



SUCCESS STORY

Gazing into the Crystal Ball

How NG.network manages volume fluctuations in general cargo

Stalled shipments are a common sight in general cargo or groupage warehouses. It's easy to manage them when workloads are normal, but when transport volumes approach capacities, they can become a serious problem. The situation has been exacerbated by the extreme volume fluctuations, supply chain disruptions, and health-related staff shortages of recent years. Businesses that wish to avoid exceeding their capacities or even jeopardizing their profitability or that of their customers should double-down on slow-moving inventory rather than simply pushing it aside. The "New Groupage Network" NG.network manages this task with a new software solution—and is finally obtaining reliable forecasts of shipping volume trends so that capacities can be right-sized before it's too late.

Challenge

The existing system and resources were not always adequate to manage the challenges of recent years. NG.network wanted a predictive data analytics solution to improve the stability of its network and prevent any resources from running dry. The solution needed to pay particular attention to slow-moving inventory, which can be both a cause and an indicator of problems in general cargo shipping. Not only does it take up valuable warehouse floorspace, it also reduces the number of incoming shipments. That's why part of the objective in finding a new software solution was ensuring that not a single package remains in the warehouses at the end of each day.

NG.network

NG.network is an alliance of 48 medium-sized regional companies. The network's approximately 10,000 employees moved more than 2.8 million metric tons or 7.16 million domestic shipments with a fleet of 6,000 trucks in 2021.

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Solution

The Supply Chain Suite (SCS) essentially gives NG.network a crystal ball, pooling all the key criteria from the past six years and leveraging this historical data with current data to generate forecasts of future shipping volumes at the network's sites. The pooled data includes reported capacities and scheduled shipments for each company along with volume limits, internal billing data and quality statistics, transport schedules between sites, and shipping volumes outside NG.network. The software crunches all this data to calculate the trend of key performance indicators. Warehouse operators can then recognize whether a site's performance is meeting expectations when it comes to consignment numbers, weight, and space requirements. One special feature is a digital map that uses color codes to indicate in real time whether and where bottlenecks or even significant shortages of transport capacities are expected in the near future. This makes it possible to boost capacities to the necessary level weeks in advance.

Success

The Supply Chain Suite offers a degree of visibility that is unusual, especially for logistics networks. This is especially true if network partners are also active in other freight forwarding networks.

That's why the NG.network solution also anonymizes the data of the network partners it pools, maximizing the reliability of the forecasts and data analytics.

The Supply Chain Suite is bringing a paradigm shift to NG.network, permanently changing the character of the alliance from a simple distribution platform to a centralized, data-driven, consistently high-performing network.

"Data analytics is poised to become the key element helping us maintain a stable network despite unforeseen circumstances and lead the market in quality."

Stephan Opel
Managing Director
NG.network GmbH

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