

KEY CONSIDERATIONS
FOR CHOOSING YOUR

LOGISTICS MANAGEMENT SOFTWARE

Plan and Control
What Matters
The Most for your
SUPPLY CHAIN

Across factories, as costs and delivery speed became driving forces, logistics has stepped in with new approaches to deal with rising demand and complex processes.

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01

What is Logistics Management Software?

Logistics Management Software is one that helps drive the logistics function of an organization by managing the actual flow of materials, goods, and services from the point of origin to the point of consumption. This includes the final customers or groups of businesses.

From a manufacturing perspective, logistics management software facilitates effective planning of the supply chain itself and implementation of the final delivery to the end consumers. It helps coordinate the various supply chain activities, which include the complete range of procurement, development, implementation, commercialization, and delivery of the goods or services to the market. The role of logistics management software here is to create a viable solution that can help manufacturers easily manage the flow of things for better accuracy, to ensure that the right product reaches the right person at the right place and time.

With the help of a sound Logistics Management Software, manufacturers can effectively manage the multifaceted process involved right from the production cycle to the delivery of raw materials to shipping the finished products to the consumers.

For manufacturers specifically,
LOGISTICS MANAGEMENT SOFTWARE
helps in the following activities





02

Evolution of Logistics Management Software

Today, the Logistics Management Software has evolved to become broader in its scope and functionalities to help address a greater spectrum of complex operations and processes. It now shares similarities with [Supply Chain Management Software \(SCMS\)](#), to help deal with manufacturing operations, processes, vendors and suppliers.

Logistics has, however, come a long way.

Before the 1950s, logistics was perceived in purely military terms. This involved procurement, maintenance, and transportation of military facilities, services, materials, and personnel. After World War II, the focus of logistics moved from warfare to business and the physical distribution of products began with a focus on outbound activity. The objective now was to fulfill orders, smooth distribution of products, storage and warehousing. Gradually effective production planning and reliable customer service, became important aspects of the logistics process.

Companies started looking for a software that can help move products and services from point A to B. This saw multiple organizations adopting outsourcing for some or all of their supply chain management activities, which

gave rise to the rapid development of third-party logistics companies for efficient delivery and tracking of goods.

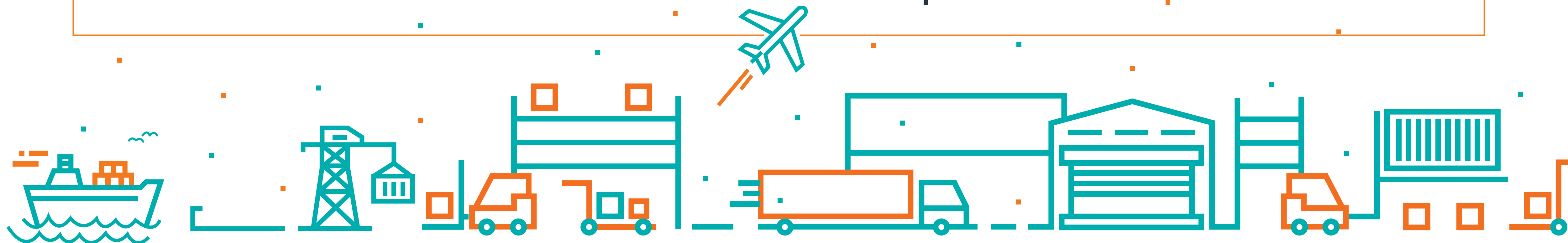
As organizations started using a full-fledged Logistics Management Software, the entire gamut of logistics activities rapidly evolved which included active supervision of operations across various levels. One area which saw maximum growth and transformation was the instant digitization of its processes and resources.

With this rapid digitization, physical devices and software solutions were combined to help streamline the complete logistics value chain cycle with the owner as the focal point. As the demand for large scale logistics peaked with the rising popularity of e-commerce, logistics management itself started adapting to the

complex demands of various industries and their operations.

Today, as Software-as-a-service (SaaS) has become popular across industries, this model finds wide acceptance in logistics management and supply chain as well. This is also due to the benefits of security, convenience, and reliability that this model offers along with cloud computing benefits.

The latest trend in Logistics Management Software is the use of Artificial Intelligence (AI) and its applications, as this holds the maximum potential to disrupt the way logistics is done in manufacturing. With the automation of various tasks and several risk forecasting and predicting techniques being used across several areas, logistics management sees a massive shift in the coming few years.



03

Business Problems Solved With Logistics Management Software



**Ambiguity In Inventory
Visibility, Tracking,
And Management**



**Mounting
Transportation
Costs**



**Complexity In
Deriving Logistics
Analytics**



**Managing
Operational
Shifts**



Ambiguity In Inventory Visibility, Tracking, And Management



The challenge

For a manufacturer, inventory acts as a foundation for a successful and efficient supply chain. However, in mid-sized to large scale businesses, it may be difficult to track inventory status and movement due to lack of detailed, real-time visibility. This can significantly strain a business's sales and operations activities. Also, as the supply chain often needs to track and manage inventory from various warehouses and locations, this can be a difficult task with decentralized operations.



The solution

To help address this, a Logistics Management Software that can provide valuable real-time data on inventory is a good option.

To help give easy access anyone in the organization regardless of the location across several systems, like warehouse management, transportation management, etc

To help in effective tracking and management of inventory across the organization saving time, money and resources.



Mounting Transportation Costs



The challenge

Transportation costs form a major chunk of the several variable costs that manufacturers have to address. Rising fuel prices directly impact the shipping costs and they become an integral part of the logistics budget. A steep rise in this can further create a dent in the overall revenue stream and profitability for manufacturers.



The solution

A Logistics Management Software can help address the above costs to a great extent.

By implementing autonomous tracking and AI, the Logistics Management Software has access to the potential real-time data with prime routes as well as possible alternative routes to reduce the cumulative transportation costs.

By deploying sensors, manufacturers can further intelligently improve fuel efficiency, evaluate various road conditions, and continuously monitor routes for tracking everyday logistics to optimize efficiency.



Complexity In Deriving Logistics Analytics



The challenge

Most manufacturers find themselves struggling with driving valid outcomes using accurate logistics analytics solutions. This is due to the growing competition within the transportation and logistics industry along with the rising fuel costs, complex market demands and the increased need for optimized delivery times.



The solution

With a sound Logistics Management Software, manufacturers have the ability to harness the true potential of their data to bring about significant improvements. This is across route optimization, traffic management, inventory movement, and predictive maintenance.

Using accurate analytics and data, the software can analyze the shipping history and operations, to cut down logistical costs and slash down shipment delivery times.

Also, by applying AI-based techniques, the software can develop advanced performance metrics and KPIs to create valid computer models to predict supply chain issues.



Managing Operational Shifts



The challenge

Many times manufacturers face challenges in managing the batch units of operations scheduled based on certain assumptions. Due to unforeseen factors like market volatility, weather conditions, worker absenteeism etc. which might affect these schedules, there could be a significant reduction of the units produced, impacting the transport capacity. So, when a certain amount of space was budgeted to move X amount of units, this reduction could mean a longer lead time on inefficient use of existing capacity.



The solution

With an efficient Logistics Management Software in place, manufacturers have the power and flexibility to adapt to these operational shifts by identifying the best routes, transport modes, and delivery windows.

It can help reduce the possibilities of losses in resources and time to handle these changing variables.

It can also help manufacturing companies to provide for simulations or what-if scenarios, which can create fool-proof strategies to avoid bottlenecks occurring from operational shifts.

04

Key Features Of A Logistics Management Software

Here are the top features to look for in a Logistics Management Software for optimum results



WAREHOUSE AND ORDER MANAGEMENT- A good Logistics Management Software should help optimize an organization's stock to increase overall warehouse efficiency directly. This will help meet dynamic warehouse requirements in a timely and cost-effective manner. Further, since order and billing management is a top priority for operations managers, having a centralized system always helps. Manufacturers benefit with more flexibility in managing ad hoc requirements as well.



INVENTORY TRACKING AND MANAGEMENT- Most manufacturers channelize all their efforts in optimizing inventory levels. This ensures that the organization is well-equipped in storing optimum levels of stock of goods and raw materials and this is made available whenever required. Using a sound Logistics Management Software, manufacturers can apply real-time tracking tools to ensure inventory levels are always optimized, resulting in the proper flow of goods. If the software has an inbuilt inventory tracking and control feature, it can also ensure ease in processing and also that the customer gets the invoice on time.



FORECASTING- A Logistics Management Software that is proficient in forecasting is the ideal choice for most organizations. With accurate forecasting, organizations can procure what is actually required and hence eliminate the possibilities of over or under stocking inventory. Optimal forecasting efficiency improves customer satisfaction and eliminates bottlenecks in the operations cycle.



ACCOUNTS AND FINANCE INTEGRATION- A Logistics Management Software should be compatible with the supply chain finance and accounting aspects as well. All key features like the account payables/ receivables, general ledger features, expenditures, receipts details, etc. have to seamlessly integrate with it. This helps guide accurate bookkeeping, general ledger functions, account payables and receivables of the organization.



REAL-TIME VISIBILITY AND ANALYTICS- One of the most critical factors in logistics is the real-time visibility and tracking of movement of cargo across various checkpoints. A Logistics Management Software that can provide end-to-end visibility of the supply value chain is always preferred. Similarly, the software should be able to analyze existing data and real-time data to evaluate supply chain performance and business processes to optimize operations.

05

AI And Its Impact On Logistics Management Software



Today, AI has assumed a strategic role in delivering the much-needed efficiencies across the logistics industry. As the manufacturing world's logistics become even more complex, big-data, machine learning and AI-driven applications have stepped in to streamline logistics on a global scale. A [recent](#) study shows AI-based logistics can generate from **\$1.3 trillion to \$2 trillion per year**.

A Logistics Management Software that is backed with robust AI-based analytics can create value through predictive capabilities, automated processes, streamlined cargo management, accurate demand forecasting, etc. which help save time, cost and resources.

An AI-driven Logistics Management Software can also help eliminate potential bottlenecks across the logistics value stream, helping manufacturers save millions in operations costs and boost the bottom line as well.

At ThroughPut, **our AI-driven bottleneck elimination product ELI helps reduce cycle time, optimize inventory and facilitates efficient logistics management for your manufacturing facility**. The AI-driven real-time industrial solutions can help you easily achieve the much needed increased efficiencies for your existing logistics software.

If you wish to learn more about ELI,

[CLICK HERE FOR A DEMO](#)



About ThroughPut Inc.

ThroughPut Inc. is the Artificial Intelligence (AI) Supply Chain pioneer that enables companies to increase output, quality and profitability through bottleneck elimination. ThroughPut's Supply Chain AI Product, ELI, includes the only Bottleneck Management System (BMS) that utilizes existing enterprise databases, such as ERP, MES, IMS, TMS, WMS, PLC, EAM, POS, CRM, SCADA and other data systems, to solve the bottleneck problem across global supply chains today. ThroughPut's systems are designed by Fortune 500 geo-market logistics leaders and Silicon Valley analytics and domain experts with decades of experience in the space. ELI thinks like an operations manager and automatically provides domain expertise, insights, and recommendations in real-time, which current static Business Intelligence and Analytics tools do not effectively capture. ThroughPut's dynamic insights include real-time resource allocation recommendations, granular root causes, and operational process stability analysis. ELI enables process improvement experts and operations managers to reduce cycle times and operational unpredictability across some of the most advanced process industries, including automotive, manufacturing, oil & gas, transportation & aviation, chemical processing, energy, and others.



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