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TECHNOLOGICAL TRENDS in INDIAN Warehousing



By

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It is predicted that, within the next five years, over 85 percent of all businesses will move to more digital business operations. As such, warehouse operators and logistics firms need to react quickly by implementing the latest technical innovations. Not only will this ensure that companies will be thoroughly future-proofed, but supply chains will be operating at peak efficiency—great for customers and businesses alike.

Like most other industries, warehousing and logistics are currently facing major change in India, but this change brings opportunity. Logistics firms are facing an era of unprecedented change as digitization takes the forefront and customer expectations evolve. A huge percentage of warehouses plan to expand their technology investments

in the future. 2018 saw much growth in the logistics industry—from efficient transport management system, to data analytics, cloud computing, Internet-of-Things, and enterprise mobility solutions. We predict that 2019 is going to be the year where technological advancements will take logistics and supply chain industry to the next level, while 2020 will leave paper records behind as the focus will be around technology.

All of this change serves to provide faster and more reliable delivery services as consumers are demanding faster logistics, with more options. It has become essential for the service providers to use innovations to utilize maximum space, manpower, warehouses, vehicles etc. with control on wastage and fuel charges. The emerging new technologies are creating strategic opportunities for organizations to build competitive advantages in various functional areas of management, including logistics and supply chain management. With a wider product range, an emphasis on shorter lead times, and constant changes in customer demand, the role of warehouses has majorly increased in the last few years. However, the degree of success depends primarily on the selection of the right technology for the application, availability of proper organizational infrastructure, and culture and management policies. New technology concepts—like fast-track technology,

pre-engineered buildings (PEB), precast and sustainable technology—are a few of the innovations also leveraged in our facilities.

The construction and running of warehouse infrastructure must be advanced to provide improved customer service. The growing international trade and the incorporation of tech-based solutions will help expedite efficient delivery of products by the warehousing providers. New technology services—such as real time tracking—provide complete information about the shipment by offering real-time data to the customers. Such advanced technologies also allow ease of inventory management and in determining the number of products available at a particular site to meet the customer needs. Use of autonomous logistics in warehousing is likely to eliminate human error and will enhance operational productivity.

India is the third largest economy in the world in terms of people. It has a forex reserve today of 426 billion U.S. dollars and is fiscally conservative with a debt to GDP ratio of only 69 percent. This means we only have 69 percent of the borrowing versus our GDP. Now if you compare that with say, China, it is at 260 percent.

The 2014 “Make in India” campaign and the 2016 Goods and Services Tax (GST) were launched to facilitate infrastructure growth,

particularly for the logistic business. The Indian government is working to launch a host of policy-level changes to encourage the inflow of foreign direct investment (FDI) and to encourage today’s digital India, which will hopefully introduce solutions for the challenges of digital divide and accelerate efforts to make India the next driver in innovation. While we have seen a lot of technology conversions over the last few years, what is even more fascinating is the expectation that over the next two decades, we will see technology innovations moving at a faster pace than ever before. Technological change will continue to be expanded in the newly acquired, infrastructure status and will further simplify approval process for affordable projects, creating clear guidelines and increase transparency in the segment. This will help to make this market more accountable and attract debt and pension funds to invest in the warehousing segment. ▼

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