



TECHNOLOGY LEADER

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Cloud control

Software as a Service (SAAS) is revolutionising the way the supply chain works, says Deltion, offering greater visibility and transparency

Outsourcing of logistics services began to develop on a large scale more than 30 years ago in the UK when major retailers and manufacturers wanted to concentrate their investment in their core businesses and leave what they saw as non-core activities to specialists.

They were able to identify economies of scale, wider scope of activities and leaving the 'tricky jobs' to people whose day job it was. The fundamental principle of outsourcing supply chain activities remains valid today and is still on an upward trend.

The communication revolution and online ordering of goods and servicing has led to

the widespread use of the internet, mobile technology, social media and cloud services across the globe.

In this environment, immediacy of response is now taken as a prerequisite for good business practice and this has led to a need for transparency of activities throughout the supply chain. The one constant in this revolution is that every order needs a physical delivery and transport costs remain a major headache for supply chain managers and directors.

During the past 20 years, the widespread use of transport management systems (TMS) has allowed shippers to provide visibility through their supply chains and improve customer services. Typically, they have developed as hosted solutions that enable companies to organise, plan and manage all their transport operations in one system.

These systems are then able to integrate with other company systems to ensure that full visibility is available in a single company environment, from collection of supplies and through to delivery of products.

However, this is not fit for purpose in the current market environment, where customers require a higher degree of visibility and control across their supply chains. Systems are required that can enable visibility of product from suppliers in the Far East through to delivery to final end user customers, so that service delivery promises can be confirmed to have been completed.

Outsourcing of computer services and systems has been resisted and in-house bespoke or enterprise level solutions have been chosen to provide a semblance of visibility across business activities.

Now it is quite possible to outsource TMS solutions via Software as a Service



The power of SaaS: Traditional visibility (top) versus required visibility



Outsourcing your TMS has several clear advantages:

- High adoption: access is available via use of a web-browser on any device, anytime, anywhere
- Lower initial costs: no licence fees or IT Hardware and infrastructure required
- Painless upgrades: undertaken by the vendor and released to users once it has been confirmed to work
- Seamless integrations: providers have APIs to assist with the integration with existing ERP systems
- Scalability: there are no limits to the increasing the size of deployment of any SaaS system
- Easy to test Proofs of Concept, because SaaS systems have best practice elements available to test.

Utilising a SaaS approach providers can deliver systems that will allow customers to:

- View orders from any number of suppliers across the globe
- Coordinate transport via any number of different modes and regions
- Manage all transport providers to deliver best value solutions
- Catalyse collaboration between parties for the benefit of all parties
- Ensure that service delivery promises are fulfilled.

The delivery of these solutions is very easy for customers, as the SaaS TMS provider will:

- Develop the platform from which the TMS can be provided and customers can access the service
- Manage any and all IT infrastructure, whether software or hardware so that the required service is delivered for all stakeholders involved in any operation
- Deliver an easy-to-use, scalable and fully functional TMS system.

(SaaS), delivered via a web browser and systems that reside on the 'Cloud'.

In a hosted environment the customer buys a solution and the effective operation of that solution is the responsibility of the customer. The customer is expected to have the hardware and software together with IT people who can maintain the IT infrastructure required.

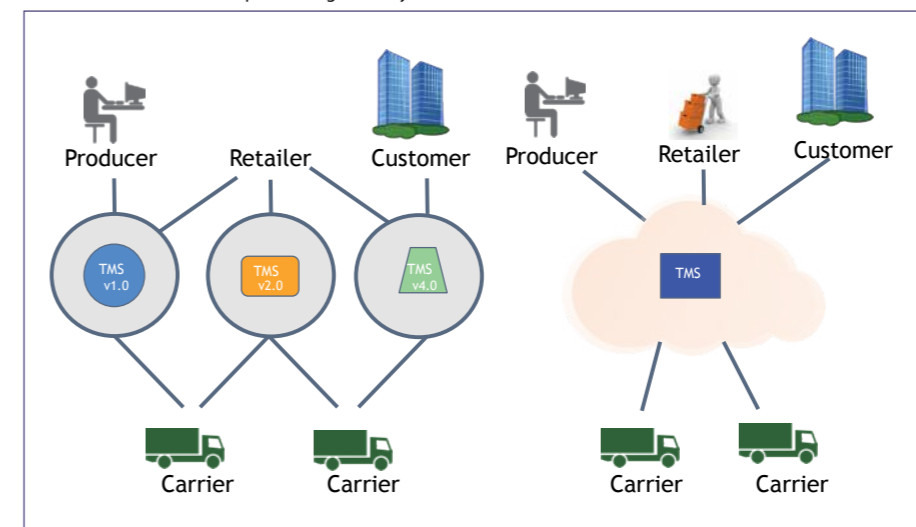
However, in a SaaS environment the customer is buying a service and the delivery of the service to agreed service level agreements is the responsibility of the

service provider.

"One of the greatest benefits of SaaS is that it minimises risks for customers," said Deltion Chief Executive Piyush Shah, who has pioneered SaaS solutions in the logistics sector over the past 20 years. "SaaS service also includes any and all integration, whether with internal or external systems and also providing effective access for all stakeholders via a web-based interface."

From a transport perspective, a TMS system can be the glue that joins together disparate supply chain systems in an

Traditional versus SaaS Transport Management System



organisation. With a SaaS TMS system it is much easier to achieve uniformity of activities across an organisation, and correct dashboard reporting will ensure complete visibility and transparency can occur throughout the supply chain.

Rather than a loss in functionality when implementing a SaaS system there are improvements in the way information is entered, collated and distributed to all those stakeholders who need it.

CarrierNet is Deltion's cloud computing solution for transport and logistics management, collaboration and visibility and supply chain event management.

The use of CarrierNet in a SaaS environment has meant customers have not spent any money on IT hardware support and have gained wider access scalability and flexibility to change operations. This approach provides the platform for third party organisations (e.g. suppliers and transport sub-contractors) to undertake fully all transport business in the CarrierNet environment, extending the visibility in the supply chain for everyone.

Piyush Shah says that while there have been rapid technical advances, most companies are still adopting traditional commercial buyer-seller relationships in the IT services arena. "The risk still resides totally with the buyer, i.e. 'caveat emptor'. We believe commercial relationships in today's customer-in-control environment should be more of a partnership approach."



Piyush Shah was at the forefront of the SaaS movement

FACT FILE

- Deltion pioneered SaaS TMS solution in the UK
- £3m ongoing recurring revenue
- Strong development and support, with UK-based customer service team
- Award-winning solutions
- Blue chip customer base