

CASE STUDY



# Large CPG Player Boosts Distribution with LogiNext



CPG Distribution

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## Company Overview

The client, one of the biggest CPG players, leverages a strong network to connect its warehouses to the different distribution centers and retailers. Each warehouse caters to around 50 distribution centers. The client uses multiple types of vehicles depending on the nature of the shipment. It directs its distribution through carrier partners. These carrier partners receive the orders from the client, load shipments from the warehouse and deliver the orders across different touchpoints in their route.

Shipment being transported is bound by multiple service level agreements (SLAs). These SLAs were designed to sustain the quality of the merchandise and cover the timelines of deliveries, the type of vehicles, and overall safety of the transit. Prior to LogiNext, the client had little visibility and control over the movement of their shipments.

## LogiNext Overview

LogiNext, a global leader in its space with 150+ large-scale SaaS implementations across 10 countries, has successfully streamlined first mile, last mile and other models of intra-city as well as inter-city logistics distribution. With satisfied enterprise clients across retail, manufacturing, transportation, utilities and services industries, LogiNext has perfected the art of logistics optimization and cost savings with its real-time route planning, tracking, and analytics software. With efficient schedule planning and management, LogiNext's products successfully induce optimal resource utilization across industries. Retail logistics management integrate LogiNext's product to cut down on their resource cost and improve their turn-around time for deliveries.

# CPG Distribution

## Problem

- Long distribution lead time
- High loading time
- Delayed dispatch
- SLA breaches
- Delayed replenishment
- Low capacity utilization
- Lack of live shipment tracking
- Lack of logistics movement visibility

## Solution

- Automate load allocation
- Fast loading and dispatch
- Faster delivery routes
- Higher deliveries/day
- High capacity utilization
- Increased on-time deliveries
- Live shipment tracking with instant delay alerts and notifications

## Implementation

- Efficient delivery scheduling using a flexible route planning software
- High capacity utilization with fast sorting and volume-based load balancing
- Faster go-to-market time across distribution network
- High control over the operations of carrier partners
- Seamless enterprise level integration
- Control tower (end-to-end distribution visibility) integration and implementation

## Problem Statement

The primary concern for the clients was to increase the utilization of their vehicles and the service level agreement compliance. Invoices or orders were manually sorted and loaded into trucks at the warehouse and then dispatched through carrier partners to distributors and retailers.

### High Loading Time

Manual planning and sorting of orders took a long time. Delivery schedules and routes were planned ad-hoc by the supervisor or the driver. All this led to inefficiency, pushing loading times to the point of SLA breaches.

### Delayed Dispatch

With high loading time, dispatch was delayed. Depending on incoming orders, late dispatches seemed to utilize trucks more, i.e., more orders came in and were loaded before dispatch. However, this strained already set delivery timelines and caused unnecessary delays.

### Mismanaged Schedules

Delivery routes weren't mapped to the drivers who knew them well. Delivery

schedules were created manually with no clear focus on optimizing the transit time and cutting down on travel distances while increasing on-time deliveries.

### Mismanaged Capacity

Trucks were loaded without much planning. Inefficient sorting meant that load wasn't exactly calculated per truck. Load balancing was done primarily based on weight, but not on volume. This led to overshooting or underutilization of capacity.

### Lack of Delivery Movement Visibility

Shipment was moved by carrier partners. The client couldn't actively track the movement of these trucks to check if the SLAs are being met such as timelines, sticking to planned routes, avoiding unnecessary detention, etc.



## Solution

The client integrated with LogiNext Mile™ to streamline their logistics movement from warehouses to distributors and retailers. This helped them optimize not just their distribution, but also better manage their carrier partners, driving their processes towards efficiency.

### Automated Allocation

Skill sets of drivers and trucks were defined within the system. This meant that each truck type such as reefer, standard box truck, or van was associated automatically with the type of load they carry. Even the driver's skill sets were aligned with the type of the load.

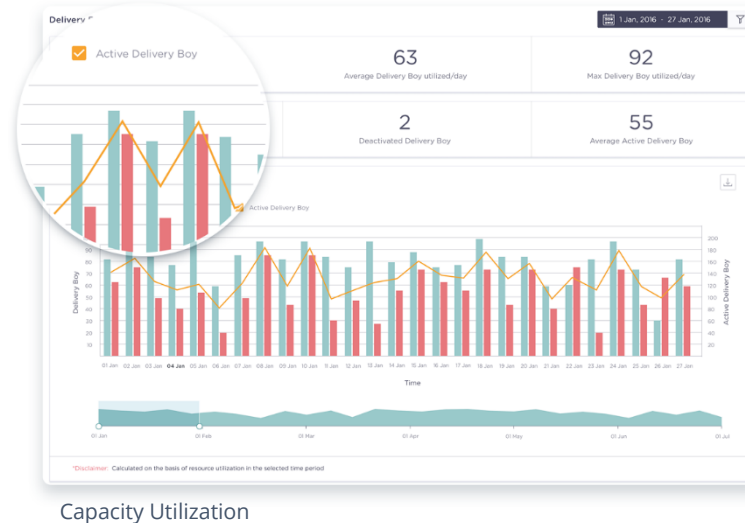
The system automatically assigned the load/shipment to the best-suited driver/truck.

### Territory Mapping

Locations were identified and mapped within the system using geofences (virtual demarcations). Drivers were associated with the areas which they had more knowledge about. This meant lesser time spent on-road searching for destinations, and subsequently lower turnaround time.

### Delivery Schedule and Route Optimization

Deliveries of incoming orders were scheduled along the shortest and most optimized route with more touchpoints (deliveries), minimal delay or bottleneck



(avoiding traffic), and lower turnaround time.

LogiNext's schedule and route planning were done in moments compared to client's previous manual efforts which took hours.

### Capacity Optimization

Load was planned for trucks based on volume of crates/orders rather than just the weight. Unit item weight for two orders might be similar but their volume doesn't have to be. Previously, this meant that at the time of loading, trucks were overfilled or underutilized. In case an additional truck had to be brought in from the spot market, it pushed up costs and delayed deliveries.

Capacity planning and optimization using LogiNext Mile™ helped the client to preplan its load for each truck well before the scheduled dispatch, leaving enough time for proper sorting of goods. This considerably lowered the loading time and boosted the overall capacity utilization of trucks.

Moreover, unit items or crates were directly scanned into the system, cutting down time for manual sorting.

## Overarching Benefits

The client was able to **track each truck live** from a single dashboard. This helped them control the operations even while dealing with multiple carrier partners.

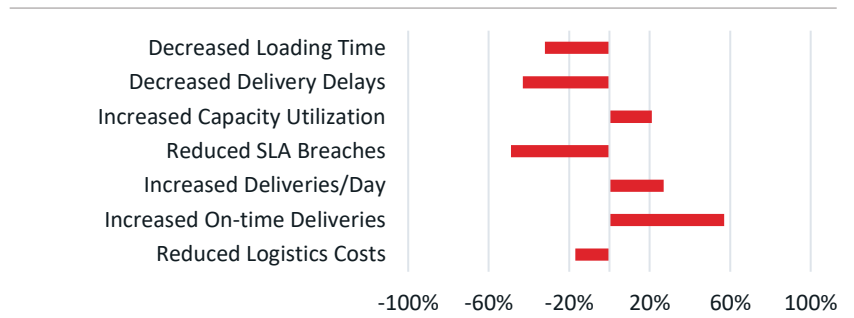
Their primary SLAs were directed towards having their products available to the end-customers on time. **This meant that they must**

**factor in the preferred delivery timeslots for distributors and retailers and not miss any of these deadlines.** Overshooting delivery timelines may lead to longer lead times and the risk of underutilized shelf space at the retail or point of sale point. To keep the complete distribution line healthy, they had to streamline their secondary leg and replenish their merchandise on a timely basis.

After their trucks were dispatched on an expertly planned route following an optimized schedule, **live tracking of their movement helped them ensure that no in-transit SLA breaches occur.** Instant alerts and notifications for any delay or service disruptions meant that they could react in quick time and take corrective measures.

**All this was done from a single vantage point, called the Control Tower.** This control tower showed all live tracking and analytics information from all active trips, covering all on-ground trucks and drivers. They could live track driver behavior such as speeding, rash driving, deviation from planned route, etc. They could also track the temperature and condition of the in-transit load.

*The client successfully boosted their logistics movement efficiency, increased capacity utilization, reduced SLA breaches, increased on-time deliveries, and reduced costs with LogiNext.*



Boost In Logistics Operational Efficiency



## Disclaimer

Case study analysis is based on non-confidential data made available by the clients, market sourced information, insights gained from implementation of key solutions. All metrics and calculations appearing in the case study are approximate, verified and justified in terms of current analysis and forecasts.

## About LogiNext

LogiNext is the one of the fastest growing SaaS companies which over the past years has been consistently providing advanced and innovative solutions in logistics management and field service optimization to diverse industries such as FMCG, retail, e-commerce, manufacturing, logistics, transportation, and maintenance companies across multiple countries.

We have raised technological standards within route planning, route optimization, reverse logistics, and workforce management that have been hailed by the industry as being truly innovative and disruptive.

Our diverse clientele helps us to be updated with the changing needs of the industry and we are proactive enough to adapt to these changes and provide solutions accordingly.



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LogiNext-Solutions

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