

Rail freight: How to increase your productivity by 30% by digitising your operations

A guide to digitising rail freight for industrial shippers



Rail freight in Europe: the state of play

In Europe, rail freight accounts for 18% of modal share. The use of rail for freight transport varies greatly from one European country to another. In France, rail's modal share is 10%; in Germany it is 18%; and in Switzerland and Austria it is over 30%. All are aiming to increase the rail share of their freight transport.

This disparity between countries is not solely due to rail infrastructure. Germany and France each have one of the highest levels of rail freight traffic in Europe, with 123 and 36 billion tonne-kilometres respectively. Yet, for example, France uses only half of its rail capacity.

This delay can be explained by the sector's lack of digitalisation. Rail remains one of the least digitised modes of freight transport, making it an unviable option for industrial shippers. Indeed, rail freight suffers from a bad reputation, often linked to this lack of digitalisation:

- Lack of visibility of freight trains once they leave the factory, with arrival times that are too approximate and not always respected.
- Difficult, asynchronous coordination between all the parties involved
- Need for a larger fleet than necessary to remedy any problems that may arise
- · Little flexibility in transport planning



Railway undertakings only commit to a departure time for their trains, not an arrival time.

However, increasing the use of rail for their freight transport is now a priority for many industrial shippers, in particular to meet their obligations to **reduce their** carbon footprint and to anticipate the additional costs associated with a possible carbon tax.



Digitising rail freight: what it means for your logistics teams

Digitalisation, yes, but why? Let's focus on the benefits of digitisation for three key members of your logistics teams: the Planning Manager, the Operations Manager and the Supply Chain Manager.



Planning Manager

- Simplify planning by centralising and digitising all the constraints inherent in transport (cost, security, availability of inventory, availability of loading/unloading sites, etc.).
- Strengthen collaboration with all stakeholders and reduce the time spent on the telephone, sending emails and faxes, and exchanging Excel schedules.
- **⊙** Optimise each transport operation using artificial intelligence to help the scheduler make the right decisions.



Operations Manager

- **⊘** Facilitate the monitoring of transport operations with real-time tracking of trains and wagons in transit.
- ⊗ Benefit from complete visibility over the route, and an ETA that updates itself according to the hazards taking place on the rails.
- **⊘** Be proactive with real-time incident alerts.
- Automatically generate your consignment note, so you can spend more time on higher value-added tasks.





Supply Chain Manager

- To have a global, centralised view of the performance of its transport operations, and the performance of its partners, in order to optimise the supply chain as a whole.
- **⊘** Reduce the time spent on Excel and a myriad of different documents, and benefit from **KPIs** directly available on a single digital platform.
- Be able to **challenge your partners with quantified KPIs** to make your joint work as fruitful as possible.
- **⊘** Reduce costs by optimising transport and reducing the size of the wagon fleet
- **⊘** Be able to base decisions on verified facts and figures.

Digitising its rail freight operations guarantees short, medium and long-term results in a number of key supply chain areas: transport visibility, cost reduction, lower CO2 emissions, operational efficiency and customer satisfaction.



5 KPIs instantly improved by rail freight digitisation

1

Better visibility of trains for improved logistics performance

With the digitisation of rail freight and real-time tracking of its movements, the days of sleepless nights wondering whether your transport will arrive on time are over. Thanks to GPS sensors on the wagons and information supplied by the railway companies, the progress of the wagons throughout their journey can be tracked by map. In the event of unforeseen events (delays, incidents, etc.), an alert is sent to the logistics teams to notify them of the situation and enable them to respond promptly. In addition, the ETA is updated in real time, so that you always know when your shipment will arrive at its destination.

2

2 Favour rail to reduce your carbon emissions

It's a rather logical equation: modal shift from road to rail has a positive effect on your carbon footprint. A freight train emits 9 times less CO2 than trucks, and consumes 6 times less energy*. When you consider that a freight train represents an average of 40 trucks, all you have to do is do the maths and see for yourself the colossal carbon savings possible by using rail.

Digitising rail freight makes it easier to access, and encourages its use for your transport needs. What's more, centralising all your data and transport on a single digital platform means you can easily benefit from KPIs that highlight the carbon savings made by using the train. It's never too late to make the most of your efforts.



Did you know?

A freight train emits 9 times less CO2 than a lorry, and consumes 6 times less energy.

 ${\rm *Source:}\ https://www.sncf-reseau.com/fr/le-reseau-de-demain/doubler-le-fret-ferroviaire$



3

Reducing costs by optimising transport

Greater visibility of transport operations, coupled with optimisation, is leading industrial shippers to reduce the size of their wagon fleets by an average of 10%. This fleet reduction makes a major contribution to the cost savings achieved by a company that has digitised its rail operations.

Digitalisation also means time savings for teams and greater productivity on their part, both of which have a positive impact on your transport budgets. Last but not least, transport penalties can be reduced by optimising journeys and the fleet, and by keeping track of costs on the same digital platform.

10%

reduction in the size of the wagon fleet thanks to the digitalisation of rail operations, enabling greater visibility and greater optimisation of transport.



More motivated, productive and fulfilled logistics teams

Digitalising rail operations means better teamwork both within the company and with external partners. By monitoring information in real time, every member of staff can work more efficiently and react proactively to any alerts. There's no longer any need for countless Excel files, or multiple phone calls: the platform is collaborative, facilitating communication between all stakeholders and giving everyone centralised access to information. As a result, the entire supply chain becomes more agile and efficient: on average, thanks to optimised work processes, there is a 30% increase in productivity.

On average, thanks to optimised work processes, productivity is up by 30%.



5 Greater customer satisfaction

Unsurprisingly, customer satisfaction is adversely affected by late deliveries, especially if they are not notified. By centralising information and monitoring it in real time on a digital platform, you have an accurate ETA for each shipment, which changes in real time as the journey progresses. An ETA that you can send directly to your customer, or that they can track themselves on the platform. This gives them greater transparency over their orders and enables them to take preventive measures in the event of incidents. This kind of visibility guarantees greater customer satisfaction and better SLA performance.

Are you ready to digitise your rail freight operations?







Talk to one of our experts to start digitising your rail freight operations.





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