



Buy the report today
for £1295
[www.ti-insight.com/
product/global-
contract-logistics/](http://www.ti-insight.com/product/global-contract-logistics/)

Global Contract Logistics 2019 - Market Report

Global Contract Logistics 2019 examines key trends in contract logistics and 3PL operations and provides analysis and evaluation of future practices expected in the industry. It contains in-depth analysis of the EV supply chain and makes forecasts about how logistics solutions for this sector will change. The report also looks into the use of benchmarks and KPIs used to measure efficiencies of warehouse operations.

In addition, Ti has ranked the leading contract logistics providers on both a global and regional basis (Asia Pacific, Europe and North America), and provides the market shares of these providers based on Ti's bespoke contract logistics market sizes.

This report contains:

- Market sizing including 2018 actuals, projections for the full year 2019 and 5-year CAGR growth rates 2018-2023
- In-depth analysis of the changing nature of the EV supply chain and a case study of VW's supply chain management processes
- Analysis of the benchmarks used to measure efficiencies and performance of warehouse operations
- Profiles of major contract logistics providers and rankings of the biggest players
- 2018 logistics market sizing for the pharmaceutical sector
- Insight into technological developments affecting the contract logistics industry

A sneak preview

2.2.12 Major pharma markets

2.2.12.1 China

China is really in a category of its own when it comes to healthcare logistics investment. This is more complex picture than it first appears. The Chinese healthcare market is very large – certainly the second largest in the world – and growing rapidly. It is, however, an opaque market with the lines of responsibility in terms of purchasing items such as pharmaceuticals often blurred.

There has also been a change in the nature of healthcare provision. Previously with a focus on basic healthcare and the provision of pharmaceuticals, demand is shifting towards longer-term care driven by the dramatically aging population and the better healthcare awareness of the younger population. The reforms of the healthcare system have resulted in a decentralisation of purchasing to provincial level, again complicating marketing and purchasing operations. Much of the reform has been driven by a desire to increase access to healthcare in rural areas and upgrade the country's hospital system and other primary care facilities.

This has an impact on the provision of healthcare related logistics provision. There is a bifurcation between products sourced from global producers and locally produced products. The former find it more difficult to penetrate the systems purchasing system. Price is a major issue in purchasing. Therefore, the proportion of the pharmaceutical market that will be taken by globally sourced products may be less – unless the Chinese change their preferences and opt for higher quality, more expensive drugs. The reforms also help control prices, with drug pricing managed an Essential Drug List (EDL) and a National Reimbursement Drug List (NRDL). Both listings are subject to manufacturers offering substantial discounts, with the NRDL offering access to a vast population in return.

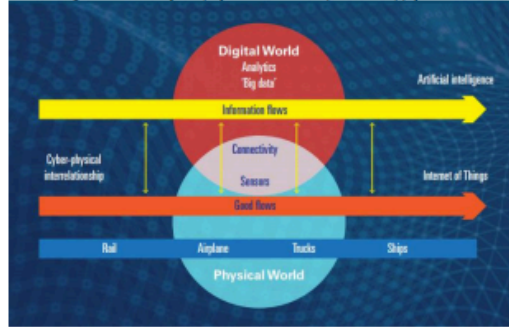
Figure 2.16 Major pharmaceutical industry parks in China



Source: Ti

All this has a major impact on the nature of logistics provision.

Figure 4.1 The Cyber-physical relationship in the supply chain



4.1.2 Big Data and AI

The ubiquitous nature of low-cost sensors has led to the rise of big data. The trillions of data points which are now being generated mean that the availability of information is no longer a problem. However, the challenge remains to be able to use such high levels of data to make informed decisions. Cloud-based control towers, which monitor and manage supply chain activity, are a step towards utilizing this data. They can deliver complete visibility from planning, operational performance monitoring, track and trace, event management to statistical analysis of shipment volumes. However, on their own they are insufficient. The potential of big data can only be exploited by removing human involvement from the decision-making process. Humans are just no longer capable of analysing the overwhelming levels of data which are being generated. This is where AI becomes critical.

AI is a broad concept, traditionally conceived as "the capability of a machine to imitate intelligent human behaviour. AI within the current commercial context is now broadly accepted as a term to convey a machine capable of performing tasks that would formerly require human intelligence, such as visual perception, speech recognition, decision-making, and language translation. For a machine to be artificially intelligent, it may be informed by human reasoning, but it does not necessarily need to function in the same way.

A fundamental component of AI is machine learning, a term which informally is defined as "the field of study that gives computers the ability to learn without being explicitly programmed". For example, through this process, a computer can "learn" to distinguish a dog from a cat by learning from a data bank of thousands of categorized images and respond to human corrections to build an association between the data.

To leverage the benefits of AI, it is first necessary for the computer in question to have access to vast amounts of data, which is where big data becomes relevant. Moreover, in understanding the analogy of big data as the "fuel" for an AI "engine", it is also important to recognize the significance of the IoT as a means of generating useful data to be analyzed. As these technologies progress and mature, they would be increasingly embedded within a mutually supportive ecosystem, which operates and improves physical and virtual networks, such as supply chains.

Table of contents

1. Key findings	3.7 Alternative Warehouse Operation Assessment Method	5.2 Asia Pacific Contract Logistics Market Size & Forecast
2. Contract logistics developments	3.8 Conclusion	5.3 Europe Contract Logistics Market Size & Forecast
2.1 Transport for Electric & Digital Vehicle production	4. Technology	5.4 Middle East & North Africa Contract Logistics Market Size & Forecast
2.1.1 Supply Chain Geography	4.1 Internet of Things (IoT), Big Data and Artificial Intelligence (AI)	5.5 North America Contract Logistics Market Size & Forecast
2.1.2 Supply Chain Process	4.1.1 Supply chain inventory management	5.6 Russia, Caucasus and Central Asia Contract Logistics Market Size & Forecast
2.1.3 Information rich transport planning	4.1.2 Big Data and AI	5.7 South America Contract Logistics Market Size & Forecast
2.1.4 Less dedicated & more open	4.1.3 Logistics applications of AI	5.8 Sub-Saharan Africa Contract Logistics Market Size & Forecast
2.1.5 Winners & Losers	4.1.4 Outlook	6. Providers
2.1.6 A word about batteries	4.2 Robotics	6.1 Top 10 Players and Market Shares
2.1.7 Platforms and Supply Chain Management in Electric Vehicles: VW's MEB case study	4.2.1 Types of robots	6.1.1 Global
2.2. Pharmaceuticals Market Structure	4.2.2 Robots in logistics	6.1.2 Asia Pacific
2.2.1 Healthcare Spending	4.2.3 People versus robots	6.1.3 Europe
2.2.2 Trade Dynamics	4.2.4 What will be the future role of the logistics provider?	6.1.4 North America
2.2.3 Trends in Pharma	4.3 Blockchain	6.2 Providers
2.2.4 Drivers of growth in Healthcare & Pharmaceuticals	4.3.1 What is needed to achieve the state proposed?	6.2.1 CEVA
2.2.5 Pharmaceutical Logistics Market Sizing 2018	4.3.2 What are the risks?	6.2.2 DB Schenker Logistics
2.2.6 Factors affecting pharmaceuticals logistics spend	4.3.3 What are the opportunities?	6.2.3 DHL Supply Chain
2.2.7 Forecasting the market for pharmaceutical logistics	4.3.4 What barriers may limit adoption?	6.2.4 DSV
2.2.8 Pharma approach to Purchasing and Managing Logistics	4.3.5 What is the potential for these innovations to be in place in 2030?	6.2.5 Geodis
2.2.9 Clinical Trials Logistics	4.4. Digital Logistics Marketplaces in the warehousing sector	6.2.6 Hitachi Transport System
2.2.10 Biologics	4.4.1 Pros and Cons of 'On-demand' Warehousing	6.2.7 Kuehne + Nagel
2.2.11 Regulatory impact on logistics	4.4.2 Case Studies of On-Demand Warehouse Providers	6.2.8. Nippon Express
2.2.12 Major pharma markets	4.5 3D Printing	6.2.9 Pantos Logistics
2.3 A new retail era	4.5.1 What is needed to achieve the state proposed?	6.2.10 Ryder
2.3.1 Retail in the US	4.5.2 What are the risks?	6.2.11 UPS Supply Chain
2.3.2 Emerging Market retail	4.5.3 What are the opportunities?	6.2.12 XPO Logistics
3. Warehouse Operations Benchmarking	4.5.4 What barriers may limit adoption?	6.2.13 Yusen Logistics
3.1 Why Is Measurement Important?	4.5.5 Adoption by industry sectors	
3.2 What Are The Key Benchmarks?	4.5.6 What is the potential for these innovations to be in place in 2030?	
3.3 Using Benchmarks Effectively	4.6 Summary	
3.4 The Implications of Inefficient Operations	5. Global Contract Logistics Market Sizing	
3.5 The Problem With Benchmarks	5.1. Global Contract Logistics Market Size & Forecast	
3.6 How Can Performance Be Improved?		

Frequent purchasers of this report

- Global retailers
- Banks and financial institutions
- Marketing managers
- Supply chain managers and directors
- Logistics procurement managers
- Knowledge managers
- Investors
- All C-level executives
- Supply chain analysts

Buy the report today
for £1295

[www.ti-insight.com/
product/global-
contract-logistics/](http://www.ti-insight.com/product/global-contract-logistics/)