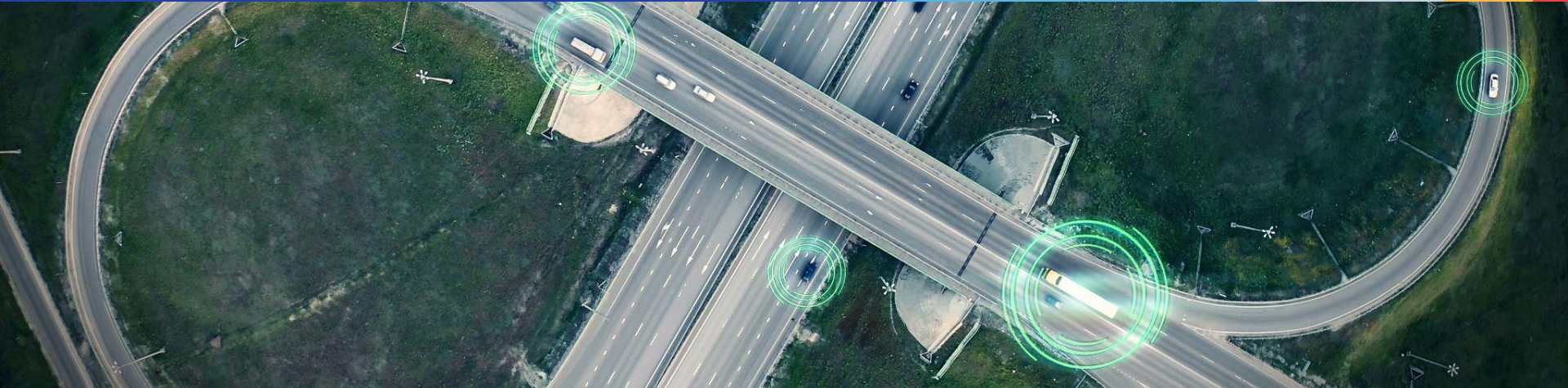


**TWO-MINUTE GUIDE**

# How Route Optimization Can Add to Your Last Mile Capabilities



# Who Should Read This Guide?

Anyone whose last mile costs are too high—or who struggles with missed delivery windows and low on-time rates—and who wants to find out what to do about it



# Why Is This Guide Worth Your Time?

Because it offers actionable information about route optimization's importance in modern last mile logistics—backed up by DispatchTrack's decade-plus of experience listening to and working with shippers and delivery companies of all shapes and sizes

# What Will You Learn?



- How the quality of your routes impacts costs and on-time delivery rates
- How to assess whether or not you need route optimization tools
- What to look for in route optimization technology

Modern last mile problems are all about complexity.



**Complexity makes it difficult to set efficient routes by hand.**

**And that same complexity makes it nearly impossible to estimate ETAs. The result?**

- Higher fuel costs and drive times
- Increased delivery failure rates
- Negative customer reviews

**Because of the difference in travel times between trucks and cars, Google Maps can't help you.**

*Thanks to the Amazon Effect, consumers want faster turnarounds and shorter delivery windows—and they're more likely to make purchasing decisions based on delivery experience.*



**But if you can shorten your delivery windows with more precise ETAs and stretch your capacity with better routes, you can win more business, reduce costs, and boost your margins.**

*“Hundreds of constraints must be taken into account. You might calculate an amazing route that hits all your deliveries, but can you fit everything in the back of the van?”*

*- Jamie Condliffe, MIT Technology Review*

Is it time to  
upgrade your  
routing?

**If you're routing by hand,  
there's a limit to how many  
factors you can consider.**

**But even with routing software,  
you can still run into issues:**

- Chronically incorrect ETAs
- Slowdowns at high volumes
- Lack of skill-level consideration

**So how, exactly, can you tell  
whether your current routing  
process is working for you?**



# To assess your routing capabilities, look at a few different KPIs



## Routing KPIs:

- What is your first attempt delivery rate? A number below 90% may be a red flag
- What is the lead time for creating truck new truck routes? Are you able to process late orders for next-day delivery?
- How do your planned versus actual stops compare? A large discrepancy can suggest inefficiency
- What's your Net Promoter Score (NPS)? 9 is average for last mile delivery
- What's your cost per delivery? Over \$10 might mean there's room to improve

*These questions are useful because they give you something to compare against. But you can also look at trends over time for total fleet miles, total fuel costs, on-time deliveries, and other metrics.*

**If you're noticing negative trends (or the numbers just seem worse than expected), it's probably time to adopt a new route optimization solution.**



*“The Amazon Effect has introduced consumers to an almost completely frictionless shopping process with near-immediate results (more and more, this refers to delivery, too).”*

- Lin Grosman, *Forbes*

# How do you select the right routing software?

**On a gut level, you might already know what you want in a routing solution.**

**There are some obvious things a routing solution should offer:**

- Rapid, easy route creation
- Reliable scalability for increased volumes
- Dynamic rerouting for changes on the day of delivery

**What does a routing solution have to offer to make that possible?**

# What to look for in routing software:



## Scalable cloud architecture

- Just because something's in the cloud, that doesn't mean that it's automatically built to scale.
- If the software grinds to a halt after a few thousand trucks, it's not designed for scalability.

## Flexible routing options

- Drive times are impacted by traffic, different truck loads, etc. Your routing software won't produce accurate ETAs if it can't handle these factors.
- Look for routing based on: resource skill level, customer availability time windows, customer tier level, and preferred time windows.

Benefits of accurate route optimization:  
better on-time delivery,  
reduced costs



**Modern technology makes it possible to visualize your entire last mile in real time.**

**Dispatchers can:**

- Automate communication between consignees, drivers, and dispatchers
- Proactively manage exceptions on the day of delivery

**But none of this helps you if every delivery is costly and behind schedule.**

# What benefits do you get with a 98% in-window delivery rate?

## Shorter routing lead times:

- Scalable, rapid routing lets you run through tens of thousands of trucks in minutes.
- Modern consignees value one- and two-day delivery options, so this can create a real competitive advantage.

## Skill level and customer tier prioritization:

- With multiple routing options, you can route based on your most important factors.
- This means you keep your most important customers happy and save your most valuable personnel for the jobs that really need them.

# What benefits do you get with a 98% in-window delivery rate? (cont'd)

## **More effective exception management:**

- If you increase your on-time delivery rate, you can better manage the 2% of deliveries that don't go according to plan.
- When there are fewer exceptions to manage, call volume drops, and you can provide proactive customer support.

## **Better capacity utilization:**

- When you optimize routes for distance, you complete deliveries more quickly.
- This means you can accommodate more orders in a single day, which increases flexibility and decreases cost per delivery.



*“Before adopting new technology, companies should consider whether the provider of the solution has a working knowledge of how the industry operates. A certain amount of industry expertise is required to avoid a tech provider that might make inaccurate assumptions that ultimately fail to address the root issues the company is seeking to alleviate.”*

- Lidia Yan, *Forbes*

A faint, light gray background pattern of a city street grid or map, with lines of varying thickness representing roads and streets.

# Conclusion: How DispatchTrack Can Help



At DispatchTrack,  
we give you  
control over the  
last mile.



**Our platform is built around a powerful cloud-based route optimizer.**

**We offer scalable architecture that powers:**

- Routing for thousands of trucks in minutes
- Precise, accurate ETAs based on AI-powered algorithms
- Skill level routing, customer tier routing, and more

**The result?**

Your last mile deliveries operations gain visibility, flexibility, and agility.

# How DispatchTrack powers connectivity

**Our system connects to an intuitive driver mobile app.**

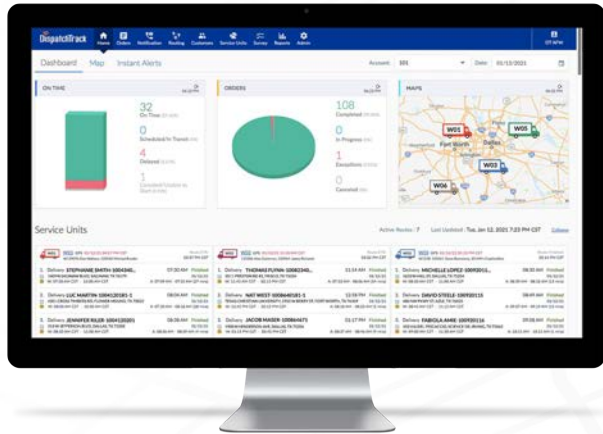
## **This offers:**

- Digital dispatch of orders
- Turn-by-turn driving directions
- GPS tracking
- Frictionless communications (i.e. no need for phone calls)
- Easy documentation of deliveries and exceptions

## **When exceptions arise:**

It takes one click to see the alert, and one more to dive into the details.

We turn connectivity into true last mile visibility.



**Our platform is built around a single-pane-of-glass dashboard.**

**We give our users real-time visibility into:**

- Asset locations
- Delivery statuses
- ETAs
- Delivery window commitments
- And much more

**With careful UX design:**

Dispatchers can see the last mile situation at a quick glance and address customer problems proactively.

Growing your business means providing elevated customer delivery experiences.

**By partnering with DispatchTrack,  
you're doing exactly that.**

# Contact Us

With customers across North America, Europe, South America, and Asia, DispatchTrack is used by thousands of businesses of all sizes and many multi-billion-dollar enterprises across a wide range of industries. More than 180 million scheduled delivery experiences are powered by DispatchTrack each year. For more information, contact us now at **1-866-437-3573** or [sales@dispatchtrack.com](mailto:sales@dispatchtrack.com).



Last Mile Optimization