# 4 Ways the Freight Transport and Hospitality Industries Are Evolving

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Every industry deals with a unique set of challenges and concerns. For one, the freight transport industry needs to maintain efficiency while addressing the changing demands of its customers. The hospitality, for another, must balance sales with customer service.

Recent changes in consumer expectations are forcing both industries to update traditional approaches, particularly those regarding marketing and customer relationship management.

## 1. The growth of ecommerce

Ecommerce is growing by 19 percent annually, but suppliers and shippers cannot adequately meet this demand with traditional shipping practices without sacrificing efficiency and customer relations. The growth of global ecommerce will lead to capacity problems for many small and mid-sized businesses (SMBs).

The need for small business shipping services will rise as more and more SMBs enter the ecommerce market. According to a Logistics Brief trends report from 2019, the capacity crunch caused by the booming growth of ecommerce will contribute to the popularity of more flexible shipping options. The less-

than-load (LTL) shipping sector, in particular, will see tremendous growth.

*Shippers are also returning to the practice of dropshipping, the supply chain management method in which manufacturers and warehouses send shipments purchased through third-party retailers directly to consumers.*

*As dropshipping and LTL shipping gain popularity, freight transport businesses will need to employ software to manage and control their warehouses and shipments.*

## *2. The availability of big data for supply chains*

*New shipping practices are not the only tactics SMBs are adopting to compete in the global ecommerce market. One of the ways smaller companies are getting a leg up on their competition is by implementing effective IT services.*

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*Customers of logistics companies are demanding better quality, more features and lower costs; logistics businesses' shareholders seek ever-higher returns. Demand for integrated IT services with big data and blockchain services for supply chains will continue as SMBs strive to match larger competitors.*

*Supply chain pros rely on analytics for interpreting cost and logistics data to make decisions. The freight transport companies, then, need to provide reliable and accurate big data capabilities.*

*Blockchain, software initially developed for Bitcoin, streamlines shipment processes by minimizing the disruption of information and enabling direct correspondence between those*

*involved. This technology is key to maintaining efficiency and accuracy within the global shipping sector.*

## *3. The rise of multi-generational marketing*

*With all the popular nicknames for distinguishing generations — Baby Boomers, Gen X, Millennials, and Gen Alpha — companies are marketing to each cohort's unique expectations, values and lifestyles.*

*Multi-generational marketing, as defined in the Journal of Behavioral Studies in Business, refers to "the practice of appealing to the unique needs and behaviors of individuals within more than one specific generational group, with a generation being a group of individuals born and living [at] about the same time."*

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Every company needs a diverse marketing strategy to target multiple generations uniquely. The travel and hospitality industries, specifically, have begun addressing their two most influential groups of consumers, Gen Alpha and Millennials.

Gen Alpha (children born in or after 2010) determines how families travel. According to the Expedia study *Gen Alpha & Family Travel Trends (PDF)*, young children influence 37 percent of hotel booking decisions chosen for family trips.

Similarly, Millennials are likelier to travel than Gen Xers and Baby Boomers for both business and pleasure and are now the number one generation invested in the travel and hospitality industry.

Generally, Millennials value transparency and honesty and are likelier to patronize and recommend a brand to others if its communication is perceived as personable.

As multi-generational marketing relies on demographic analysis to foster brand loyalty, the right customer relationship management (CRM) platform is crucial.

## 4. The power of user-generated content

As hospitality has increased its focus on younger travelers, the industry is prioritizing earned media – user-generated content, specifically – above paid marketing. According to HospitalityNet, more than 50 percent of Millennials trust earned media more than owned (paid) media.

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The successful use of social media is the best way to promote user-generated content. By pairing multi-generational marketing tactics with an engaging social media strategy, companies can create unique, customer-driven marketing. Instagram, Facebook and TripAdvisor for the hospitality industry help potential customers discover businesses with satisfied customers who have shared their experiences.

## CRMs enable business growth.

The freight transport and hospitality industries are adapting to a changing marketplace. Are you?

A CRM platform's ability to drive efficiency, balance sales with customer service and manage customer relationships is crucial. With the right tools, you won't waste time or energy analyzing data or performing tasks that could be automated.

The best way to foster meaningful customer relationships is to know who your customer is. Big-picture marketing platforms and CRMs that give you a holistic view of your target demographics

and buyer experiences can help you do just that.

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