



EQUINIX

TRANSPORTATION

DIGITAL EDGE PLAYBOOK

Transforming transportation IT to optimize efficiency
and the customer experience

ABOUT THIS PLAYBOOK

PURPOSE

This playbook outlines how transportation industry leaders can solve supply chain inefficiencies and deliver a better customer experience, while lowering costs. It shows them how to leverage interconnection and colocation to exchange traffic at the digital edge. Interconnection allows these companies to integrate digital and business ecosystems for greater collaboration, increase visibility along the supply chain, create a more agile logistics platform, and gain deeper business and customer insights from increased data capture and analytics.

CHALLENGE

Transportation firms are faced with new digital challenges. Medallion taxis are being replaced with ride-hailing services that use heat maps to match drivers and passengers. E-retailers are leveraging fleets of drones rather than delivery trucks. Food suppliers rely on Internet of Things (IoT) sensors to monitor food refrigeration en route to prevent spoilage and illness. Traditional IT infrastructures simply can't support these and other digital breakthroughs. The end-to-end visibility, real-time logistics, supply chain collaboration and data insights needed to meet customer expectations and lower costs are all severely constrained by these older architectures.

NEED








Transportation firms must optimize their logistics platforms using real-time digital processes throughout their supply chains to deliver greater customer satisfaction. IoT and cloud data sources need to be integrated and local analytics leveraged for deeper insights into customer requirements. Architecting for digital business using interconnection enables private data exchange between transportation firms, digital business ecosystems and customers for greater collaboration.

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EXECUTIVE SUMMARY

Transportation companies need to streamline their supply chains and increase collaboration and data sharing, requiring new digital strategies and IT architectures

TRENDS AND INSIGHTS		CONSTRAINTS AND CAPABILITIES		PLAYBOOK		
TRENDS	INSIGHTS	CONSTRAINTS	CAPABILITIES	STRATEGY	ROADMAP	PLATFORM
						
A shift in traditional revenue sources is driving transportation leaders to adopt a distributed business architecture to meet the demand for digital collaboration capabilities.	Interconnection Bandwidth is growing at a compound rate, creating an opportunity for transportation firms to reach new markets and integrate ecosystem, cloud and IoT capabilities.	Traditional transportation supply chain processes are based on centralized infrastructure, limiting business insights into customers, fleet data and users.	A distributed platform streamlines digital engagement processes, enabling agile logistics, customer insights and enhanced user experience.	Transportation firms are distributing points for business exchange in proximity to users to offer tailored fleet services, standardize governance and harvest data for customer insights.	The roadmap offers a step-by-step approach to transform digital business by interconnecting partners and ecosystems using best practices from an Interconnection Oriented Architecture® (IOA®).	Achieving these digital transformation goals requires a platform that can support three critical elements provided by Platform Equinix®.

MARKET TRENDS

Digital transformation is shifting traditional transportation revenue models to digital...



EY, Transportation and Logistics in the Coming Decade

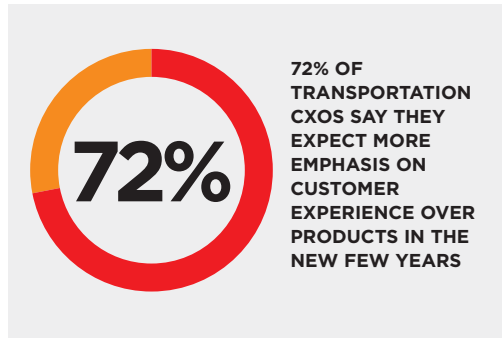
Implications

- Entrants with advanced capabilities (Amazon, Uber, etc.) and digitally transformed incumbents are capturing new market share.
- To meet customer expectations, comply with industry regulations and lower costs, companies must deliver a best-of-breed digital experience.

Summary

Transportation companies are facing new competition that is disrupting traditional business models, requiring a shift from merely delivering products to delivering a superior customer experience. Companies must develop alliances with digital and industry ecosystems, streamline digital business and logistics processes, and re-examine logistics and supply chain architectures for greater business and customer insights.

...while transportation business customers increasingly expect consumer-like experiences...

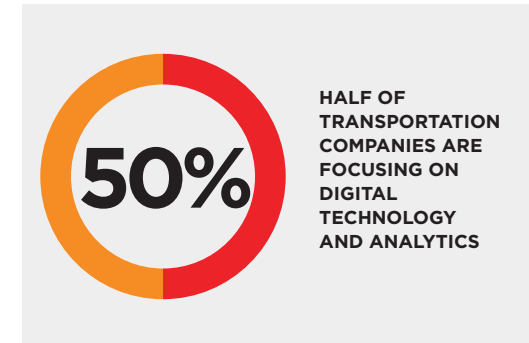


IBM, C Suite Incumbents Strike Back

Implications

- Priorities and investment within transportation logistics are shifting from products to experience-based capabilities (faster delivery, paperless transactions).
- This level of service cannot be fully satisfied with legacy IT architectures, forcing transportation firms to re-think capabilities and solutions.

...requiring a distributed infrastructure for digital engagement and real-time analytics.



PwC, Shifting Patterns: The Future of the Logistics Industry

Implications

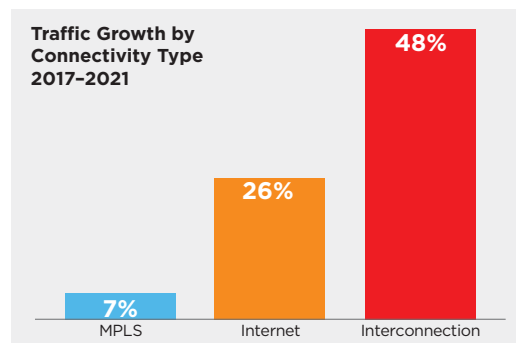
- New strategic alliances must be formed both in and outside of the industry through partnerships with digital and industry ecosystems.
- New digital business models that increase efficiency and customer satisfaction must be created.



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INTERCONNECTION INSIGHTS

Interconnection Bandwidth* is projected to outpace growth of internet and MPLS traffic...



Equinix, Global Interconnection Index Volume 2

Opportunity

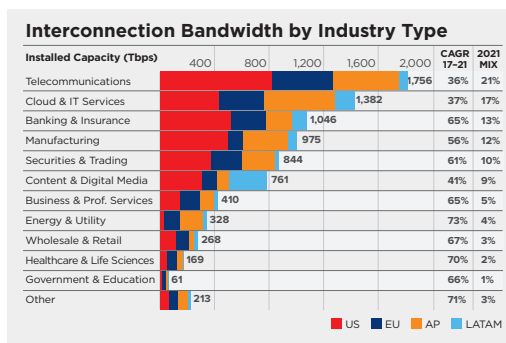
Interconnection, or the ability to privately exchange data between counterparties, is required for digital businesses to scale. Transportation firms are taking advantage of this trend by establishing distributed, private traffic exchange and control points near supply chains, digital and business ecosystems, and customers.

Summary

Global Interconnection Bandwidth is projected to grow at 2x the rate of internet traffic, as enterprises shift to interconnection for direct, secure business exchange. The manufacturing and wholesale/retail industries anticipate compounding interconnection growth, enabling transportation firms to establish exchange points near customers and users on a distributed platform that interconnects supply chain partners across ecosystems and integrates IoT and cloud capabilities for streamlined logistics.

*Interconnection Bandwidth is the total capacity provisioned to privately and directly exchange traffic with a diverse set of counterparties and providers at distributed IT exchange points inside carrier-neutral colocation data centers.

...with manufacturing and wholesale/retail growing year-over-year by 56% and 67%...

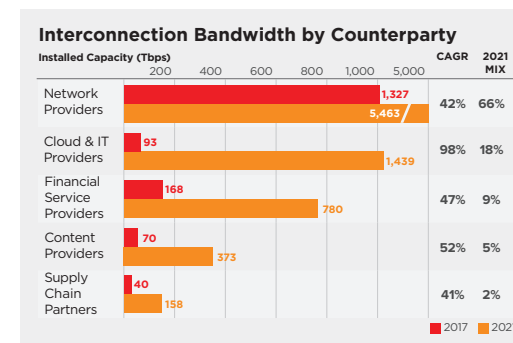


Equinix, Global Interconnection Index Volume 2

Opportunity

Many industries, such as manufacturing and wholesale/retail, depend on transportation as a critical link in the supply chain. Interconnection to these industries enables transportation firms to deliver more visible, efficient and cost-effective digital-based logistics for a better customer experience.

...and interconnection to supply chain partners growing annually by 41%.



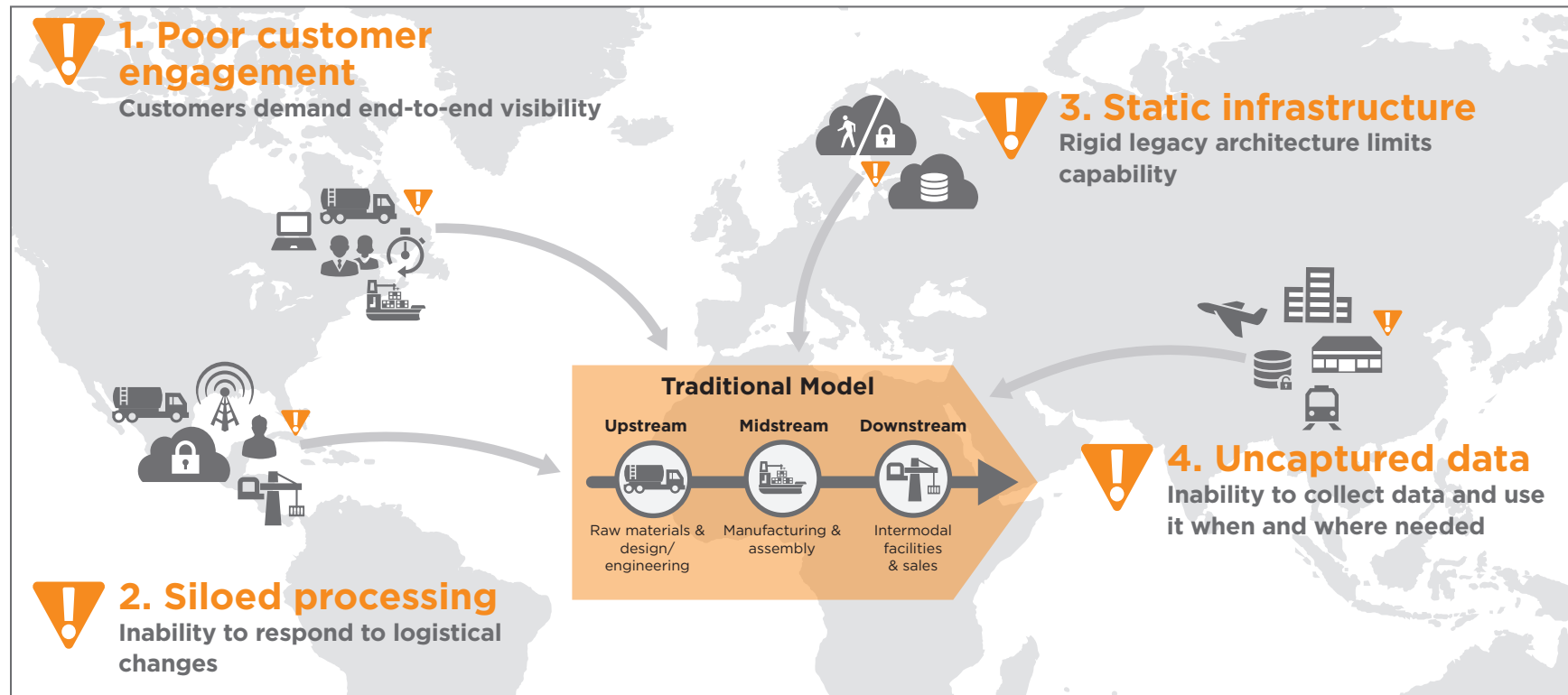
Equinix, Global Interconnection Index Volume 2

Opportunity

To keep the supply chain moving, interconnection is required at digital exchange points between transportation providers, supply chain partners and customers. In addition, interconnection provides greater access to digital capabilities, specifically the IoT and cloud, that enable today's interconnected supply chain.

CURRENT-STATE CONSTRAINTS

Transportation firms can't meet customer needs due to a lack of agility and limited data insights

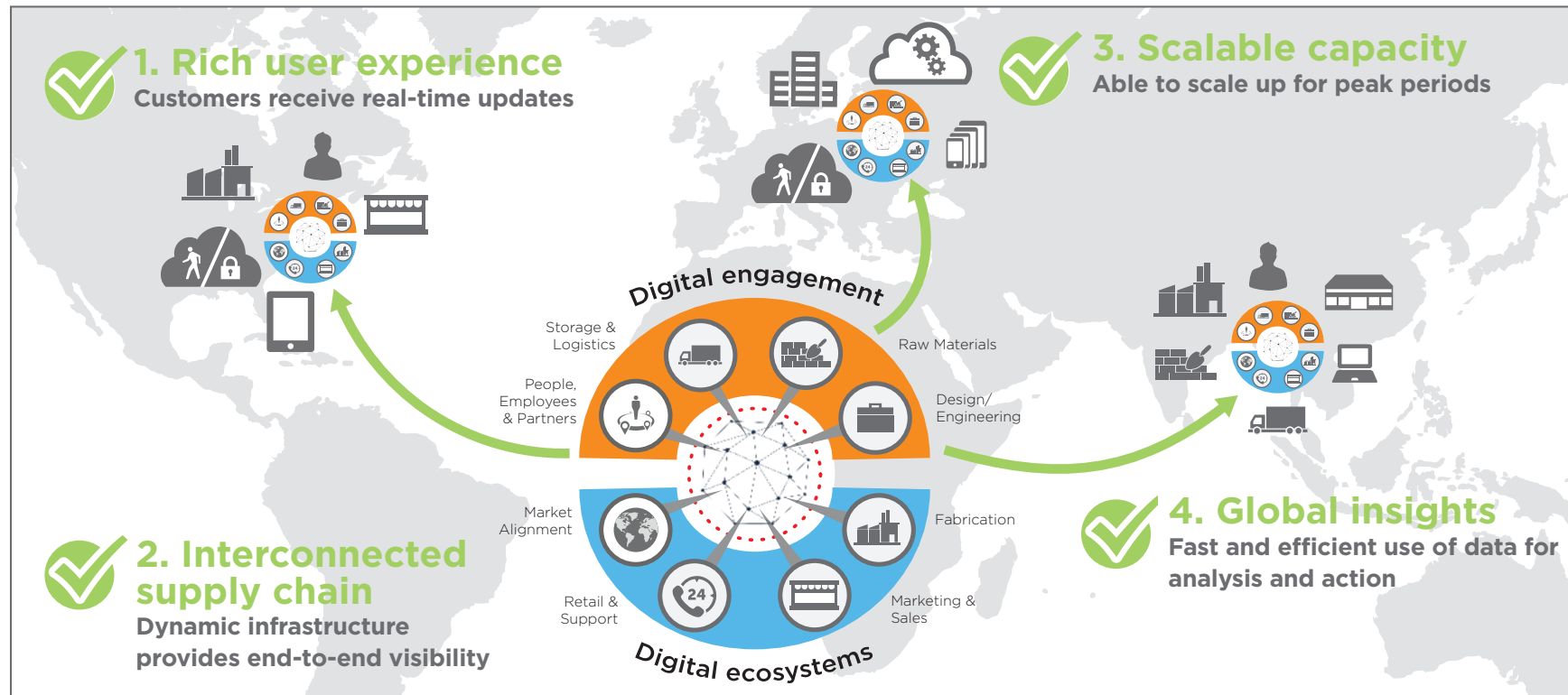


Summary

Centralized IT infrastructures prevent effective collaboration among supply chain partners and systems and limit end-to-end visibility for customers. Integrating more agile logistics technologies, such as mobile, cloud and IoT, into rigid, siloed IT infrastructures can be expensive and resource-intensive. Data transmission over long distances from remote users, vehicles and devices to centralized storage and analytics systems inhibits real-time analysis and insights.

FUTURE-STATE CAPABILITIES

Dynamic IT infrastructures improve user experience while enabling scale and data insights



Summary

IT infrastructures re-architected for distributed interconnection hubs at the edge integrate supply chain ecosystems (people, locations, clouds, data, things and systems), accelerate collaboration, enable real-time visibility into logistics and provide greater access to capacity at peak periods. Data capture and analytics at the network edge—near roaming equipment, customers and data—enable real-time insights that drive efficiencies and reduce costs.

STRATEGY

Architecting for digital business requires an interconnection-first approach

Summary

Transportation firms are being forced to provide greater end-to-end visibility into logistics and an enhanced customer experience. A distributed interconnection platform offers customized fleet services, standardized globally, for real-time supply chain collaboration using data insights.

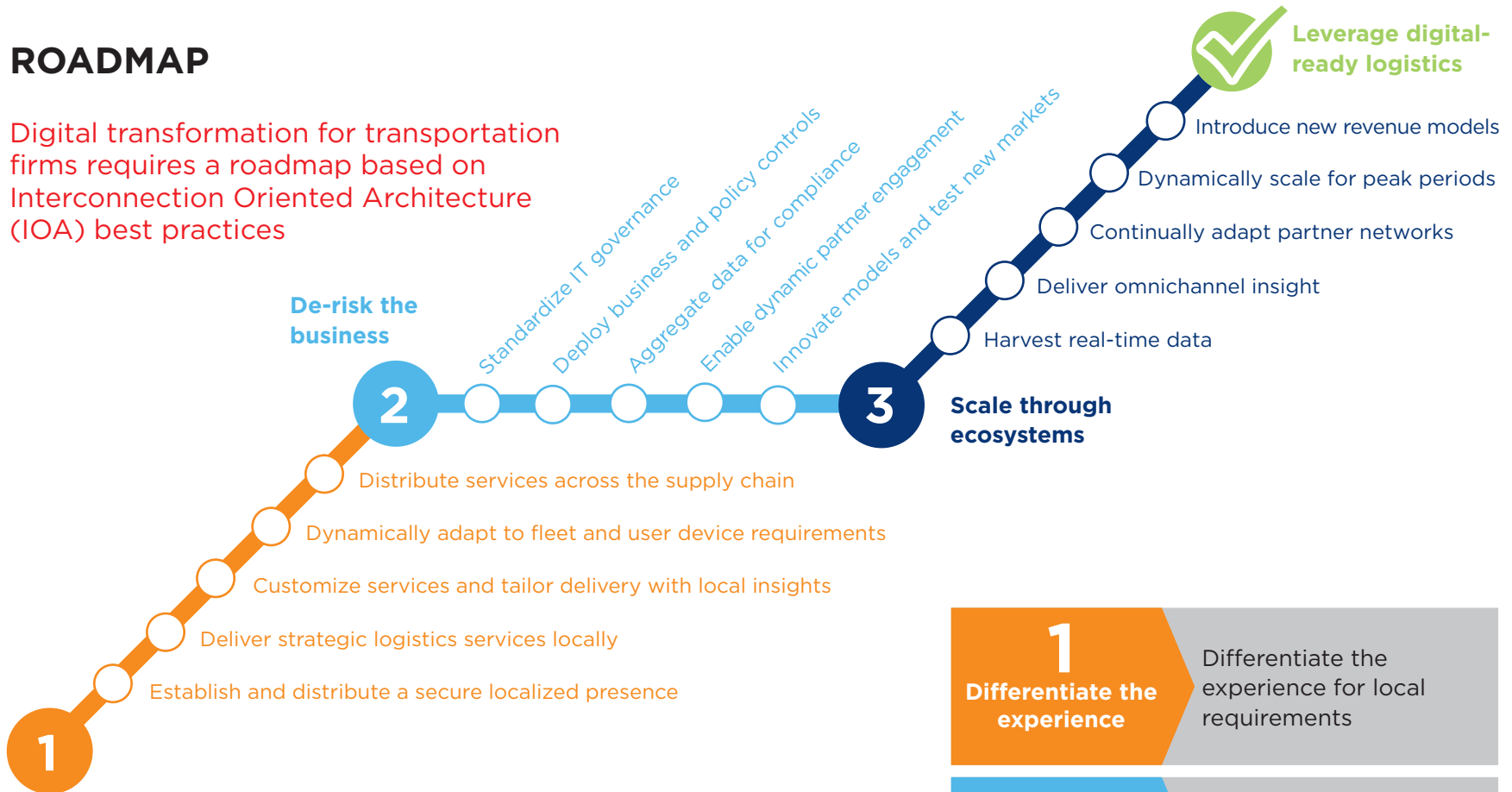
Network, cloud, SaaS, content and other service providers must enable new digital platforms and information exchanges by deploying services for transportation companies at the digital edge in a fast-delivery, highly scalable, pay-as-you-go model.

Managed services providers must help transportation firms re-architect supply chains and integrate IoT, cloud, real-time data and analytics, and mobile/wireless services to meet customer demand.



ROADMAP

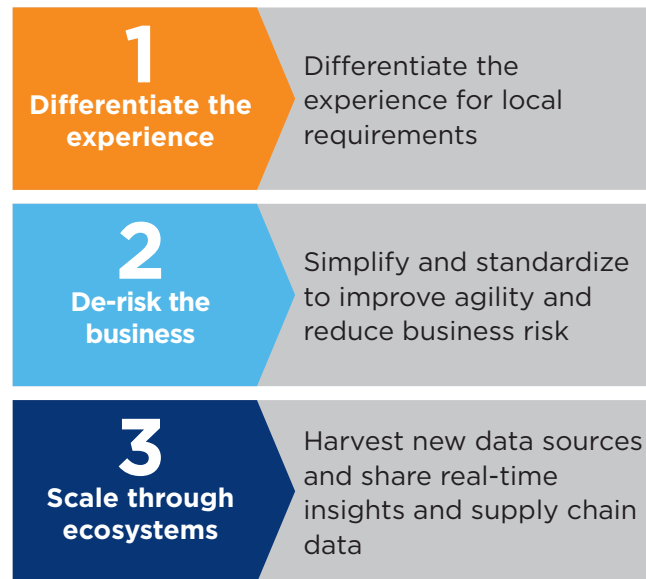
Digital transformation for transportation firms requires a roadmap based on Interconnection Oriented Architecture (IOA) best practices



Differentiate the experience

Summary

This business transformation roadmap provides transportation companies guidance for achieving a digital-ready logistics business model for greater revenue growth. Follow the three-step plan to differentiate the experience for fleets and supply chain partners, de-risk the business, and enable scale through ecosystems. The result is an integrated interconnection platform from which to leverage global insights for new business models with omnichannel capabilities.



PLATFORM

To achieve the benefits of the strategy and the roadmap steps in this playbook, your architecture and platform require three critical elements: global location coverage, private interconnection with rich digital ecosystems and the capability to integrate, standardize and simplify control.

Global Coverage



Digital edge control point locations where you need them, close to...

Customers

Employees

Partners

Things

Reach Everywhere

- Global, metro cities and markets.
- Geographical compliance and sovereignty.
- Business operations and offices.

Interconnection and Ecosystems



Direct and dynamic private exchange of data across...

Networks

Clouds

Payments

Supply Chain

Interconnect Everyone

- Access network and cloud providers.
- Participate in ecosystems exchange.
- Leverage commoditized services.
- Share and exchange data.
- Transact using digital commerce.

Integration and Control



Integrate digital and physical services to control and optimize...

Security

Data

Applications

Business

Integrate Everything

- Marketplace of control functions.
- Cloud and managed services.
- Private data and distribution repositories.
- Globally standard policies.
- Business continuity and control.
- Digital commerce and payments.

GETTING STARTED

Playbook
Companion
Resources

**Request a detailed briefing or
strategy workshop with our experts.**

Contact your Equinix account
executive and learn more at
equinix.com

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The Platform Equinix Vision



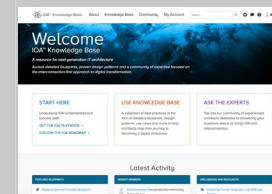
See how transportation companies can increase ROI, reduce TCO and automate sales and service to compete in a rapidly evolving market.
eqix.it/PlatformEquinixVision

Global Interconnection Index



Learn how growth in Interconnection Bandwidth is creating new opportunities for global transportation.
eqix.it/InterconnectionIndex

IOA Knowledge Base



Download proven network architecture blueprints and design patterns based on industry-leading implementations of IOA.
eqix.it/IOAKB

Equinix Marketplace



Discover an entire world of service providers or search for new partners, suppliers or customers on Equinix Marketplace.
eqix.it/marketplacebrochure



Equinix, Inc. (Nasdaq: EQIX) connects the world's leading businesses to their customers, employees and partners inside the most-interconnected data centers. In 52 markets across five continents, Equinix is where companies come together to realize new opportunities and accelerate their business, IT and cloud strategies. In a digital economy where enterprise business models are increasingly interdependent, interconnection is essential to success. Equinix operates the only global interconnection platform, sparking new opportunities that are only possible when companies come together.

Learn more at equinix.com

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