

## Looking outside: external data



Last time I wrote about data collection from within your own operation, but most projects also need an element of external data and this will be increasingly important post-Coronavirus, whenever that is. So where's best to look? The types of project I'm talking about here could be one-off studies to justify or reduce risk in capital expenditure projects that take you into new territory. But, equally, they could be taking the day job that little bit further – benchmarking with the aim of making savings and/or controlling cost, getting ready for negotiations with logistics partners or budget reviews.

It's often about providing a context, particularly when looking into the future, which also often requires looking backwards so you can see the trends. I use this sort of data for feeding into models so clients can make logistics decisions. You might be using external data to put a tick in the box to say that your costs are in line with the rest of the logistics industry or help you to question and understand why your business is different.

If you're undertaking a one-off project you could require information on property in areas where you don't currently operate or, perhaps, equipment costs. If you'd like to benchmark parts of your operation you may want to understand what other companies are paying in wages for particular levels. Or, if you're looking to review your budget, you might need to do some crystal ball gazing. Even if it's 'just' about the day job, there are always new areas to be considered, such as how the mileage range of electric vehicles could affect your logistics infrastructure.

There is plenty of market data available – country forecasts for growth, exchange rates, benchmarking reports, fuel prices, inflation indices, and all sorts of trade research.

### *Potential sources*

Potential 'free' sources include membership bodies as part of your benefits - CILT Knowledge Centre and IoD Business Information are often early ports of call for me. There's lots of material available on the web these days, but the CILT Knowledge Centre has some *very* good data if you want to

benchmark wages. And talking of information centres, the City Business Library and City of Westminster Reference Library are both free to join and you don't need to live in the borough – these can give access to online resources, including remotely, as well as up to date business journals.

The research arms of the industrial property companies publish some interesting insight articles and useful data, although remember that the intended audience will often be investors rather than logistics users.

There are several well-established tables of vehicle costs. If using a generally available price source for diesel, check whether it includes VAT and allow for discount if buying in bulk. And be aware when making use of publicly available rates for things like pallet and parcels networks, that any prices you'll see are not going to be negotiated, so again you'll need to make adjustments – perhaps speak to procurement or prospective suppliers about what the discount for bulk or regular use might be.

For inflation and price trends for budgets, and so on, The Office for National Statistics publishes a quarterly index called the SPPI, the Services Producer Price Index, which contains a number of price indices that are like the Consumer Price Index, only for B2B rather than for individual expenditure. It covers more than 40 areas, with half having the potential to relate to lines in a detailed logistics and warehousing budget.

### *Phone a friend*

I like doing research, but there are some areas where it seems very difficult to get information. I tend to squirrel away useful stuff as I see it, so that I can track things down when I need them, but these sources change all the time. In the past when I've been invited to speak at CILT forums or Multimodal, I've published lists of websites, but it's not long until the first link disappears or becomes out of date. Hence only talking about the principles in this article.

Don't be afraid to use your contacts - put a post on LinkedIn, ask your friendly trade association who might be able to help (thank you Cold Chain Federation!), email or phone a friend. Be prepared to share – I've got useful intel on more than one occasion in the past in exchange for doing a little analysis and sharing the results back. And I have particular contacts who I don't mind putting myself out for when they need something, as I know that they'll do the same for me!

In the next article I'll be sharing some tips using both internal company data and from external sources in building supply chain and logistics models.

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