



**SEC EXPORTS**

# **2023 GLOBAL WAREHOUSING & LOGISTICS SURVEY**



## **COLLECTIVE WISDOM**

This survey sought to capture the nuanced perspectives of those at the frontline of the Warehouse & Logistics sector, providing a comprehensive snapshot of the current state of affairs

# Executive Summary

In a world marked by rapid global market shifts and increased reliance on cross-border trade, comprehending the Warehousing & Logistics pulse is more vital than ever. The 2023 SEC Exports Global Warehousing & Logistics Survey was designed to capture this pulse, gathering insights from professionals within the industry to identify challenges, opportunities, and emerging trends.

The 2023 SEC Exports Global Warehousing & Logistics Survey was initiated against this backdrop, aiming to tap into the collective wisdom and experiences of industry practitioners. This survey sought to capture the nuanced perspectives of those at the frontline of the Warehouse & Logistics sector, providing a comprehensive snapshot of the current state of affairs and shedding light on the evolving trends shaping the future of international trade.

## Methodology and Respondent Demographics

The survey methodology involved a targeted online distribution among professionals including but not limited to the Oil, Mining, Gas and Agricultural sectors.

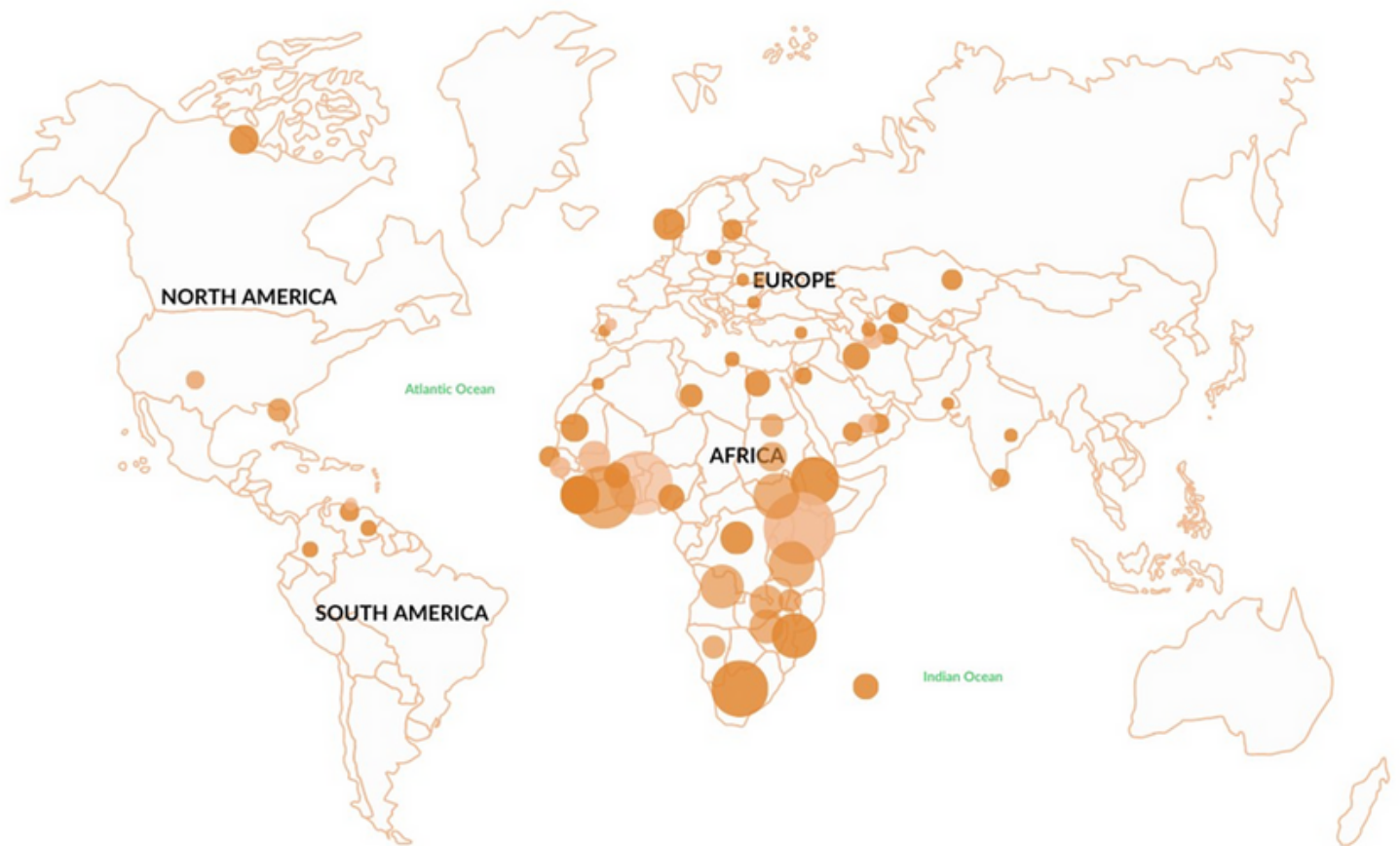
This approach facilitated the collection of insightful data, reflecting the nuanced perspectives of those directly engaged in the warehousing industry.

Our primary objective was to shed light on the issues resonating within our audience and discern the current landscape of challenges in the sector.



Furthermore, we explored the forward-looking perspectives of Warehouse Operators, with a significant 71% of respondents hailing from Africa, 16% from Central Asia, and the remaining participants representing diverse regions across the globe.

This global perspective offers a comprehensive view of how professionals worldwide perceive the future of the industry.



## Diverse Expertise: Roles Within the Sector

Our survey drew participation from a diverse range of roles within the Warehousing & Logistics sector, each contributing unique perspectives and expertise. Logistics, Operations, and Supply Chain Managers constituted the majority, representing 56% of our respondents.

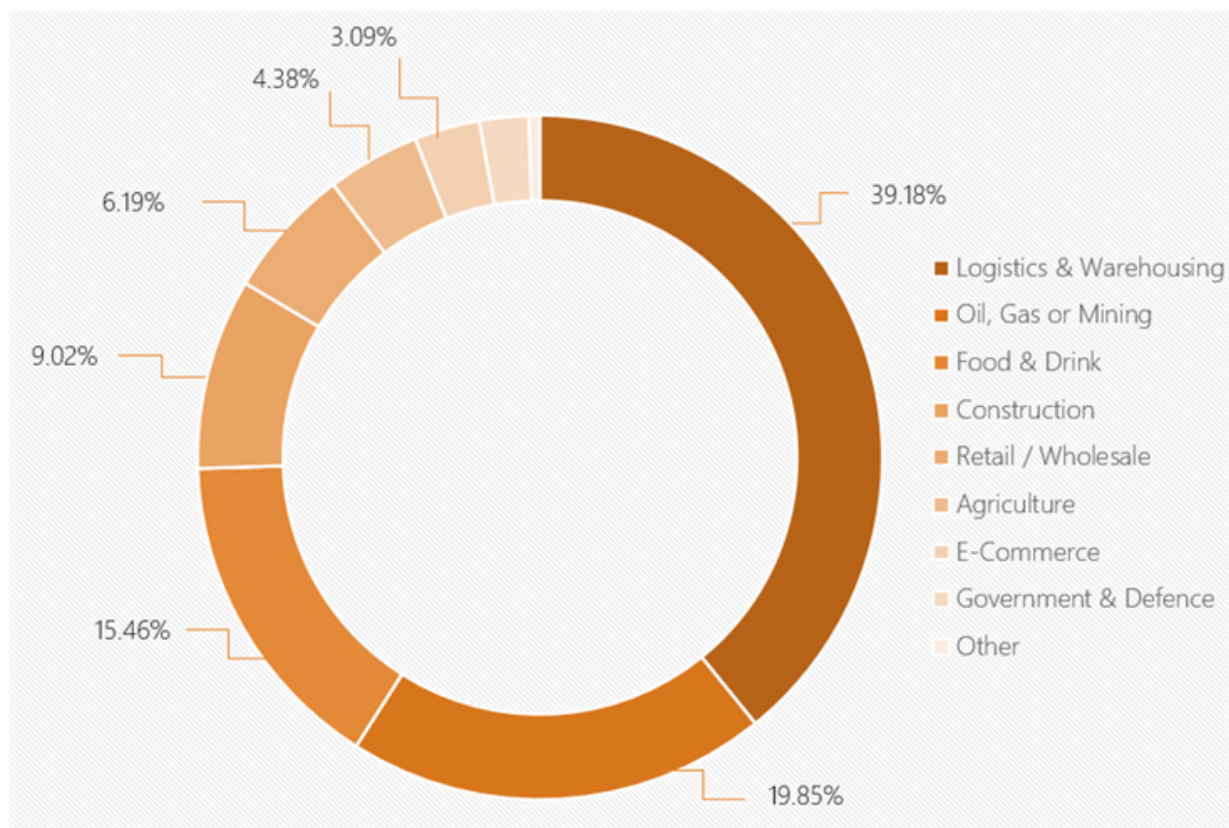
Their responses reflect a profound understanding of the intricate nuances of the end-to-end supply chain and the operational intricacies it entails. While Assistant Warehouse Managers comprised a smaller 5% of the total, their insights proved invaluable, providing an on-the-ground perspective critical to operational success. Warehouse Managers, making up a significant 22% of our survey sample, brought to the forefront the practical challenges and strategies emerging from the heart of warehousing operations.

Furthermore, the 'Other' category, encompassing 17% of respondents from various roles across the industry, contributed a rich tapestry of insights, adding depth and diversity to our survey findings.

## Sector Spotlight: Logistics and Warehousing

An intriguing revelation emerged from our survey, as 39% of respondents identified their industry sector as Logistics and Warehousing. This substantial representation underscores the significance of this sector within our survey's scope.

Their insights offer a deep dive into the specific challenges and opportunities within Logistics and Warehousing. To explore the comprehensive survey results, including insights from other industry sectors, please refer to the detailed graph below



Within the surveyed organisations, warehouse networks varied in scale and reach. Notably, a significant 27% managed small-scale networks comprising 2 to 3 warehouses, indicating a balanced approach between reach and operational control.

Furthermore, nearly a quarter (22%) oversaw mid-scale operations involving 4 to 5 warehouses, reflecting growth and market presence. A substantial 15% operated with 6 to 10 warehouses, signifying more intricate logistics infrastructures and broader market engagement.

Additionally, 22% managed large-scale operations with 10 or more warehouses, highlighting robust, potentially global distribution networks. This diversity in warehouse counts underscores the dynamic nature of the sector's operational landscape.

## Warehouse Networks: Scale and Structure

The distribution of respondents by the number of warehouses within their organisations provides intriguing insights into the sector's operational landscape. Notably, a significant 35% manage compact networks comprising 2 to 3 warehouses, indicating a strategic balance between reach and operational control. Furthermore, 20% of respondents operate with just a single warehouse, likely favouring streamlined operations within a concentrated geographical area.

A substantial 16% oversee mid-scale operations involving 4 to 5 warehouses, reflecting steady growth and market presence. Additionally, 10% manage entities with 6 to 10 warehouses, highlighting more intricate logistics infrastructures. Lastly, 8% of respondents oversee large-scale operations with 10 or more warehouses, emphasizing robust, potentially global distribution networks.

These findings showcase the diverse array of warehouse counts, reflecting the sector's adaptability and its capacity to cater to a variety of market demands.

## Adapting to Varying Warehouse Space Needs

A diverse range of warehouse space management scenarios emerged from our survey, reflecting the industry's adaptability to different operational needs. A notable 21% of respondents are at the helm of warehouse spaces larger than 10,000m<sup>2</sup>, indicative of large-scale logistics or storage businesses with extensive operational requirements. Additionally, 22% of respondents manage warehouse spaces ranging from 5,000 to 10,000m<sup>2</sup>,

demonstrating significant operational capacity suitable for medium to large enterprises. The majority, comprising 35%, oversee warehouse spaces between 1,000 and 5,000m<sup>2</sup>, indicating that moderately sized warehouses are a common choice across a broad spectrum of businesses.

Lastly, 16% of respondents are responsible for managing warehouse spaces smaller than 1,000m<sup>2</sup>, typically representing small business owners or those with more modest warehousing needs. These findings collectively underscore the sector's adaptability in catering to a wide range of warehouse space requirements.



## Operational Landscape: Warehouse Space Utilisation

The utilisation of warehouse space emerges as a significant concern within the industry, with varying degrees of capacity utilisation among operators. A notable 39% of surveyed warehouses operate at a capacity ranging between 70% to 90%, indicating a high level of usage nearing full capacity, which may lead to efficient storage but also necessitates careful inventory management.

Additionally, 23% of warehouses are filled between 50% to 70% capacity, suggesting a moderate utilisation of available space. On the other hand, 18% of warehouses operate at full capacity, potentially posing operational challenges such as storage limitations or a heightened need for inventory management. Furthermore, 9% of respondents indicate a need for more capacity, implying they are already over capacity and may require expansion or optimization to handle additional inventory efficiently.

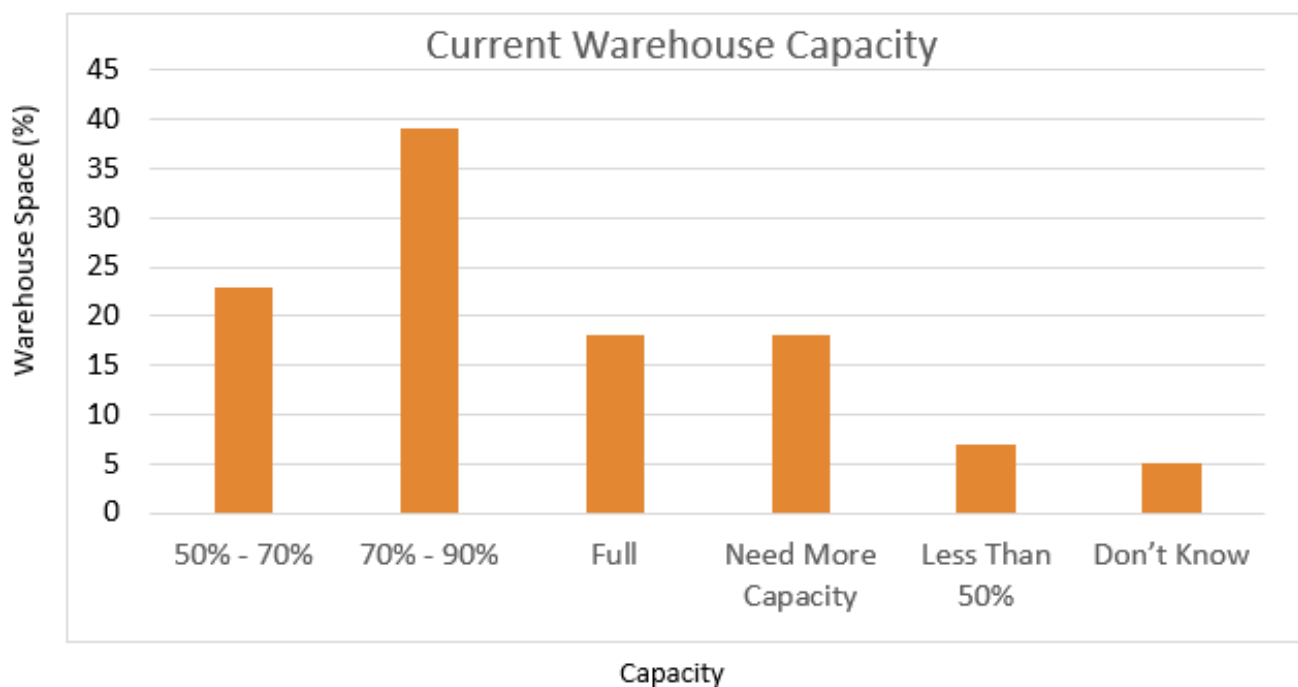
Conversely, 7% of warehouses are operating below 50% capacity, possibly indicating underutilisation of available warehouse space. Lastly, 5% of responses are unspecified, labelled as 'Don't know,' indicating a lack of data or uncertainty surrounding warehouse capacity usage. These findings illuminate the complex landscape of warehouse space utilisation.

## Perspectives on Warehouse Improvement

The spectrum observed among the respondents regarding the likelihood of making improvements to their warehouses paints a nuanced picture of the landscape of warehousing and logistics. It reflects a dynamic industry where different players have varying degrees of commitment and readiness for enhancement efforts.

The presence of a sizable 19% segment expressing very high confidence in achieving improvements signifies a significant group of proactive industry professionals keen on optimising warehouse operations. Moreover, the 24% who anticipate a high likelihood of improvements demonstrate a proactive approach, indicating a substantial portion of the industry is actively engaged in efficiency optimisation.

The 17% with a moderate outlook suggests a balanced approach to enhancement efforts, while the 9% and 12% expressing low and very low likelihoods may highlight specific challenges or reservations in some segments. Lastly, the 5% with the lowest rating serves as a reminder that not all warehouse operators are equally prepared or motivated to embark on improvement initiatives. This diversity of perspectives underscores the need for tailored strategies and support mechanisms to cater to the varied readiness levels and objectives within the warehousing and logistics sector worldwide.



## Storage System Preferences in the Industry

The survey revealed a diverse landscape of storage system preferences among respondents, with manual storage systems being the most popular (33%), highlighting a continued preference for traditional, hands-on storage methods. Multi-tier storage systems were embraced by approximately 15% of participants, indicating significant use of vertical space for footprint optimisation.

Automated storage systems showed moderate adoption at 12%, suggesting potential for further growth in automation technology within storage solutions. Bulk floor storage was favoured by roughly 20% of respondents for its accessibility, while high bay storage systems (7%) and single-storey storage systems (7%) represented less commonly used options, possibly reflecting niche applications or evolving preferences. Very narrow or narrow aisle (VNA) storage systems were the least common at 7%, indicating a trend away from this particular storage type or its specialised use.

These findings provide a comprehensive overview of the diverse storage system choices within the Global & Logistics industry, reflecting a wide range of operational needs and priorities.

## Prioritising Product Quality

The significance of product quality within the export sector was prominently underscored by the survey respondents. A substantial 54% rated product quality as of utmost importance, giving it a perfect score of 5/5. This emphasis on quality reflects the sector's commitment to delivering excellence in its offerings.

Additionally, 20% rated product quality as 4/5, further highlighting its central role in their operations. While the majority prioritised quality, a smaller but noteworthy 16% rated it as 3/5, indicating a balanced approach to product attributes. In contrast, only 5% rated it as 2/5 and another 5% as 1/5, representing a minority perspective.

These findings collectively affirm that product quality remains a top priority for professionals in the export sector, influencing their decision-making and operational strategies.

## Recognition of Product Standards

The survey unveiled varying levels of recognition of different product standards within the export sector. Notably, ISO standards enjoyed the highest recognition, with a significant 54% of individuals selecting ISO as a recognised product standard. EN standards also garnered recognition, with 20% of respondents acknowledging their significance.

CE Mark was recognised by 16% of individuals, while SEMA and FEM standards had lower recognition rates at 7% and 4%, respectively. These findings highlight the diverse awareness and importance attributed to different product standards within the industry, underscoring the influence of these standards on product quality and compliance.

## Awareness of UK Export Finance

Based on the provided data, awareness of UK Export Finance (UKEF) among the respondents appears to be relatively low, with 28.61% expressing awareness, while the majority, comprising 71.39%, indicated that they were not aware of UKEF support.

These figures suggest that there is an opportunity for increased awareness and engagement with UKEF within the Global & Logistics industry to leverage its potential benefits.



## Facility Relocation Considerations

The survey illuminated diverse perspectives among respondents regarding the likelihood of relocating to a new facility. Notably, the largest group, comprising 37%, expressed the view that there is a low likelihood of such a move.

This suggests that a significant portion of respondents feel it's quite unlikely they will undergo a facility transition. Additionally, 11% of respondents rated their chances as 2/6, indicating a similarly low likelihood. A more neutral stance on the likelihood of moving was taken by 14% of respondents each, who selected ratings of 3/6 and 4/6.

Conversely, 9% of respondents perceived a higher likelihood with a rating of 5 out of 6. Lastly, 15% of respondents were confident about their facility transition, rating the chance as 6/6. These diverse perspectives offer valuable insights into the range of readiness and certainty levels among industry professionals regarding facility moves.

## Conclusion: Navigating the Global Logistics Landscape

In conclusion, this comprehensive survey has provided invaluable insights into the dynamic landscape of the global & Logistics Industry. By engaging with a diverse group of industry professionals, we have gained a deeper understanding of the challenges and opportunities that shape this ever-evolving industry. From warehouse operations and storage systems to product standards and awareness of support resources, the survey's findings offer a wealth of knowledge for stakeholders.

As we navigate the complex Industry, it is clear that there is no one-size-fits-all approach. Instead, stakeholders must adapt and innovate, leveraging automation, enhancing product standards knowledge, and engaging with vital resources like UK Export Finance (UKEF). These actionable strategies, informed by the survey's results, can empower stakeholders to not only overcome challenges but also capitalise on the myriad of opportunities that lie ahead. We extend our gratitude to all survey participants for their valuable contributions and insights.