

# THE ROAD AHEAD:

DRIVING DIGITAL TRANSFORMATION IN T&L

# WELCOME NOTE

We often think of the transportation and logistics (T&L) industry as solely the movement of goods from point A to B. However, the industry is dynamic as it continually tries to enhance the customer experience regarding speed, accuracy and convenience.

Innovation and development are often a juggling act, as T&L leaders must contend with economic headwinds, geopolitical risks, ever-evolving regulation and labor market constraints. All these challenges were compounded by a period of non-stop crisis management amid a public health emergency and a prolonged period of supply chain disruptions.

If there was an ideal route for the T&L industry, it would be one where providers could demonstrate ongoing resilience, consistency and high-quality service. None of that will happen without frontline employees who feel motivated and equipped to do their best work – and that is an issue with the current tools and processes they use today.

Comparing the findings from SOTI's previous T&L report (2021) to now reveals that most organizations are still navigating common challenges, from integrating key technologies to providing optimum levels of tracking across all deliveries that teams make.

While some organizations may be exploring business improvements through investments in automated materials handling equipment, biometrics, robotics and advanced GPS, SOTI's survey of 1,700 global professionals reveals that many fundamental issues still need to be addressed.



Shash Anand, SVP, Product Strategy

T&L professionals say there is a need to empower frontline employees with mobile devices they can depend on, improve delivery tracking and focus more on greener operations.

## **Findings from SOTI's report can be broken down into three critical areas:**

- **Downtime and device issues are jeopardizing the customer experience.**
- **Employees are dealing with stress over technology failures and privacy risks.**
- **Without greater sustainability efforts, employers face retention issues.**

Providers should use the data presented here to benchmark themselves against these trends and identify key areas where they can close the gap. SOTI is confident the industry can achieve the forward momentum it needs by working with the right technology partners.

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# METHODOLOGY

SOTI conducted its research in May 2024 across 10 countries. The research is based on 1,700 online interviews with people aged 18+ who work as T&L drivers or in warehouses in organizations with 50+ employees.



U.S.  
**300**



CANADA  
**200**



MEXICO  
**100**



UK  
**300**



GERMANY  
**100**



FRANCE  
**200**



SWEDEN  
**100**



NETHERLANDS  
**200**



AUSTRALIA  
**100**



JAPAN  
**100**

# KEY FINDINGS

**97%**

say their employer is taking at least one step toward greater sustainability.

**93%**

have mobile tracking technology installed.

**75%**

say tracking technology makes drivers feel safer and more secure.



**13 hours per person**

are lost each month due to mobile-device-related downtime.

At least once per week,

**95%**

of employees use a personal smartphone.

**vs**

**81%**

who use an employer-issued device.

**82%**

are looking to make their deliveries more efficient.



# MIRROR CHECK



## A LOOK BACK AT THE T&L INDUSTRY

When SOTI last researched the T&L industry, the world was still grappling with the later stages of COVID-19, which was changing everything from customer expectations to business models.

As a result, **99%** of those surveyed globally said they were looking to implement technology to increase the speed of their operations. This was driven by necessity: **97%** claimed they were dealing with technical or system difficulties that delayed shipments in a normal week, and **70%** said reducing the downtime of mobile devices in the field was a top business concern for their organization.

Over three-quarters (**80%**) of respondents said their organization had plans to invest considerably in new technology, such as mobile devices, wearables, and IoT devices and solutions.

Given that the 2021 SOTI T&L report was based on a smaller sample size of 550 interviews, it is difficult to make precise comparisons with this year's data. The 2024 report also introduces new questions that explore the personal impact of device-related downtime and delays on employees. Additionally, it further probes how T&L companies are improving sustainable business practices.

The latest research suggests that more effort is required to optimize mobile technology in T&L.

# ROADBLOCKS TO BEST-IN-CLASS T&L SERVICE

Mobile technology has become essential for the T&L industry. Beyond allowing team members to seamlessly communicate, smartphones can replace bulky scanners and other stand-alone devices with applications that streamline everyday workflows. Mobile technology also provides the basis for managing data related to order shipments, fastest delivery routes and traffic updates.

Organizations in T&L often lack visibility into devices across operations. This can impact timely deliveries and customer satisfaction. Without a holistic view, companies detect issues such as delivery delays or customer dissatisfaction only after the issue has occurred. It is also difficult to pinpoint underlying causes without a clear understanding of the device issues that lead to these outcomes.

By leveraging the right tools, organizations can access business and device data to get real-time visibility into their operations across the entire supply chain. Having a comprehensive view of metrics on real-time inventory tracking, fleet locations and delivery statuses is necessary for T&L providers to deliver the best service.

Mobile devices play an essential role in achieving one of the most important business outcome common to all T&L providers: employees who can work productively and efficiently. This leads to on-time deliveries and high customer satisfaction. No wonder **81%** of those surveyed said they use mobile devices daily at work and over three-quarters (**77%**) use the Internet every day on the job.

The value mobile technology offers makes provisioning devices to individual employees and managing them as corporate assets a natural best practice. By leveraging device management, organizations can ensure mobile devices have the latest updates installed, are protected from cyberattacks and are able to monitor performance across operations. Unfortunately, the industry is not there today.

## This is evident in the following findings:

Frontline workers use their personal smartphone daily	81%
Frontline workers use an employer-issued device daily	60%
Frontline workers say device sharing is becoming common	71%
More than a quarter say they begin shifts with an uncharged, lost or stolen device	27%
One in five can't connect their mobile device to printers	22%





## DOWNTIME & SHIPMENT DELAYS

Globally, employees are losing an average of **13** hours per person per month that could be spent fulfilling deliveries. This average has only decreased by one hour since SOTI conducted its last report in 2021, when the average was **14** hours. Moreover, the 2021 report found that **70%** had said that reducing downtime was a top concern. The 2024 report found the following downtime averages across different countries:

The highest average was in the Netherlands and Japan, each of which reported more than four hours of lost time per week.

The U.S. and the UK reported the fewest hours lost per week but still accumulated 10 hours per month.

Sweden, Mexico and Australia all reported losing more than three hours per week.

Three in ten employees said identifying tech issues and understanding how to resolve them causes downtime and delays. Furthermore, network and connectivity issues significantly impact the T&L industry, affecting drivers' KPIs and targets, company performance, employee morale and customer satisfaction. Device failures due to bad batteries, connectivity issues and device misplacement also disrupt operations.

By leveraging the right proactive tools, companies can be notified before devices fail, improving operational efficiency and reducing downtime. This helps mitigate issues such as battery failure and connectivity disruptions, leading to higher productivity across the organization.

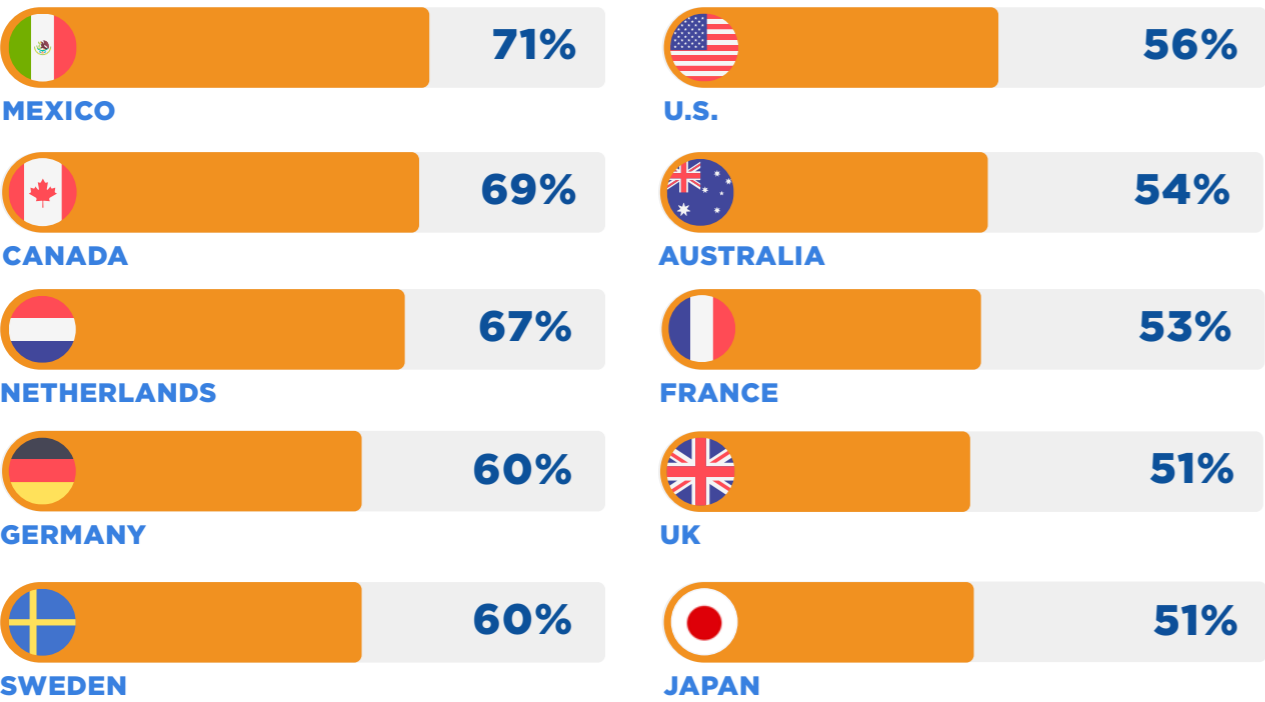
Having the ability to support devices and applications fully remotely becomes critical. With device analytics and metrics such as battery status, app functionality and network connectivity, organizations can proactively address and reduce device-related issues without needing to fix them in person.

# INCREASED SECURITY RISKS

T&L providers are not just handling physical goods. They also manage valuable customer and third-party information. Having account histories, contact information or financial details fall into the wrong hands can significantly impact the bottom line and the organization’s reputation.

The risks involved are not merely a concern for CEOs. Globally and across all roles, **58%** of employees are worried about customer data falling into the wrong hands when mobile devices are shared. While the worries were much higher in Mexico, the Netherlands and Canada, it was a common sentiment shared by more than half of those responding in every geographical region.

## Sharing mobile devices puts the security of customer data at risk:



Employees are not necessarily worried about hackers breaking into devices with ransomware or other common cybersecurity threats – the research found that more than three-quarters (**76%**) said they feel adequately trained on how to keep data stored on mobile devices secure. Rather, the bigger fear is that devices will get lost or stolen, which was cited by **61%** of respondents.

Organizations can mitigate security risks on shared devices by providing unique user logins for personalized apps and content for their role. Managing devices can help ensure users are logged out automatically when inactive. Implementing robust security and privacy measures for organizations that leverage a shared device system is vital and keeps customer, company and employee information confidential.

# HIGHER BUSINESS COSTS

T&L providers are contending with high inflation and other economic challenges, meaning they need to keep expenses as low as possible. Losing hours each week due to downtime and delays leaves many organizations with no choice but to allow employees to work overtime.

- While **35%** said they work overtime due to delays, the number was significantly higher in Mexico (**43%**), the U.S. (**41%**) and Canada (**40%**).
- Professionals in Australia reported the lowest level of overtime, but it was still more than one quarter of employees (**27%**).

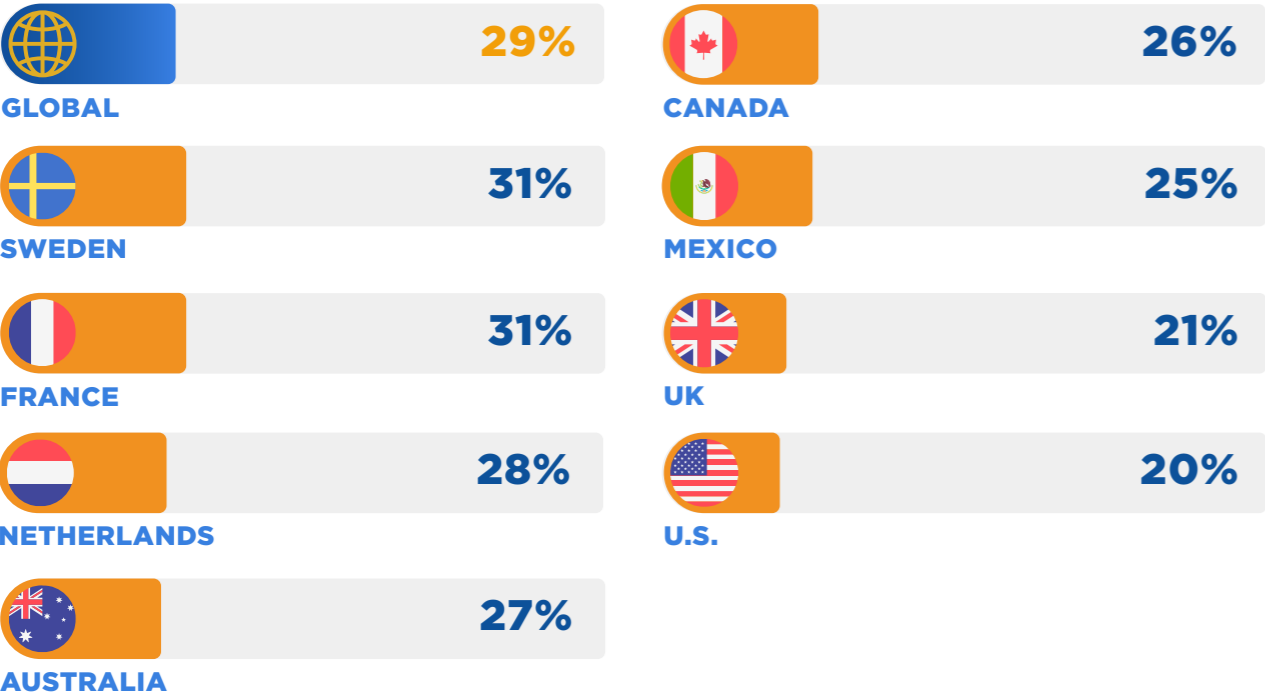
Overtime costs become even more significant when factoring the time employees spend with returns and reverse logistics. Swaps, recalls and delivery mistakes all involve expensive steps in managing the physical journey products take back to the supplier. Only **8%** of T&L providers globally completely outsource returns and reverse logistics.

- In Japan, **64%** of employees spend more than half of their day managing returns and reverse logistics, while in Germany, this figure is **51%**.

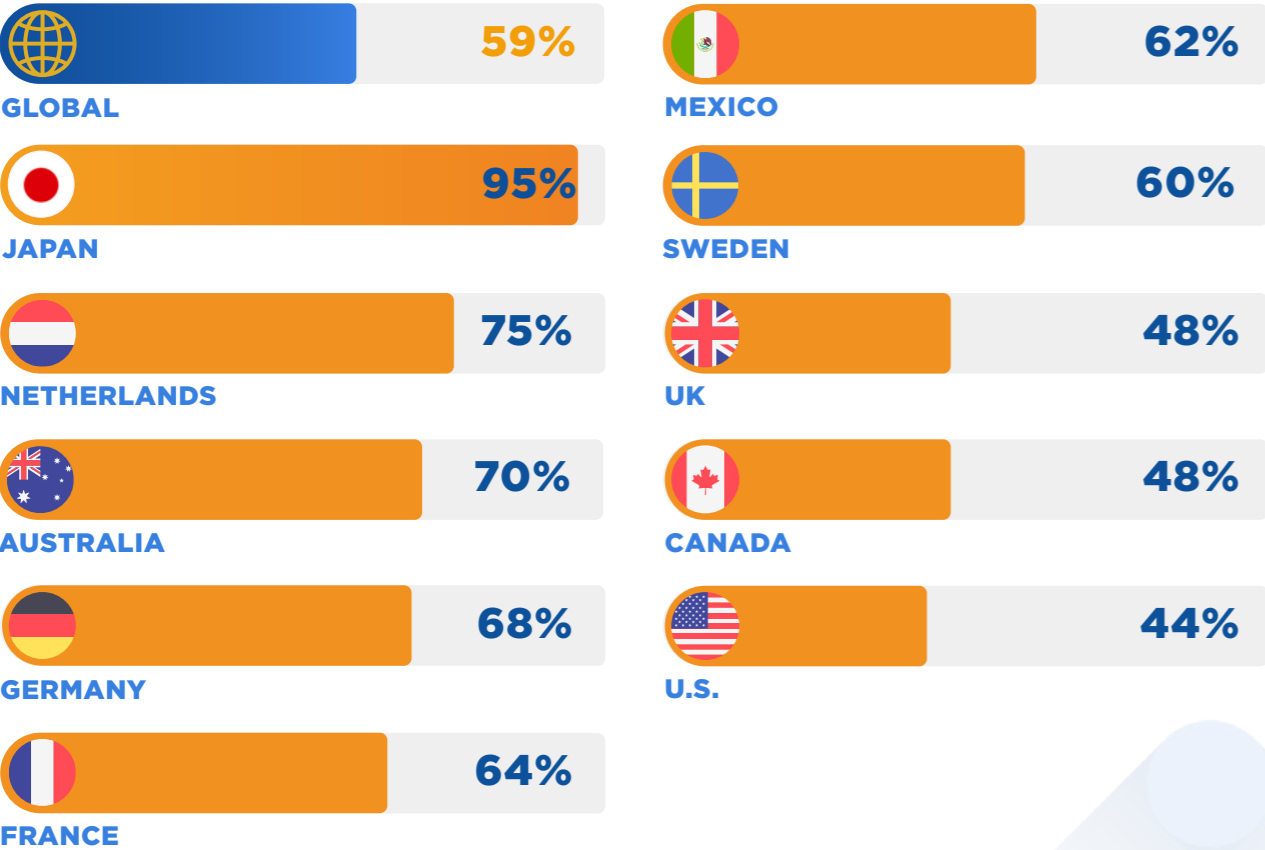


Working Hours Devoted to Returns by Region:

The percentage of respondents per region that devoted over half of their working hours to returns:



The percentage of respondents per region that devoted over one-quarter of their working hours to returns:



Employees know that having the right tools can improve their on-the-job performance, and they are asking T&L providers to take action: **65%** believe their organization should invest in new or better devices to improve efficiency.

While only 57% of U.S. employees see the benefits of increased mobile investments, the finding was true for well over half of respondents in every geographical region surveyed.

In Mexico, three-quarters (76%) see the benefits of increased mobile investments, followed closely by Canada at 73%.



# THE FRONTLINE WORKER EXPERIENCE HAS TAKEN A WRONG TURN

No one wants to feel like they are running behind schedule, especially drivers and other frontline T&L workers. These employees know that a late delivery can lead to customer complaints, bad reviews and a domino effect on all deliveries that follow.

Mobile technology should help these professionals feel productive and confident in their job. Instead, device downtime makes nearly half (48%) of frontline workers feel stressed.

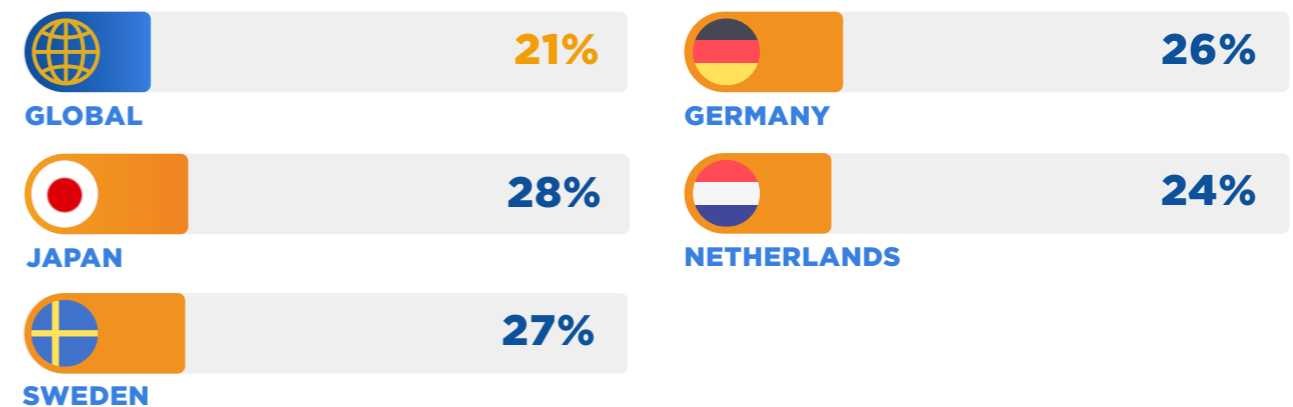
- The proportion of employees stressed from device downtime was highest in Canada at 57%, while the UK was at 54%, Mexico at 52% and the U.S. at 51%. These regions were followed closely by Germany at 49%.
- Stress related to device downtime was lowest in the Netherlands at 36%, while the average across France, Sweden, Australia and Japan was 40% or higher.

Stress related to device downtime likely increases because frontline workers can easily measure the real-time impact. For example, 32% said tech issues made them miss their target, a figure that was significantly higher in Sweden at 41% and both the UK and Mexico at 37%.

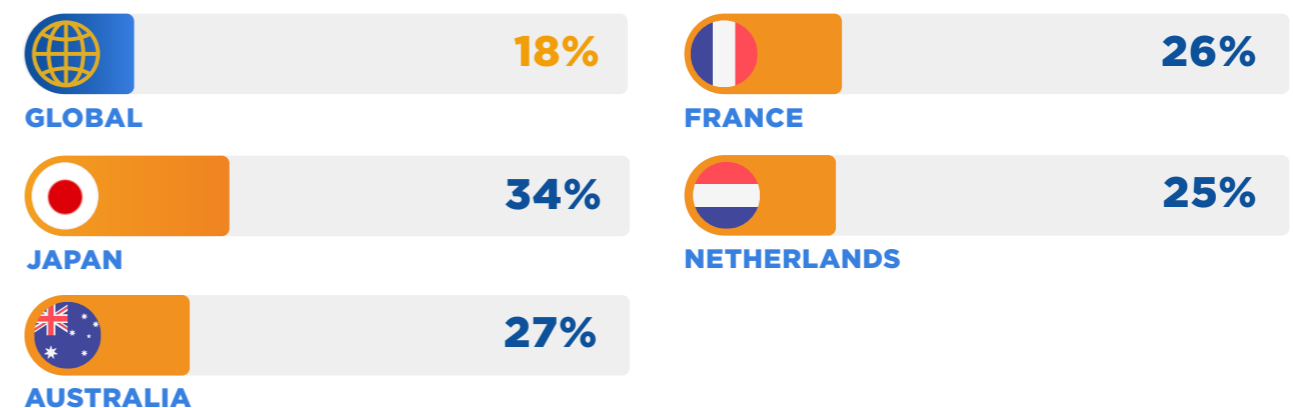
Stress is compounded by other negative impacts on employee engagement and morale. A fifth (21%) of those surveyed said device downtime meant they lost their preferred route.

## Impacts of Technical Issues on Workers' Roles:

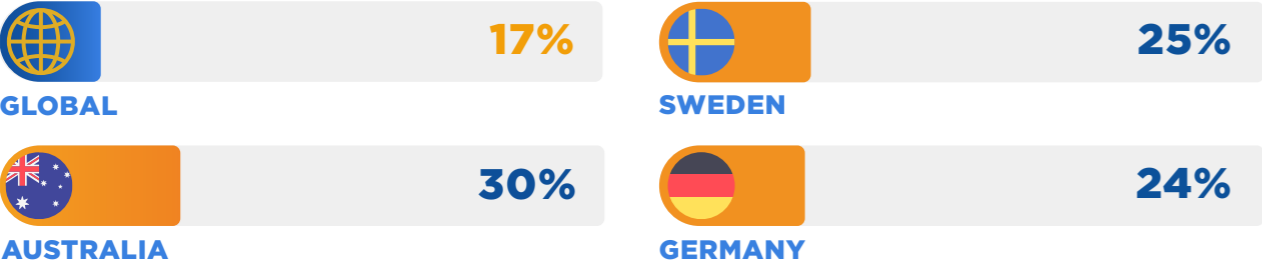
### Lose Preferred Routes



### Lose Time-Off Allowance



Lose Their Bonus



Even worse, device downtime could have dangerous implications, particularly in occupational health and safety. Nearly one-quarter of drivers (22%) said delays cause them to increase their speed between deliveries to make up for lost time.

Part of the problem is that many employees are unable to troubleshoot issues as they occur, leaving them with feelings of stress and restlessness. For example, 30% of respondents said that not being able to identify downtime issues and steps to resolve them was a key source of delays. More than one-quarter (27%) said they believe a lack of training is an issue. Additionally, 28% said drivers lack access to real-time IT support when something goes wrong.

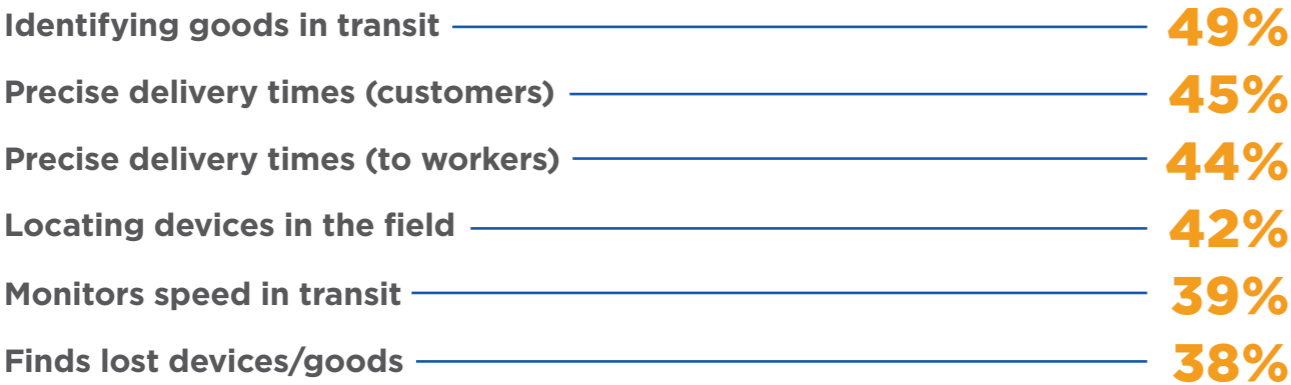
All these concerning indicators point to a potential solution to alleviate frontline worker stress and downtime – expand and leverage the kind of technology that has already become standard across the industry.

THE POTENTIAL FOR INCREASED USE OF MOBILE TRACKING

T&L professionals believe in a future where downtime and delays are overcome and the increased use of mobile technology continues to enhance multiple areas of their business.

While 93% of respondents said they have some kind of tracking installed on their devices today, 66% would like more. The positive impacts of these tools are already being felt both internally and on the road:

Mobile tracking technology benefit



Beyond offering more devices per employee, tracking technology is among the most significant opportunities to enhance operations, and staff are asking for it: 81% said it could help keep deliveries on time and keep customers informed.

From a wellness standpoint, 78% said they would feel more comfortable knowing high-value goods are being tracked, and 75% said vehicle tracking helps drivers feel safer and more secure.

- The increased comfort level when having high-value goods tracked was particularly strong in Mexico (90%), Canada (87%), the U.S. (82%) and the UK (82%).
- The impact of vehicle tracking on drivers’ feelings regarding safety and security was highest in Mexico at 92%. While the average was lower in Japan, it still represented more than half of those surveyed (55%).

Tracking technology is an area where T&L providers have to find a balance between achieving the visibility they need and making frontline workers feel supported rather than under surveillance. More than half (55%) said tracking technology can be intrusive, and 49% said notifications from tracking technology can be annoying.

The key may be positioning the technology as an effective way to deal with daily challenges. Over three-quarters (77%) said that having instant access to the tracked history of goods for each shipment would help them resolve customer service issues. This was even higher for those in a customer service role at 82%, in Transport Planning at 83% and for Logistics Managers at 84%.



# TIME TO ACCELERATE THE JOURNEY TO GREEN



What initially elevated T&L business practices isn't enough to push the industry forward, not just in terms of business performance but also in terms of increased expectations surrounding sustainability.

With concerns around climate change and other environmental factors making headlines every day, it's no wonder that **97%** of respondents said their employers are taking at least one step to operate more sustainably.

- **An impressive 100% of Australian, Swedish and Japanese respondents said their employers were actively pursuing sustainability measures.**
- **The highest global scores for route planning for better efficiency come from the U.S. (50%) and the UK (47%).**
- **Delivery efficiencies are around 80% across the geographical regions.**
- **Several Swedish respondents also cited counting mileage (35%) and encouraging in-store pickups (33%) as steps their employers are taking.**

This still leaves plenty of room for improvement: **70%** feel there is more their firms could do to protect the planet.

- **In Mexico (84%) said their employers could be doing more to improve their green credentials. The figure also passed the three-quarter mark in Canada and Sweden (both 76%), while 75% of those in the Netherlands and 74% in Germany had similar concerns.**
- **The U.S. was the lowest in terms of those who said their employer could do more to improve its green credentials at 59%.**

# THE LINK BETWEEN SUSTAINABILITY & EMPLOYEE RETENTION

The T&L industry cannot afford to overlook sustainability. Beyond increased scrutiny from governments, activists, regulators and customers, employees may be ready to walk out the door. For example, **50%** of frontline workers said they would leave their jobs if their employer was not doing enough to protect the environment.

This sentiment was highest in Mexico (**70%**) then Germany (**69%**) and followed by Japan (**58%**), Sweden (**56%**), Australia (**55%**) and Canada (**54%**). Green credentials are not just critical for those who currently employ a T&L professional; **61%** said it's also very important as they consider future employers.

However, more than half (**54%**) said they believe sustainability policies will make their jobs more difficult, and **63%** said being greener is harder in the T&L industry. Providers must therefore take care to deploy technology in a way that reduces friction while achieving greener results at the same time.

The use of tracking technology resurfaces as a potential help, with **74%** suggesting it could improve a T&L provider's green credentials. This was even higher in Germany at **81%**. Right now, **82%** said their firm is focusing on more efficient deliveries, while **63%** are automating manual processes.



# CONCLUSION



Inefficiency and limited visibility into device performance and connectivity can directly impact company performance, employee morale and customer satisfaction. The research underscores the urgent need for the industry to leverage suitable tools that support devices and applications remotely throughout the entire supply chain.

Mobile technology has become necessary in today's fast-paced world. From enabling seamless team communication and replacing complex operations with streamlined applications to managing shipments and deliveries internationally.

Whether it is a company awaiting a shipment of raw materials or consumers looking for a package on their doorstep, T&L providers are judged by how often deliveries arrive on time. They need to operate with high productivity, efficiency and demonstrate a level of consistency and accuracy that strengthens customer trust.

Mobile device challenges going on in the background can lead to lower customer satisfaction (CSAT) and Net Promoter Scores (NPS). Additionally, customers may be inclined to switch to a competitor. The data also shows that downtime and delays – along with green credentials – could affect whether providers keep their best talent.

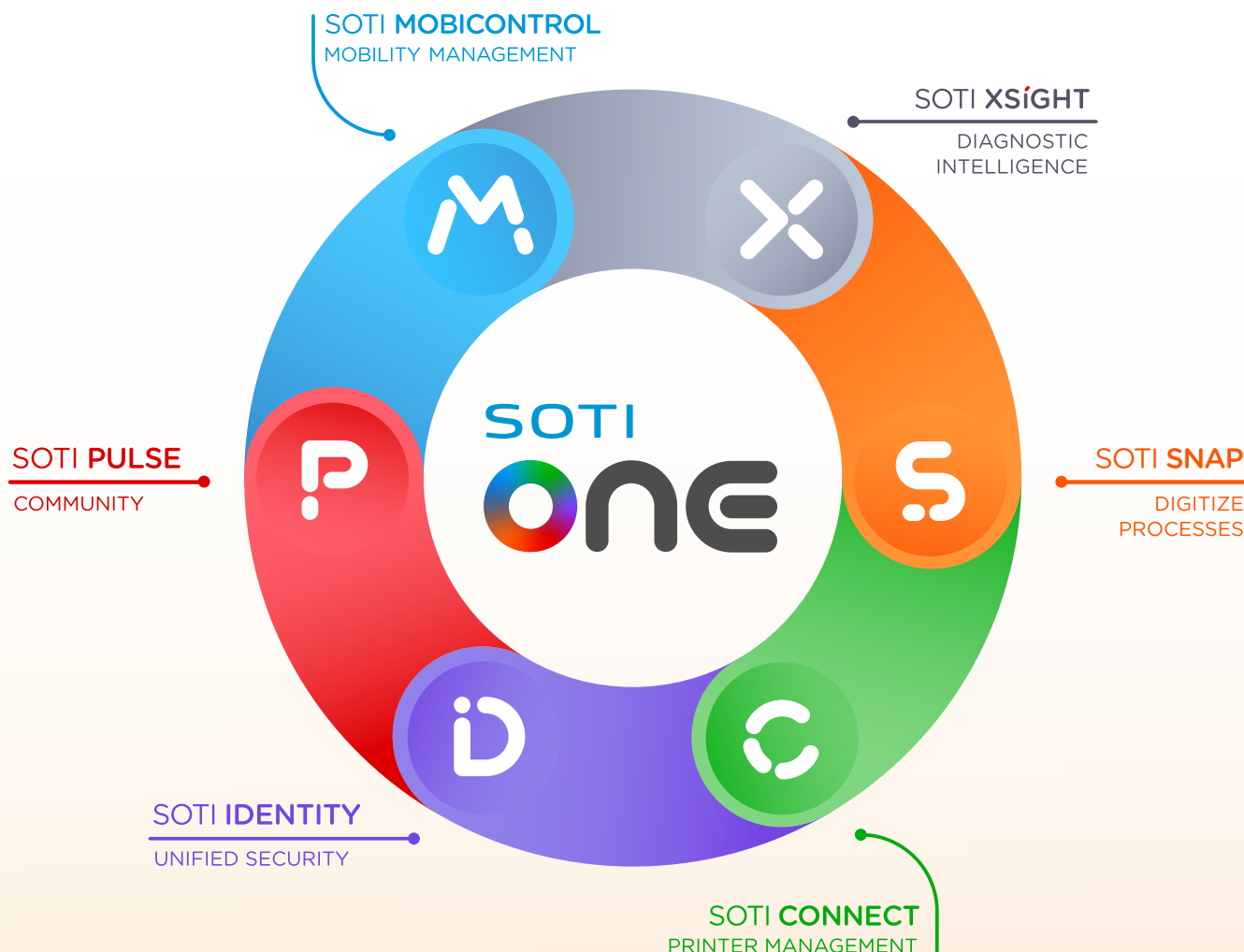
The good news is that solutions are readily available. T&L providers can use these findings to better understand industry trends and identify key areas for improvement. By addressing fundamental issues, the industry can unlock substantial benefits.

Committing and reporting on sustainable goals is a strategic necessity, as both employees and customers value green practices. Optimizing mobile devices for efficient route planning that demonstrates a reduction in gas emissions enables T&L organizations to enhance their green credentials and brand reputation.

Empowering frontline workers with dependable mobile devices can transform their work experience, reduce stress and enhance productivity, which is crucial for delivering high-quality service. Let's embrace this opportunity to drive a digital transformation in T&L, ensuring each delivery is a step towards a more connected, efficient and sustainable future.

# ABOUT SOTI

SOTI is a proven innovator and industry leader for simplifying business mobility solutions by making them smarter, faster and more reliable. With SOTI's [innovative portfolio of solutions](#), organizations can trust SOTI to elevate and streamline their mobile operations, maximize their ROI and reduce device downtime. Globally, with over 17,000 customers, SOTI has proven itself to be the go-to mobile platform provider to manage, secure and support business-critical devices. With SOTI's world-class support, enterprises can take mobility to endless possibilities.



## TO LEARN MORE:

For additional information on how SOTI can set your business up for success, [click here](#).

To learn more about the SOTI ONE Platform, [click here](#).

To find out how SOTI can help with your mobile investments, contact us today at [sales@soti.net](mailto:sales@soti.net).

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