DispatchTrack

The Ultimate Guide to Building Material Distribution Logistics



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Introduction: How the Competitive Landscape in Building Supplies Delivery Is Changing

Building supplies enterprises don't need anyone to tell them how challenging the marketplace in 2025 is. Cost volatility, labor shortages, and supply chain disruptions have been facts of life for years now, and there's no prospect of waiting them out. At the same time, customer expectations have gotten more intense than ever, and the standards for delivery experience are on the rise.

The only antidote to increasing economic and customer experience pressures is taking control of the entire logistics process from end to end—from the first mile to the customer site and beyond. The most successful distributors are the ones that leverage cutting-edge technology to connect their processes and teams, standardize their operations, and improve efficiency.

Success increasingly requires gaining total visibility into your entire logistics chain, and optimizing it with the latest technology. Logistics needs to be standardized but flexible, connected but specialized, and cost-efficient but customer-centric—it's a tough balancing act, and it's nearly impossible to get it right without addressing your technology needs head on.

In this guide, we'll go over the ways that distributors in 2025 can improve visibility across the first, middle, and last miles with an eye towards reducing logistics costs and improving customer experience. We'll discuss the role that AI is playing in helping distributors to take control of their delivery management, and we'll provide practical tips for getting the most out of existing resources.

02 First Mile, Middle Mile, Last Mile: Gaining Visibility Into the Complete Logistics Journey

The first step to smarter, more efficient building material distribution is to prioritize visibility across the first mile, middle mile, and last mile of your supply chain. Ultimately, each leg of the supply chain is part of a single whole—this creates the foundation for optimizing not just the individual parts of your logistics workflow, but your logistics as a whole.

If the transfer from the middle mile to last mile suffers from a lack of visibility, you won't be able to move inventory as quickly or make the most efficient use of your resources. The result is that efficiency is hard to come by and logistics costs add up across the board.

This can result in a couple of different scenarios that directly impact the customer:

01

You've scheduled a delivery for a specific date, and because of delays in the first and middle mile process you won't be able to fulfill the order on time. Unfortunately, you aren't able to spot the delay until the day of delivery when the order isn't at the distribution center, so your customer gets an extremely last-minute notification that their order won't be arriving that day at all.

02

Conversely, you may be waiting to schedule the delivery order until you're sure it's at the distribution center and ready to schedule. For something with a long lead time, this might mean that your customers are in the dark about delivery lead times until only a few days before the delivery.

In both of these cases, your customers wind up anxious, or annoyed, or both. When it comes time to make another purchase, they'll likely remember that anxiety and annoyance and strongly consider placing an order with a competitor.

By contrast, when you have logistics visibility across all stages, you can coordinate between the last mile, first mile, and middle mile more effectively, stave off delays more easily, and generally reduce logistics costs. But how do you achieve that level of visibility and the connectivity that comes with it?

Here are a few best practices:

Centralize your data within a single solution: This doesn't mean that you should try to manage the first, middle, and last miles of the supply chain with a single solution—it's possible, but not necessarily the best way to go about it. But if your last mile depends on your first and middle miles (which, fundamentally, it does), you should make sure that up-to-the-minute data about transfers is available and easy to find within your last mile solution.

Equip drivers to document transfers: And how do you make that data centralization possible? By making sure drivers in the first and middle mile are able to quickly and easily capture their statuses and locations via mobile app so that that data is available across functions, you improve the quality of your tracking and visibility significantly. From your last mile solution, you can clearly see which transfers have already been made successfully and plan your deliveries accordingly.

Track first and middle mile shipments in real time: Leveraging a driver mobile app in this way also enables you to track first and middle mile deliveries with the same precision as last mile deliveries, including generating accurate ETAs—all of which makes coordination easier and more streamlined. This enables you to manage exceptions and even improve the customer delivery experience in the same way that you do for last mile deliveries.

The more thoroughly you can build cross-functional visibility into your logistics, the more effectively you can streamline your first, middle, and last mile logistics into one connected, efficient process. But putting all of these pieces together requires the right processes, which have to be bolstered by the right technology.



03 4 Ways to Improve Delivery Experience in Building Supplies Distribution

Gaining visibility is crucial, but it's not the be-all-end-all. Rather, it's the starting point for leveraging better data and information (and increased standardization) towards improved performance, better customer service, and lower delivery and logistics costs.

In the following section, we'll focus specifically on customer experience in building supplies—but these elements all fundamentally go hand in hand. Anything you can do to help boost your NPS or CSAT scores helps ensure that you're providing the kind of reliable service that customers will keep coming back for.

01 Optimize your routes

The ability to show up at the right time—even when customers are demanding same day and next day deliveries—comes down to the strength of your route optimization. You need a route optimization solution that can generate routes in seconds and update existing routes just as quickly—all while accounting for capacity limitations, driver skill requirements, job site requirements and other factors that might impact vehicle type, and customer time window requests.

Not every routing solution on the market can make that happen. And even the ones that can can't always offer accurate delivery ETAs once orders have been routed.

To make that happen, you often need to leverage AI and machine learning algorithms that can turn past delivery data on things like service time and traffic patterns into accurate predictions.

With a fast, cloud-based solution you can generate routes quickly enough to push back your order cutoff time. This positions you to offer flexibility to your customers as to when they get their orders in—it also puts you in a position to easily adjust routes to accommodate changes as needed. The right routing solution will make it easy to match the right drivers and vehicles to the right orders, so you won't be sacrificing route efficiency.

AI-powered routing can also ensure that you have precise and accurate delivery ETAs. This puts you in a position to show up at exactly the time that you promised your customer.



02 Enhance your customer communications

Once you have a foundation of fast, efficient, and accurate routing, you can start to focus on the parts of the delivery process that touch the customer more directly—i.e. customer communications.

Job site managers and other stakeholders want total visibility into their deliveries—which isn't too surprising when you consider that they're often balancing complex work schedules and juggling a lot of moving parts. By communicating in a timely way across multiple channels, you can provide that visibility, build trust, and encourage repeat business.

Here are a few best practices for doing that:

- Leverage texts, emails, and phone calls as needed
- Communicate early and often via a defined cadence of preset messages
- Customize your messages for different service types of products
- Enable two-way communication for live communication with customers
- Enable AI-powered chat agents to handle your most common questions

We'll talk more about that last one in the AI section. But by tackling the delivery journey from end to end with your communications, you can do more than just keep customers informed—you can inspire real confidence that the delivery will go right.

This level of customer experience makes contractors and other buyers feel like they can rely on you when it matters.



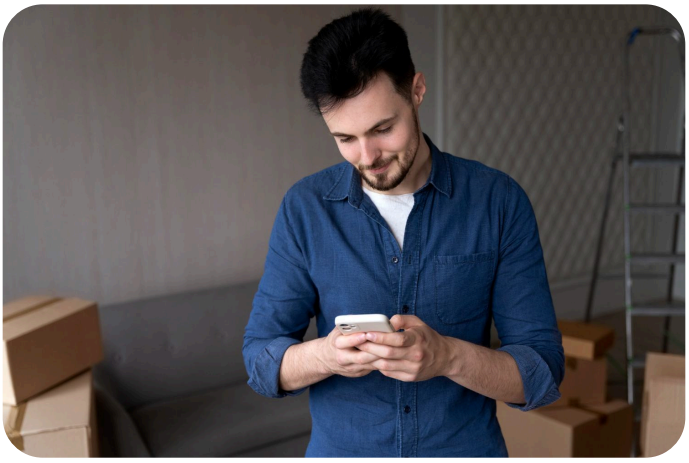
03 Offer live order tracking

For a truly B2C-worthy customer experience, there is a level beyond sending delivery notifications: offering live order tracking directly on the customer's device.

Phone calls are seen as a last resort by most these days even by many business buyers, and even if they weren't they still wouldn't scale from a back-office perspective. Conversely, if you can give customers the ability to instantaneously see their delivery ETAs, they can get the info they need and plan accordingly.

Making this happen requires a connected system that feeds status updates from drivers back into your centralized system in order to adjust ETAs in real time. You need seamless movement of data between drivers, dispatchers, and customers and the kind of visibility that comes from not having to hunt for information.

Offering this kind of visibility to customers can go a long way towards improving your delivery NPS.



04 Power up your exception management

Providing visibility externally to customers can be extremely valuable—but what you do with the visibility you've achieved internally can also have a big impact on the delivery experience. A lot of this comes down to how you approach exception management.

When delivery schedules are chaotic and job sites have shifting requirements, disruptions are simply a fact of life. But without visibility into your deliveries, there's often no way to tell that something has gone wrong until the customer or driver calls to tell you about it. By then, it's usually too late to keep things on track, and your only option is damage control.

This scenario looks totally different when you can spot exceptions in real time. When you don't have to hunt for the information you need—when the status of every truck, route, and driver is at your fingertips—you can see whether a driver is going to miss their ETA for any given stop. Once you've seen the potential for a late delivery, you can proactively reach out to the customer to work the situation out, or even send new instructions to the driver.

The faster you're able to reach out to the customer, the faster they'll feel confident that you're going to put things right. Most of the strategies we've discussed so far have been aimed at getting higher highs when it comes to customer satisfaction, but cutting out the lowest of the lows can also be a big help.

04 How Is AI Impacting Building Supplies Delivery (And How Can You Benefit from It)?

All of the best practices above might seem like a tall order. Most teams are already strapped for time and resources, and it can seem daunting to try and ramp up new programs at scale.

Luckily, the era of practical use cases for AI has finally reached logistics. Sure, there are AI use cases for building supplies distribution that are mostly hype or vaporware at this point—and there likely will be for the foreseeable future—but there are also practical ways you can use AI to help your teams improve productivity and performance.

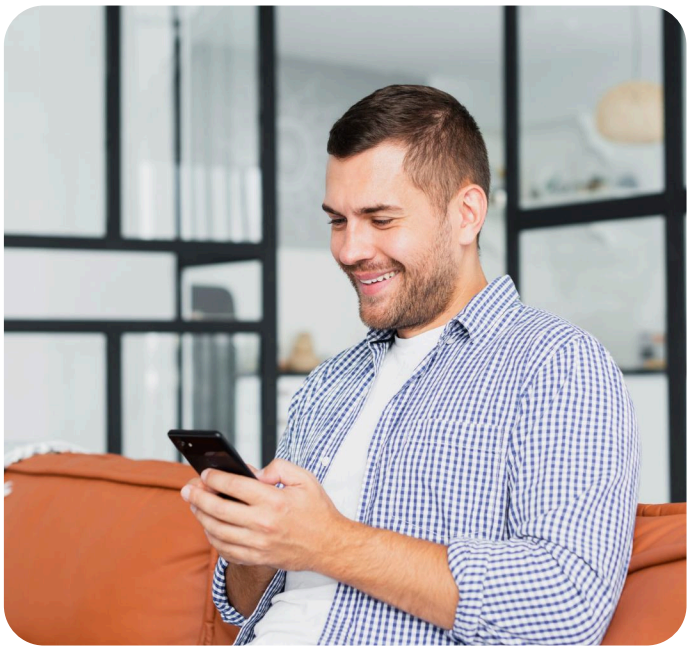
Here are a few ways you can use AI to improve logistics in building material distribution right now.

Cut Your Inbound Call Volume by 80%

Until quite recently, you could have been forgiven for thinking that large language models (LLMs) weren't up to the task of making your customers' lives easier. But as LLMs have improved, generative AI has become easier to deploy in a low-risk way. That means it's an ideal technology to leverage for handling simple customer inquiries (e.g. "when is my order scheduled for?").

Customers can ask questions in a conversational way, and the AI-powered chat agent can respond with the correct information or escalate to a human who can help. Simple questions are answered almost instantly (to the delight of customers), and the overall volume that your team has to deal with shrinks.

We've seen this technology result in a 70-80% decrease in customer call volumes.



Provide Round-the-Clock Support Without Increasing Your Team Size

Not only does the use of an AI powered chat agent like the one we described above make it possible for you to reduce customer phone calls and messages and the costs associated with them, it also empowers you to speed up response rates (often by 30% or more) and provide round-the-clock support without increasing the size of your team.

This saves on labor costs while simultaneously improving customer experience. The best part about this is that it's an extremely low risk way to deploy AI in your logistics chain. Agentic AI always has the risk of errors, but if you configure your chat agent with a clear scope then you ensure that it's only ever performing actions that are fairly foolproof.

Empower Your Drivers to Complete 1 More Delivery per Day

Anything you can do to make life smoother and easier for drivers can directly reduce delivery costs in the form of fuel and driver pay. But it's difficult to insert technology into driver workflows without having an interruptive or disruptive impact, which is the last thing you want.

This is where AI can actually play a really valuable role. How? By providing location-based briefings via voice note for each and every stop along a route.

The best practice here is to use a mix of order details from your system (e.g. any instructions the customer has provided) and data from around the web (such as what the parking situation is typically like or where the delivery access is for the building) to automatically generate location-based intelligence. This can then be weaved into the driver's normal workflow via their driver mobile app.

Whether you're delivering to busy construction sites without verified addresses or renovation products in high-rises with intuitive building access and limited parking— this helps drivers get through the most frustrating parts of the job: hunting for parking, navigating delivery sites, gaining access to buildings, etc. Instead, they can focus on delighting customers while getting jobs done more smoothly.

With AI that's powerful enough to enable just one additional delivery per route, you can bring down cost per delivery and boost customer satisfaction.



Coming Down the Pike

AI directly aimed at dispatchers is also on the horizon. Here, AI will be able to help identify the riskiest stops in a given route in terms of the likelihood that the delivery won't succeed or will arrive late. Here, copilots embedded within existing dispatcher workflows can help them to spot potential issues and make quick adjustments, resulting in better delivery performance and lower costs.

Data analytics is another area where AI has the power to improve significantly on what's already there in the world of logistics.

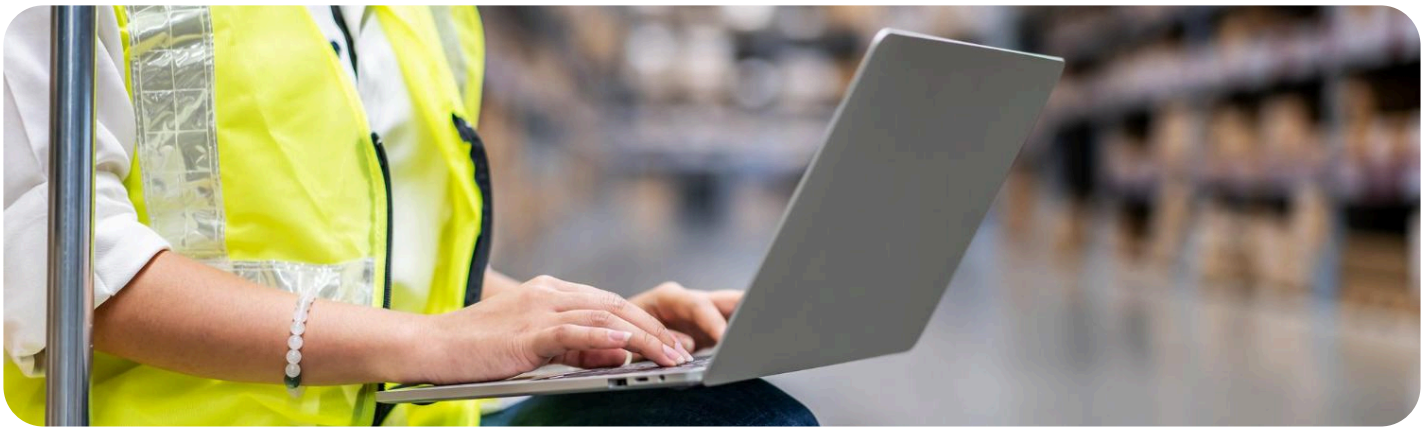
Lots of platforms are already introducing conversational data analysis tools powered by a combination of LLMs and more complex data analytics—soon these will be a powerful force for simplifying logistics decision making and getting businesses to the most cost-effective choices more quickly.

IDI
INSULATION DISTRIBUTORS INC.®



Bryce Shively
Operational Excellence Manager

"DispatchTrack had a solution that checked all the boxes for the issues we were facing. By getting all of our locations on the same platform, we're able to standardize the process and how we do things. And it was a super smooth rollout. You almost didn't know we had done it."



Conclusion:
How DispatchTrack Powers Visibility, Connectivity, and Efficiency in Logistics

DispatchTrack is a delivery management system that helps delivery organizations around the world to gain logistics visibility, standardize processes, and ultimately optimize costs—all while delighting customers. We've helped building material suppliers like Ferguson to optimize their logistics operations at scale.

We offer powerful capabilities designed to help streamline and standardize logistics operations with complete visibility—from pickup to final delivery:

01 Connected Logistics & Complete Visibility:

From pickups to transfers, deliveries, and service visits—gain full chain-of-custody tracking, digital proof of handoff, and a complete audit trail to ensure accountability at every step.

DispatchTrack is your command center for everything delivery-related. We offer total visibility into every stage of the process, from loading trucks at the warehouse to driving a route to proof of delivery/service and post-delivery follow up.

We empower teams to document each step of the process—including electronic proof of delivery via photos, signatures, and notes—to create a complete audit trail that sheds light on your entire logistics process. The result is digitized, modernized, standardized logistics.



02 Mixed Fleet Visibility:

Gain real-time insights into all vehicles, whether company-owned or third-party, for better operational coordination.

At DispatchTrack, you get visibility in the truest sense of the term—regardless of whether your deliveries are being carried out by owned fleet, third parties, or a hybrid of the two.

Rather than having to hunt for the right information when your deliveries are underway, you can see all of your deliveries from a single dashboard, regardless of who's carrying them out.

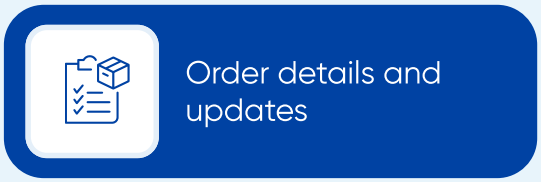
This puts you in a position to ensure that your entire logistics network acts as one seamless whole.

03 AI-Powered Customer Experience:

Enhance customer interactions with intelligent, real-time responses.

DispatchTrack's DT Agent provides you with the ability to answer simple customer inquiries instantaneously at any time of day or night. In a conversational manner, the AI-powered agent can help customers with:







Early adopters of DT Agent have seen their total volume of customer support requests drop by 50-70%, and their average response times to customers have decreased significantly.

This all works within the context of a larger customer delivery experience workflow that ensures real-time delivery visibility and connectivity between customers, dispatchers, and drivers over the course of the process.

04 Compliance Workflows:

Digitize and simplify prescriptive driver workflows for better accuracy and oversight.

You can't afford to fly blind on compliance, which is why DispatchTrack enables you to configure flexible compliance forms for your drivers based on specific items or delivery/service types.

Right within the driver mobile app, drivers can check off a list of requirements and even upload photos of specific steps if needed. You gain the delivery documentation you need to eliminate guesswork and ensure a clear record of whether technicians or installation teams completed all required steps. You can quickly assess compliance, ensuring smooth, standardized operations.

05 Pre-delivery Site Assessments:

Conduct pre-delivery checks to verify specifications. Customers receive a link to complete the assessment, helping reduce last-minute issues.

If the delivery site isn't ready for your team, the most likely result is that both of your schedules get disrupted. It can cost time and money and throw a wrench in the best laid plans.

That's why DispatchTrack enables you to work pre-delivery site assessment forms into your customer communication flows, so that your teams can make sure the site is ready for the delivery or service that's scheduled.

06 Warehouse Loading Management:

Allow warehouse loaders to scan items as they are loaded onto trucks, ensuring accuracy by matching scanned items to orders.

In addition to ensuring total documentation and compliance, DispatchTrack's mobile app enables you to integrate, simplify, and streamline the process of loading trucks at the hub or warehouse before the route starts.



We offer built-in user roles that enable you to keep this process within the same ecosystem—even when the driver isn't the same person who's loading the truck.

Our system automatically matches scanned items to orders, as well as offering support for pallet scanning if needed. This significantly speeds up both loading and unloading, while ensuring total visibility into the process.

Taken together, the capabilities DispatchTrack offers go beyond merely optimizing or cutting costs in one area of the delivery process.

It does this without all of the drawbacks of a heavy TMS deployment. We offer software that slots neatly into your existing technology stack, that a lean IT team can implement, deploy, and get ROI out of.

Our platform is built on SaaS and AI technology, guided by a long history of customer-guided innovation. That means our software is built to solve real-world problems in a way that helps customers achieve true connected logistics—which means that our customers get real-world results.

Interested in learning more about how DispatchTrack powers smarter, more connected, more efficient logistics operations for enterprises? **Reach out to one of our logistic experts today.**



DispatchTrack

Promise • Deliver • Delight

Turn visibility into results - start driving **smarter deliveries today.**

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