: Reducing empty truck journeys

To cut carbon emissions in the logistics chain, minimizing empty truck journeys is an indispensable step. Take the current situation with flower shipments from the Netherlands, for example. Poolers truck vehicles full of Dutch flowers all over Europe — but what happens once they've unloaded their cargo? They drive back empty or carrying just a few pallets, burning fuel all the way back.

But what if those trucks didn't drive back empty, but loaded up with fresh produce and went directly to another European customer? What if their returnable asset cargo didn't go back to a generic service center, but was reused directly? What if those trucks returned filled to capacity with empty pallets, transporting them back to multiple Dutch poolers who had empties awaiting collection nearby?



A well-balanced, well-organized pool is a transport-cutting, more environmentally-friendly pool. And with the right inter-company knowledge-sharing, these returnable asset flows can be optimized. Cooperation across the stakeholder chain is key to making this a reality for the logistics sector — which leads us to our next point.

Purpose #3: Increasing cooperation throughout the stakeholder chain

It's clear how streamlining asset volume, cycle times, transport emissions, and so on enables businesses to optimize in isolation. But as a player in a sector with so many moving and interrelated parts, this will only ever take you so far.

To truly move logistics sustainability forward, we need to start thinking of ourselves as part of a larger, interconnected whole. There are too many puzzle pieces to fit them all together as individual operators, so openly sharing information with fellow players is key. The solution? Collaboratively optimizing the stakeholder chain beyond companies' own silos, through enhancing each other's KPI and OKR attainment by making our internal data available to others in just a few clicks.

Now, that's not to say competition goes out the window. Of course, maintaining competitiveness and profit margins is key for any business. But competition will always be there; that's the nature of capitalism. Just like carbon footprints will always be top of mind for businesses trucking and shipping across the globe.

So it's the bigger picture that we support our clients to participate in: Evolving the logistics sector's thinking when it comes to sustainability; flying the flag for a more mature and cooperative supply chain that benefits all its stakeholders; and surrounding themselves with valued partners who see the sector's potential for making a positive impact the same way they do.



TrackOnline Insights is a collaboration between Bexter and Cohelion

Bexter, developer of the returnable asset platform TrackOnline, and data organization Cohelion have joined forces to launch TrackOnline Insights. This is a unique new reporting environment that provides insight into the availability, inventory, turnover rate and location of returnable assets such as containers, pallets, carts, totes or trolleys. With TrackOnline Insights, manufacturers, logistics service providers and poolers gain detailed insight into their returnable assets.

Logistics players, let's rise to the sustainability challenge

Whether you're using returnable assets for your goods or you're a pool manager, we believe you have a key role to play in evolving international returnable asset flows. Together, we can broaden our awareness and understanding of optimizing asset usage, moving the logistics sector towards a more sustainable, environmentally-conscious future.

Curious about the sustainability-boosting OKRs your company should focus on? Don't hesitate to [reach out to our team](#) — we'll be happy to talk with you!

