LOGISTICS SERVICE PROVIDERS (LSPs) | Challenges, Successes & Tactics of Market Leaders

Plugging in to the Global Opportunity

GLOBAL GDP GROWTH (ANNUAL %) VERSUS GROWTH RATE OF LOGISTICS SERVICE PROVIDERS

The growth rate of freight forwarders and customs brokers exceeds the growth of global GDP.

Macro Trends Matter

Now more than ever, global logistics trends are impacting the industry’s bargaining power and have further driven up competition.

Freight rates 1,000 (USD/DAY) vs. Crude Oil Prices (USD/BARREL)

Freight rate drop coincides with a drop trend in fuel prices.

Air Freight Volumes (Freight Ton Kilometers/Month) (USD, Billions)

Competition for the best rates is high as the air freight industry rebounds.

Balancing profitability with operational excellence

1. Layer-On Services
   Respond swiftly to the evolving needs of the customer with diverse options and new technology to maintain value.

2. Optimize Known Trade Lanes
   Maximize existing profitable, yet competitive, trade lanes, and keep an eye on bellwether goods and market trends.

3. Achieve Focused Local Excellence
   Develop niche specialities in parallel with a global strategy of superior, localized service and a world-class customer experience.

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