

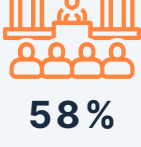
The State of the Industry: Supply Chain & Logistics in 2023

The complex world of supply chains and logistics is constantly evolving, and the state of these sectors in 2023 is no exception. With advancements in technology and changes in consumer behavior, the landscape of how goods are produced, transported, and delivered has shifted significantly.

This infographic provides a comprehensive overview of the current state of supply chains and logistics in 2023, highlighting the challenges to face, the innovations driving change, and the trends shaping the future of these critical sectors.

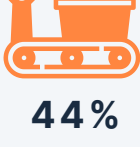
The Top Supply Chain & Logistics Challenges

Top supply chain issues according to supply chain leaders:



58%

report global political unrest is a top concern



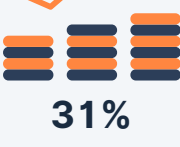
44%

state the cause is a lack of raw materials



40%

blame rising fuel and energy costs



31%

cite inflation as a main contributor

Truck Driver Shortage

The truck driver shortage currently consists of nearly **78,000 drivers**.

As the second highest level since 2021, the shortage has potential to surpass 160,000 by 2031.



44% of supply chain leaders believe the shortage will cause massive disruptions throughout 2023.

Cost of Transportation

As of January 2023, the national average price of diesel increased 1.8 cents to **\$4.622 a gallon**.



Diesel now costs **\$1.01** more than Jan 2022, and **\$1.98** more than Jan 2021.

Lack of Visibility Over the Supply Chain from End-to-End



Only **21%** of supply chain leaders believe they have good visibility over their supply chain from end-to-end.



Deadheading—the act of completing a trip without any freight—takes approximately **75 minutes** away from a driver's time per day.

Plus! Empty backhauls make up approximately **14.8%** of all miles driven annually.



The inability to access and vet all available carriers isolates businesses to more than **90%** of the available capacity and freight around the globe.

A Rise in Cybersecurity Attacks are Cause for Concern... and Enhanced Security Protocols

The **NCC Group** reports that cyber attacks on supply chains have recently increased by 51%.

82% of Chief Information Officers believe their organizations are vulnerable to cyberattacks specifically targeting supply chains.

~ **40%** of cyber threats are occurring within supply chains.

44% of organizations plan to increase their spend on supply chain cybersecurity in 2023.

only **32%** of supply chain management leaders feel “very confident” in their ability to respond quickly and effectively to a cyber attack.



Supply Chain Sustainability is No Longer a Nice-to-Have

77% of American shoppers are concerned about how the products they purchase impact the environment.

76% of consumers state they would rather switch preferred brands if it helped lower carbon emissions.

70%

of a companys’ total emissions come from Scope 3 emissions.

Thus, it’s understandable that today’s environmentally conscious consumers would prefer to make sustainable purchases.



Supply chain emissions are **11.4x** higher than operational emissions. This equates to about **92%** of a company’s greenhouse gas emissions.



To Meet Consumer Demand, 77% of Businesses will Prioritize Sustainability in 2023

Over **50%** of supply chain leaders, including corporate executives, buyers and investors, rate the level of pressure on their business to increase supply chain sustainability as high.

According to **CSCMP**, supply chain organizations have shifted their goals to focus on supply chain sustainability in the past three years, showing no signs of slowing down:

Prioritizing energy savings and renewable energy increased by

5%

The need to focus on climate change mitigation rose by

12%

Natural resource and biodiversity conservation increased by

10%

The desire for water conservation increased by

7%

End-of-life management and supply chain circularity increased by

9%



Gartner finds that “**74%** of supply chain leaders expect profits to increase between now and 2025 as a result of applying circular economy principles.”



Consensus: Supply Chain Optimization is a Must-Do in 2023

52%

of business leaders report their supply chains need “much improvement”(especially as nearly **60%** say they’ve recently seen a decline in revenue due to supply chain disruptions).

Global Supply Chain Optimization Goals for 2023

When it comes to supply chain optimization for 2023, supply chain leaders plan to:



74%

plan to implement new technology to overcome supply chain problems.



67%

plan to apply proprietary contingency measures.



60%

plan to leverage more U.S.-based supply chain optimization solutions.



58%

plan to enact sustainable supply chain solutions.

The **CSCMP’s 2023 Third-Party Logistics Report** states that more organizations will make “judicious decisions to **outsource [their] supply chain functions and processes to trusted 3PL partners.**”



By examining your entire logistics network and supply chain, LynnCo can offer a comprehensive solution that is 100% tailored to your company's needs.

Get in touch with us

About LynnCo

LynnCo is a leading player in supply chain analytics and operational solutions. For over 25 years, we have quietly built a leading supply chain platform of solutions and technology for high-growth companies. Proven across dozens of industries and hundreds of companies, LynnCo delivers supply chain value creation through CFO-level analytics, supply chain assessments, performance engineering, and transformational execution for companies of all sizes who are committed to a growth philosophy.

To learn more about LynnCo, please visit LynnCo.com.