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Logistics Indicator in Q2 2017

Less optimistic expectations in a stable market

Major potential, but slow use of digital platforms

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The signal sent out by the logistics sector in the early summer of 2017 is an unexpected one: following the euphoric mood at the leading "transport logistic 2017" fair in May, the German logistics climate has cooled off slightly in the current quarter but is still over 30 points above the neutral line – and therefore clearly in the expansive corridor.

The observations made by the users of logistics services in industry and trade have a significant influence on the mood in the sector. They say that capacity utilisation is down slightly, that the demand for logistics services is slowing, and that the current economic situation is not quite as good as it was. Their business expectations for the coming 12 months reflect a certain concern over the German economy – accompanied by optimism with regard to cross-border logistics. In contrast, all current assessment indicators for the logistics service providers show a modest improvement. Capacity utilisation and the current business situation have improved since the previous quarter, as has the volume of incoming domestic orders. Nevertheless, there is a lower willingness to take on new personnel, both among the logistics service providers and in industry and trade.

The short-term expectations for the coming quarter are mixed, as optimists and pessimists with regard to the development of business during the next three months are present in more or less equal numbers. Both sides of the market agree that stimuli from domestic business will not be as dynamic as in the previous quarter.

At almost the same time as the survey for the Logistics Indicator in Q2 was completed, the OECD announced that the German economy is still on course for stable growth. What is the explanation for this difference in outlook? The EU is still in search of a new equilibrium and long-term stability. The political and possibly also economic relationship with the USA, an export market of paramount importance, is currently shifting in an unpredictable way. The relationship with Turkey poses similar challenges. And last not least, a new parliament will be elected in Germany in three months' time, possibly followed by economic and social policy decisions that companies will have to take into account. Fake news and "alternative facts" explain the rest.

We are once again seeing this "perceived uncertainty", which we cannot sustainably overcome through our own efforts. But waiting to see what happens is the wrong approach, especially in the highly dynamic era of the digitisation of supply chain management and logistics. A better strategy is for companies to devote energy and key skills to the development of future business. Why, for example – as illustrated by the answers to the special question for the Logistics Indicator – are the majority of transactions in the logistics sector still handled on analogue platforms and not digitally? Redoubling our efforts in this area is an investment in the future: "Think Different – Act Digital" is the 2017 theme of BVL and also the theme for the 34th International Supply Chain Conference in October in Berlin. It's time to join the game.