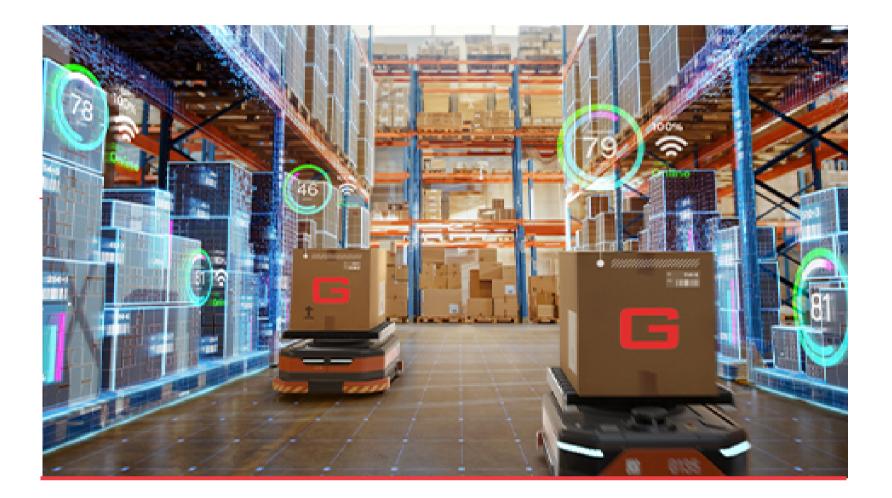# Artificial Intelligence integrations in logistics

> *Logistics is constantly evolving, especially today it has become essential to maintain the lifestyle we enjoy, and at a macroeconomic level, it allows us to develop and grow the country.*

For this reason, we always seek to find improvements and areas of opportunity to reduce production and transportation costs, and above all, reduce delivery times to satisfy the high standards of today's consumer.

One way in which this improvement in logistics will be sought will be through Artificial Intelligence, since it allows analyzing a large amount of data in a short period of time. We invite you to discover important integrations of Artificial Intelligence in the logistics sector.

Why has Artificial Intelligence become so important in logistics?

Artificial Intelligence allows analyzing data and information storage, collection and analysis processes, inventory and personnel management, with which continuous improvement is sought. According to the consulting firm Sage, it is estimated that by 2023 "65% of the companies that make up the Forbes Global 2000 list will have updated their systems" to have Artificial Intelligence.

And although Artificial Intelligence (AI) is just beginning, as its adoption is still low within most companies, its future is very promising. According to a report by global strategic consulting firm McKinsey & Company, the implementation of AI has helped companies reduce logistics costs by 15%, optimize inventory levels by 35%, and improve the level of service by 65%, which represents the degree of customer satisfaction.

Within the trends that we will see in the coming years with great force within logistics and that will allow you to improve processes, we find:

Analysis of underused data: Supply chains generate a large amount of data, which is often difficult to analyze. AI will be able to identify trends, to achieve efficiency in processes.

Automate processes: With Artificial Intelligence integrations we can automate processes to minimize errors, which is especially useful for processing standard documentation, such as customs information in endless formats.

Predictive analytics: AI will be extremely useful for route planning and optimization, as well as predicting delays and taking mitigating actions for that delay. This can be achieved through the analysis of different internal parameters.

Artificial Intelligence applications in logistics operations

A clear example of how AI helps improve logistics is the case of DHL eCommerce Solutions, where for just over a year they have successfully tested two robotic systems in their Atlanta distribution center. Which, through AI, allow classifying more than 1,000 packages and shipments per hour weighing up to 6.8 kg, with an error rate close to zero. This has **increased the efficiency, speed and simplification of processes.**

Another example of how AI helps to automate and reduce errors is the case of the consulting firm Ernst & Young (EY), which is applying a system using an RPA (robotic process automation) bot to detect fraudulent invoices. EY's fraud detection system is 97% accurate and has been implemented in more than 50 companies.

In Mexico there are also applications, such as the case of the company B12 Admark, which provides AI and Big Data solutions in the transport and logistics sector through its Strategy Big Data (SBD) technology laboratory. With which they can simulate various scenarios.

In addition to this, thanks to machine learning, AI will be able to recognize trends and repeated incidents, which will enable intelligent warehouses that verify stock levels to replenish.

Promising future of Artificial Intelligence in logistics

Yes, there are still strong challenges for AI in logistics, the most relevant: its implementation. Today its implementation costs represent a considerable investment, but as its acquisition cost decreases, AI will offer efficiencies and opportunities that will translate into growth and competitive advantage.

Do you have any concerns and need to make your intralogistics more efficient? Contact us, tell us about your current operation and the goals you have in mind, 35 years of experience support our commitment.

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