## DATA ANALYTICS FOR DHL LOGISTICS

## NALAIYA THIRAN PROJECT BASED LEARNING

On

# PROFESSIONAL READINESS FOR INNOVATION, EMPLOYABILITY AND ENTREPRENEURSHIP

**Team ID: PNT2022TMID28354** 

**AAKASH S K - TEAM LEADER** 

AJAY KUMAR S – TEAM MEMBER 2

ADHAVAN M - TEAM MEMBER 3

LAKKIPOGU ARJUN - TEAM MEMBER 4

A PROJECT REPORT

November 2022

## **TABLE OF CONTENTS**

<b>CHAPTER NO</b>	TITLE	PAGE NO
	ABSTRACT	
1	INTRODUCTION	1
2	OBJECTIVE	3
3		
	IDEATION PHASE	
3.1	Literature Survey	6
3.2	Empathy Map	7
3.3	Ideation	8
3.4	Problem Statement	12
4	PROJECT DESIGN PHASE 1	13
4.1	Proposed Solution	14
4.2	Problem Solution Fit	15
4.3	Solution Architecture	16
5	PROJECT DESIGN PHASE 2	
17		
5.1	Customer Journey Map	18
5.2	Solution Requirements	19
5.3	Data Flow Diagrams	21
5.4	Technology Stack	24
6		
	PROJECT PLANNING PHASE	26
6.1	Prepare Milestone and Activity List	27
6.2	Sprint Delivery Plan	29
7	PROJECT DEVELOPMENT PHASE	35
7.1	Project Development - Delivery of Sprint - 1	36
7.2	Project Development - Delivery of Sprint - 2	45
7.3	Project Development - Delivery of Sprint - 3	52
7.4	Project Development - Delivery of Sprint - 4	57
8	CONCLUSION	61
9	REFERENCES	63

## CHAPTER-1 INTRODUCTION

## 1.1 Project Overview

DHL Logistics Facilities is concerned with getting the products and services where they are needed and when they are desired with the help of Data Analytics. It is difficult to accomplish any marketing or manufacturing without logistical support. It involves the integration of information. transportation, inventory, warehousing, material handling, and packaging. The operating responsibility of logistics is the geographical repositioning of raw materials, work in process, and finished inventories where required at the lowest cost possible. Logistics is practiced for ages since organized activitybegan. Without logistics support no activitycan be performed to meet defined goal. The current challenge is to perform logistics scientifically in order to optimize benefits to the organization. Logistics is a planning function of management. Logistics function is concerned with taking products and services where they are needed and when they are needed. Logistics is being transformed through the power of data-driven insights. Thanks to the vast degree of digital transformation and the Internet of Things, unprecedented amounts of data can be captured from various supply chain sources. Capitalizing on its value offers massive potential to increase operational efficiency, improve customer experience, reduce risk, and create new business models.Real-time simulation optimization and are becomina process increasingly important tools for supply chainmanagement. As worldwide complexity grows, the abilityto run global supply chainsat peak efficiency becomes more and more challenging.

Warehouse operators and supply chain managerscan make better decisions with granular visibility of processes like order management, and inventory levels and resourceutilization become transparent in live dashboards. we understand that dynamic technology markets demand dynamic solutions. So we seek strong partnerships with every customer, envisaging and creating the connections to achieve business success. You can rely on our unrivalled global reach, experience and engagement. We'll help you to imagine and enable new approaches and solutions. Together we will push the pace of change. And always we will enrich your experience with our industry-leading logistics services.

## 1.2 Purpose

The DHL family of specialized Business Units offers an unrivalled portfolio of logistics products and solutions ranging from domestic and international parcel delivery to international express, road, air and ocean freight to end-to-end supply chain management.

As a logistics company, we are the backbone of trading by providing everything that needs to be delivered. We not only deliver packages: we deliver prosperity, transport health, feed development and bring joy. Every day we connect people to improve their lives.

In the Supply Chain business, DHL Supply Chain provides customers in many industry sectors with logistics services along the entire supply chain – from planning, sourcing, production, storage and delivery to returns logistics and value-added services – in order to ensure logistics flow. It is the physical movement of goods from one point to another, such as the moving merchandise from the warehouse to the customer. The shipping process follows the manufacturing and the packing of goods and is controlled and overseen by a shipping or logistics company.

## CHAPTER-2 LITERATURE SURVEY

## 2.1 Existing Problem

DHL is a global expertisein express, air and ocean freight, logistics solutions: overlandtransport and DHL combinesworldwide coverage with an in-depthunderstanding of local markets. DHL India has an outstanding reputation in the market for providing a reliable, fast and easy-to-use service. DHL offers Highly trainedand professional staff,committed to being responsive to all customers' needs Customer Service Agents, available round-the-clock, 365 days of the year, to serve customers whenever and wherever they pre-clearance need them. Electronic of shipments throughCustoms Five international gateways proving direct-toair networks and faster sorting of inbound and outbound shipments.

DHL India is a proven facilitator of trade, across the globe. His strength lies in our global networkand the know-how of our people. Backedby strategic alliances with world-class partners and the innovative use of technology, they strive to continuously improve the quality of our service. Our services range from fast, responsive and cost-effective expressdeliveries toe-commerce fulfillment and intelligent logistics solutions. DHL Core Services consistof door-to-door air express delivery of documents and parcels of all sizes (and weight), both into and out of the country.



Other value-added services are a. Kitting/Pre-Assembling

Kitting is the addition of items such as accessories and batteries to the productpack. Pre-assembling is completion of a finished product from component parts or pre-programming of products. b. Re-Working/Re-Packing

Repacking for a specific customer can include repalletization. Reworking is the modification of products to suit a local market. c. Packaging/Bundling

Packaging includes packing of products into suitable mediafor transportation and retail display. Bundling is the assembly of a number of pre-packaged products to make up an integrated product offering d. QA Control

Quality control ensures that product is received into and dispatched from the warehouse in a suitable condition, free from faults and defects. e. Labeling/Merchandising.

#### DISADVANTAGES OF EXISTINGSYSTEM

- 1. Logistics industryrequires huge investment to set up operations and grows. DHL also require heavy investment to grow its business and to generate return on investment.
- 2. DHL is expected to act in compliance with regulatory guidelines and local authorities. Regulations can be different in the source and destination locations, and so it can be impossible to obey different rules.
- Logistic Market is filled with many local and international players and the market growth is distributed among all the players and due to high pricing strategy DHL market share is restricted in developed and developingeconomies.
- 4. Due to a very large market and a large network of delivery partners are required. DHL also depends on small and local entities for delivery. And this has a directinfluence on DHL efficacy, and so teamworkbecomes verynecessary.
- DHL has less marketing cost as compared to FedEx or UPS and does not spend much on advertisement and branding practices. This impacts the success and recognition of brands.

#### 2.2 References

Aaker, D. A. (2001), Strategic market management. John Wiley & Sons, Inc. CourierWestford, United States of America.

Ahmed, P.K &Rafiq, M. (2003), Internalmarket issues and challenges, EuropeanJournal of Marketing, Vol. 37 No. 9, pp. 1177-1186.

Bennett, R & Thiele, S.R. (2004), Customer satisfaction should not be the only goal, Journal of Services Marketing, Vol. 18 No. 7, pp. 514-523.

Bergman, B & Klefsjo, B. (2010), Quality from customer needs to customer satisfaction, Studentlitteratur AB, Lund, Sweden.

Berry, L.L & Parasuraman, A. (1991), Marketing to existing customers, in marketingservice: competing trough quality, The Free Press, New York.

Doyle, P & Wong, V. (1998), Marketing and competitive performance: an empirical study, European Journal of Marketing, Vol. 32 No. 516, pp. 514-535.

Gerhardt, P.L. (2002), A paper presented in partial fulfillment of the requirements of OM 814 marketing strategy and practice, Journal of Service Marketing, Vol. 20 No.8, pp. 150-160.

Gronroos, C. (2000), Service Management and Marketing: A Customer Relationship Management Approach, Wiley, Chichester.

Heding, T., Knudtzen, C. F. & Bjerre, M. (2008), Brand Management - Research, Theory and Practice.u.o.:Routledge.

Hyder, A. S & Abraha, D. (2003), Strategic alliances in Eastern and Central Europe, Pergamon, An Imprint of Elsevier Science.

#### 2.3 Problem Statement Defination

DHL is an international umbrella brand and trademark for the courier, package delivery, and express mail service which is a division of the German logistics firm Deutsche Post. The company group delivers over 1.6 billion parcels per year.

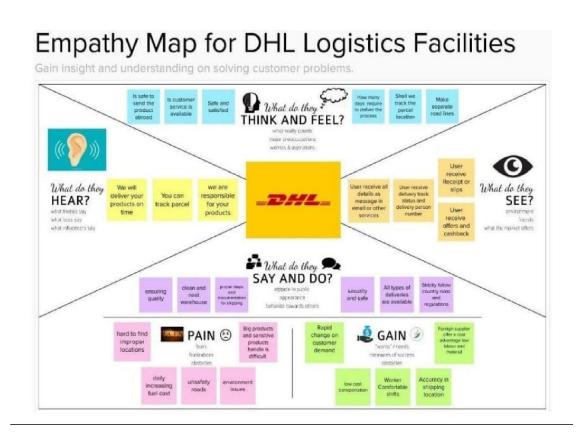
The company DHL itself was founded in San Francisco, USA, in 1969 and expanded its service throughout the world by the late 1970s. In 1979, under the name of DHL Air Cargo, the company entered the Hawaiian Islands with an inter-island cargo service using two DC-3 and four DC-6 aircraft. Adrian Dalsey and Larry Hillblom personally oversaw the daily operations until its eventual bankruptcy closed the doors in 1983. At its peak, DHL Air Cargo employed just over 100 workers, management, and pilots.

Logistics is being transformed through the power of data-driven insights. Thanks to the vast degree of digital transformation and the Internet of Things, unprecedented amounts of data can be captured from various supply chain sources. Capitalizing on its value offers massive potential to increase operational efficiency, improve customer experience, reduce risk, and create new business models.

# CHAPTER-3 IDEATION & PROPOSED SOLUTION

## 3.1 Empathy Map Canvas

An empathy map is a simple, easy-to-digest visual that captures knowledge about a user's behaviours and attitudes. It is a useful tool to helps teams better understand their users. Creating an effective solutionrequires understanding the true problemand the person who is experiencing it. The exercise of creating the map helps participants consider things from the user's perspective along with hisor her goals and challenges.



## 3.2 Ideation & Brainstorming

## **Brainstorm & Idea Prioritization Template**

Brainstorming provides a free and open environment that encourages everyone within a teamto participate in the creative thinking process that leads to problem solving. Prioritizing volume over value, out-of-the-box ideas are welcome and built upon, and all participants are encouraged to collaborate, helping each other develop a rich amount of creative solutions.

Use this template in your own brainstorming sessions so your team can unleash their imagination and start shaping concepts even if you're not sitting in the same room.

Brainstorm
& idea prioritization

Use this template in your own brainsprining seesators, seed with your form as strain shaping concepts even if your on at thing in the same room.

• I make the same room.

• I make the same as the same room.

• I make the same room.

• I make the same as the same room.

• I make the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same room.

• I make the same as the same room.

• I make the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

• I make the same as the same room.

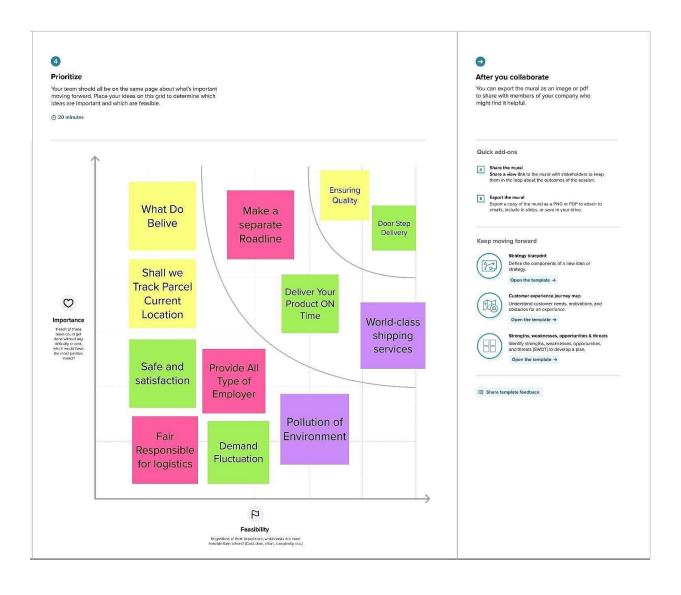
• I make the same room.

• I make the same as the same room.

• I make the same roo

Step-1:Team Gathering, Collaboration and Select the Problem Statement

## **Step-2: Idea Prioritization**



## 3.3 Proposed Solution

S.N	Parameter	Description
Ο.		
1.	Problem Statement (Problem to be solved)	A company's profitability may be severely impacted by continually shifting dynamics brought about by the global natureof the supplychain. The enormous burdenthat the COVID pandemic placed on logistics made thisclear. As a result, manufacturers, shippers, andretailers are using data analytics to better understand their processes and optimise themin order to be more prepared for unforeseen events. Data-driven businesses are growing their profit margins and customer satisfactionlevels

2. Idea / Solution description

New technology plays a vital part in improving operations, removing costs and improving customer service. With DHL you like technologyadvances and investments as we constantly review, evaluate and adoptnew technological solutions.

Augmented Reality, for instance, is already getting used to optimize warehouse processes, while a spread of automated guided vehiclesand robots are being testedand assessed for future deployment.

3. Social Impact / Customer Satisfaction

Customers want to understand when their items are delivered and whether a package's expected arrival date are later than expected.
Customers are often happieras they get more knowledgeable. Real-time or nearly real-time status updates are now possible, and businessesthat make it simple for purchasers to urge theselogistics updates will enjoy higher customer satisfaction. Additionally, data can improve customer satisfaction in ways asidefrom just

		shipping monitoring.
4.	BusinessModel (Revenue Model)	1 – Broker modelThis is the most common way 3PL works, and theone most organizations are probably familiar with. In the broker model, a 3PL buys cargo space in bulk from carriers and resells the space to its own customers at a premium.  Oversized, his 3PL can afford to purchase large amounts of cargo space without delay, and can take advantage of economies of scale to significantly reduce costs. Even with a premium, they're still dealing with less than mostsole proprietors could die for outright. 2 – Profit sharing With a profit-sharing model, 3PL works directly with customers to reduce costs. 3  – Fee model In the commission model, the 3PL"works" for the carrier and acts as an intermediary between the carrier and the buyer. From there, it works like some standardcommission-based

tra an car wh	stem. Fee models offer a lot of insparency within the process, d in many cases 3PLs can rely on rrier proprietarytechnology, nichrarely leads to the most fective technical solutions.
------------------------	--

## 3.4 Problem Solution Fit

Explore AS, differentiate Identity strong TM & ER Project Design Phase-I - Solution Fit Template Customers mostly verify their dealers before making AS BE a final change. They visit some websitesabout their To verify about their dealers, they will see if their neighbors has done the same action and they will know what is their confident level. distance our transport solution may be ofuse. 2. Warehouse - Storing of products is main They need to be constant at their decisions 1. Transport - When consumer is at long So, our warehousing solution solves that 8. CHANNELS of BEHAVIOUR 7. BEHAVIOUR 5. AVAILABLE 8.2 OFFLINE 8.1 ONLINE problem. problem. dealers. **№** logistics is to build the customer trust about their develop a good and trustworthy relationships Another constraint is the customer changes. Team ID: PNT2022TMID10429 Because a good atmosphere will definitely We need of a huge investment to process The main and foremost solution in a DHL Many customers alter their changes in product, process and infrastructure. 9. PROBLEM ROOT CAUSE The main constraint is MONEY. between customer and supplier. 10. YOUR SOLUTION different products. 6. CUSTOMER logistics. and trust before acting upon their will. But after they see it with their own eyes theywill start to trust and BM Definitely customers will feel a lack of confidence J&P CS Project Title: Data Analytics for DHL Logistics Facilities 2. JOBS-TO-BE-DONE / PROBLEMS their confidence level will get increased. Our customers are mostly middle-class parents and people living in different Due to the various changes made in the environment it triggers the customers 1. Frequent changing of their changes 4. EMOTIONS: BEFORE / AFTER 1. CUSTOMER 3. TRIGGERS environment. to act. Define CS, fit into CC Identity strong TM & ER

# CHAPTER-4 REQUIREMENT ANALYSIS

## 4.1 Functional Requirements

Following are the functional requirements of the proposed solution.

FR No.	Functional Requirement (Epic)	Sub Requirement (Story/ Sub-Task)
FR-1	User Registration	Registration throughany google account or social media accounts.
FR-2	User Confirmation	Confirmation via Email Confirmation viaOTP
FR-3	Dataset	The DHL_Facilities.csv recordare collected as a dataset andupload to Cognosanalytics
FR-4	Prepare/Analyse	The dataset is moved aroundtoprepare and analyse usingCognos
FR-5	Exploration	The dataare explored usinglogistics dataset byCognos
FR-6	Dashboard	The Prepared and Explored data are Visualize and created in different typeof dashboards. i.e.,charts, graphs, tree,reports, summary, etc

## 4.2 Non-Functional Requirements

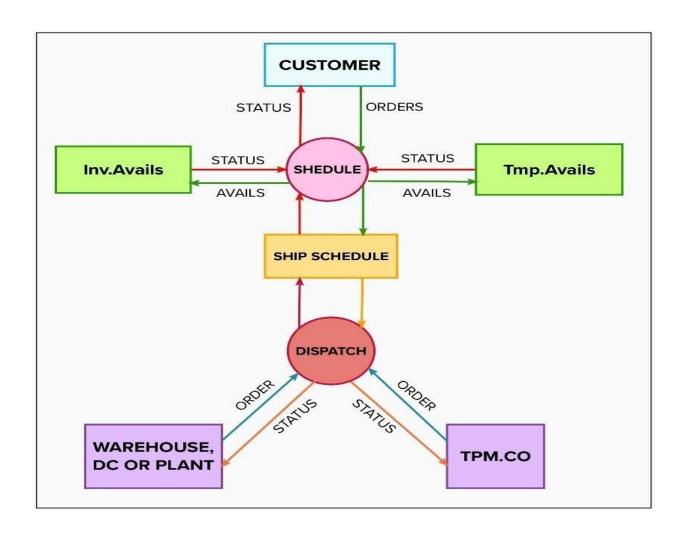
Following are the non-functional requirements of the proposed solution.

FR No.	Non-Functional Requirement	Description
NFR- 1	Usability	No priorexperience required to use the dashboard. Peoplewith basic understandingcan use the system.
NFR- 2	Security	Only registered user can use this application.
NFR- 3	Reliability	The Analytics system ensures the reliability
NFR- 4	Performance	Gets updated regularly to improve the performance of the application.
NFR- 5	Availability	The availability of dataset mustbe constrained for accurate data
NFR- 6	Scalability	Any kind of datacan be explored and thesystem is quiet expandable

## CHAPTER-5 PROJECT DESIGN

## 5.1 Data Flow Diagram

A Data Flow Diagram (DFD) is a traditional visual representation of the information flows within a system. A neat and clear DFD can depict the rightamount of the system requirement graphically. It shows how data enters andleaves the system, what changes the information, and wheredata is stored.

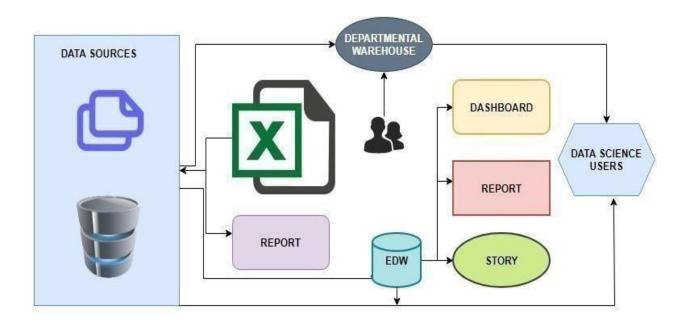


### 5.2 Solution & Technical Architecture

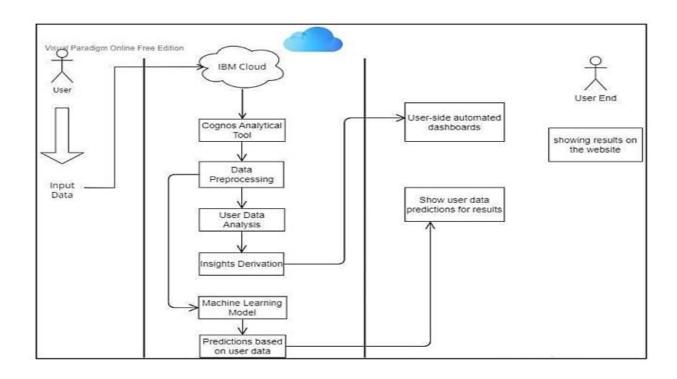
A Solution architecture (SA) is an architectural description of specific solution. SAs а combine quidancefrom different enterprise architecture viewpoints (business, information and technical), as well as from the enterprise solution architecture (ESA). Ultimately. solutionarchitecture is aimed at the following overarching goals:

- i. Streamlining of day-to-day activities
- ii. Providing a more efficient production environment
- iii. Lowering costs and gainingcost-effectiveness
- iv. Providing a secure, stable, and supportable environment

**Project - Data Analyticsfor DHL Logistics Facilities- Solution ArchitectureDiagram** 



## **Technical Architecture**



## 5.3 User Stories

Use the below templateto list all the user stories for the product

User Type	Functional Requireme nt (Epic)	User StoryNu mber	User Story/ Task	Acceptance criteria	Priori ty	Relea se
Customer	Registration	USN-1	As a user, I can register for the application byentering my email, password, and confirming my	I can access my account / dashboard	High	Sprint- 1

		password.			
	USN-2	As a user,I will receive confirmation email oncelhave registered for the application	I can receive confirmati onemail & click confirm	High	Sprint- 1
	USN-3	As a user, I can register for the applicationt hrough Facebook	I can register & access the dashboard with Facebook Login	Low	Sprint- 2
	USN-4	As a user, I can register for the applicationt hrough Gmail	I can register &access the dashboard withGmail Login	Medi um	Sprint- 1
Login	USN-5	As a user,I can log into the application byentering email& password	I can login into the application with Gmaillogin	High	Sprint- 1
Dashboard	USN-6	As a user I can use the methods provided in theDashboard.	I can accessthe dashboard with various methods	High	Sprint- 2

Custom er CareExe cutive	Login	USN-7	As a Customer Care Executive, I can log into the application by entering my Executive emailId & password	I can login with my creden tials	Medi um	Sprint- 1
	Service	USN-8	As a Customer CareExecutiv e, I cananswerus er's queries	I can give thesolutio ns to theuser's queries	High	Sprint-3
Administrat or	Login	USN-9	As an Administration, I can log into the application by entering my Administer emailId & password	I can login with my creden tials	High	Sprint- 1
	Access	USN-10	As an admin, I can makech anges to theinterf ace accordi	I have a full accessto the applicati on	High	Sprint- 3

			ng thenee ds			
Custo merto ols	Tools	USN-11	I can perform analysis by tools (Cognos andwith ML)	I have an ease of Acce ssi ng tool s.	High	Sprint 1

# CHAPTER-6 PROJECT PLANNING & SCHEDULING

## **6.1 Sprint Planning & Estimation**

Spri nt	Function al Requirem ent (Epic)	User Story Num ber	User Story / Task	Sto ry Poin ts	Priori ty	Team Membe rs
Spri nt-1	Login	USN-1	As a user, I can register & log into the application by entering email& password	10	High	S.V.Balaji
Spri nt-1	Verify	USN-2	As a user, I can verify the email with given otp andcheck for correct subscription access	10	High	P.Naveen
Spri nt-2	Collect Data	USN-3	As an admin I can define questions & goals thencollect data &provide the dataset in IBMCognos analytics	10	High	N.Aneel

Spri nt-2	Prepare &Explore	USN-4	As an adminican prepare, explore & present thedataset in IBM Cognosanalytics	10	High	N.Jagad eesh
Spri nt-3	Analyze	USN-5	As an admin, I will analyze the given dataset (Data pre-process ing)	10	High	S.V.Balaji
Spri nt-3	Predict	USN-6	As an admin, I will predict the length ofstay (Prediction)	10	High	P.Naveen
Spri nt-4	Visualizati on	USN-7	As a user, I can select the visualization type likeReport, Dashboard and story (Creating visualization)	7	Medi um	N.Aneel

Spri nt-4	Dashboard	USN-8	As a user, I can upload the datasets to the dashboard and view visualizations	8	High	N.Jagad eesh
Spri nt-4	Communic ate	USN-9	As an admin, I can communicate to the client foruser queries and visualize the best dashboards in any platform as a userexpected	5	Low	S.V.Balaji

## **6.2 Sprint Delivery Schedule**

Spri nt	Total Sto ry Poin ts	Durati on	Spri nt Start Date	Sprint End Date (Plann ed)	Story Points Complet ed (as on Planned End Date)	Sprint Relea se Date (Actua I)
Sprin t-1	20	6 Days	24 Oct 2022	29 Oct 2022	20	29 Oct 2022
Sprin t-2	20	6 Days	31 Oct	05 Nov 2022	20	05 Nov 2022

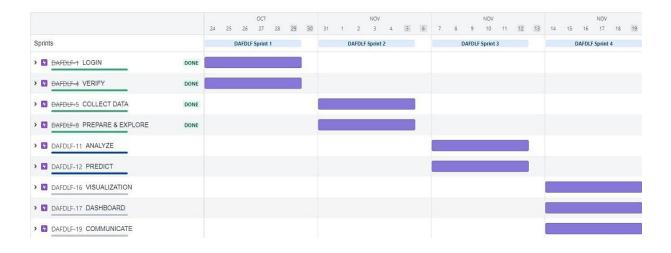
			2022			
Sprin t-3	20	6	07	12 Nov 2022	20	12 Nov
t-3		Days	Nov 2022			2022
			2022			
Sprin	20	6	14	19 Nov 2022	20	19 Nov
t-4		Days	Nov			2022
			2022			

### **Velocity:**

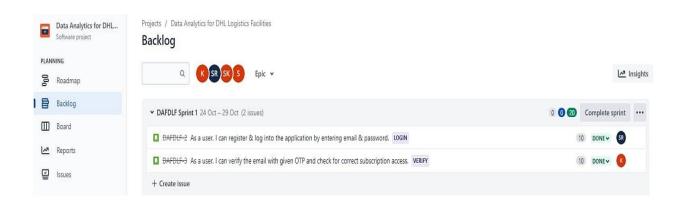
we have a 6-day sprint duration, and the velocity of the team is 20 (points per sprint). Let's calculate the team's average velocity (AV) per iterationunit (story points per day).

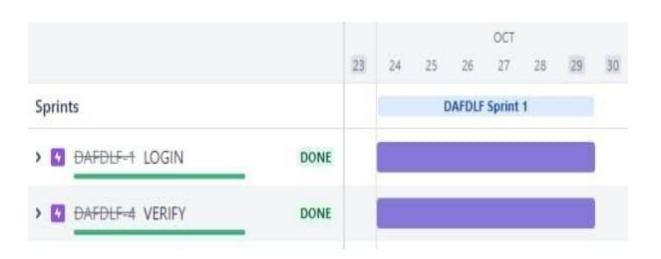
#### **Burndown Chart:**

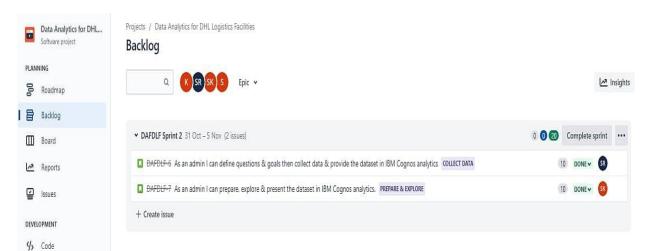
A burn down chart is a graphical representation of work left to do versus time. It is often used in agile software development methodologies such as Scrum. However, burn down charts can be applied to any projectcontaining measurable progress over time.

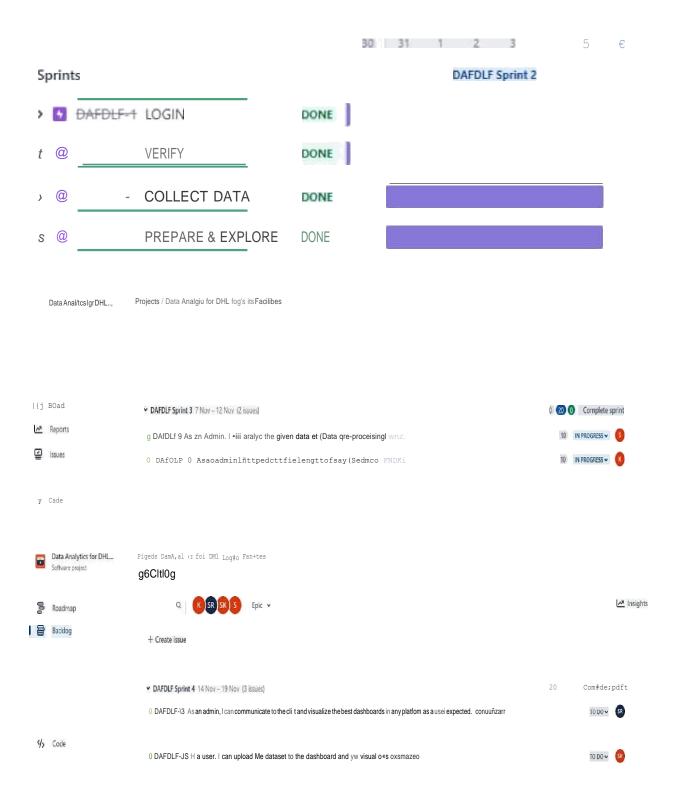


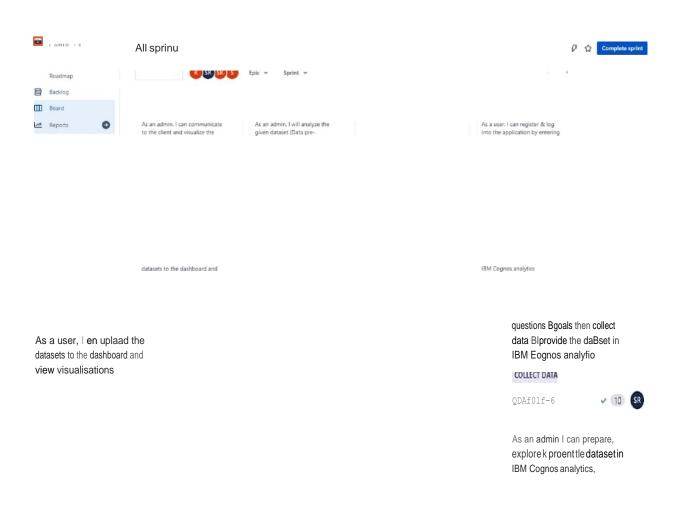
## 6.3 Reports From JIRA

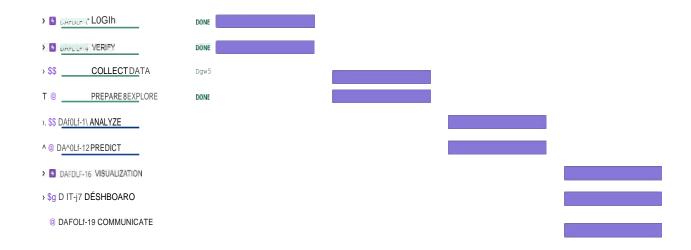






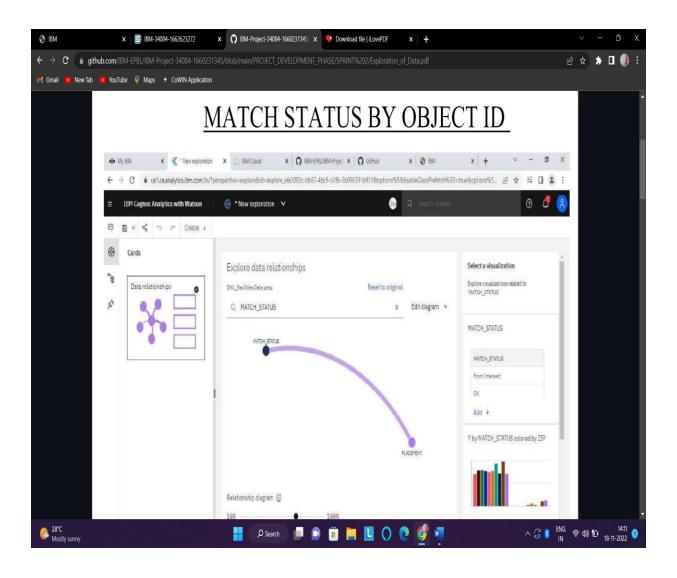


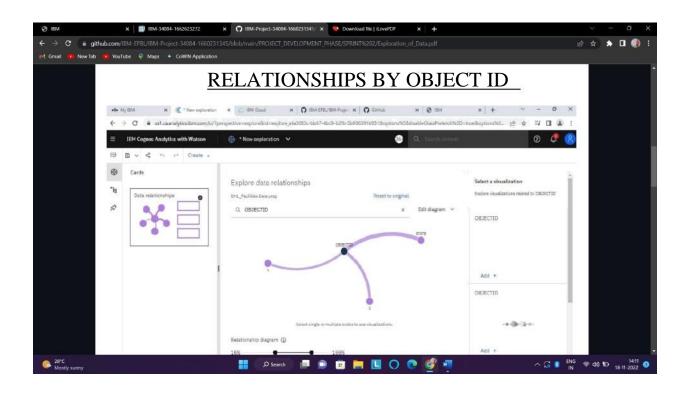


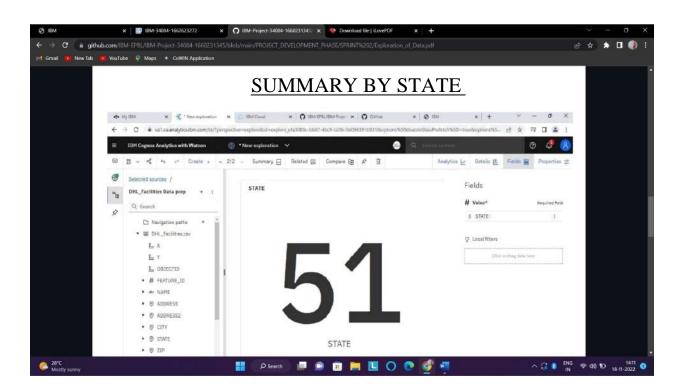


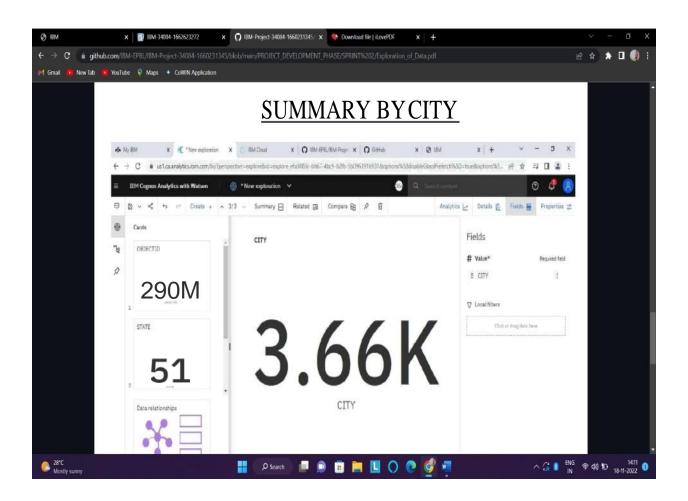
## CHAPTER-7 CODING & SOLUTIONING

### 7.1 Feature 1







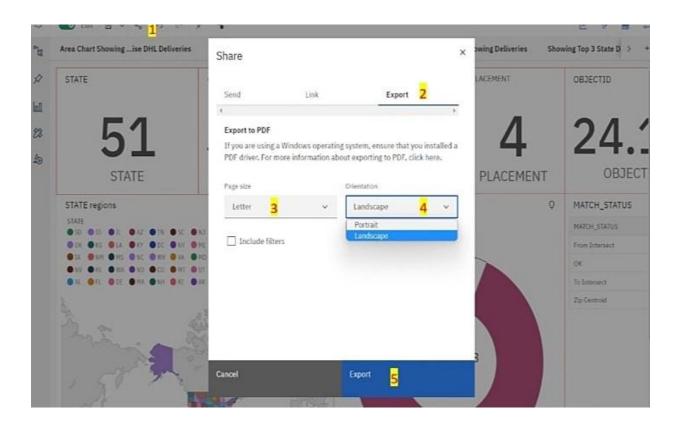


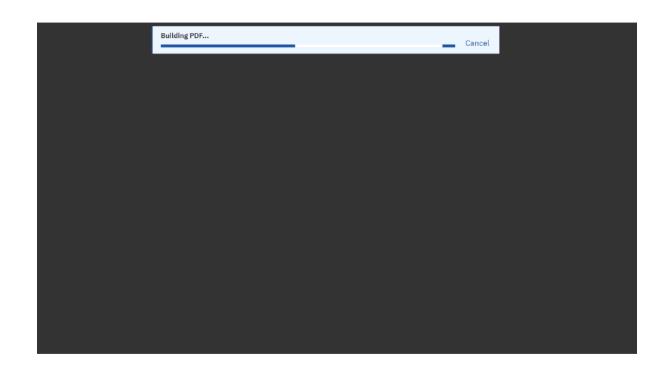
### 7.2 Feature 2

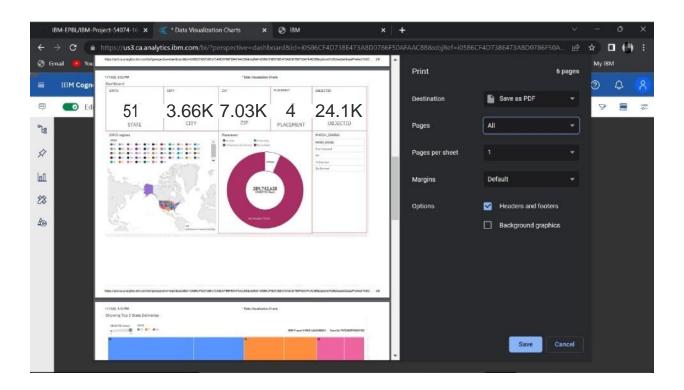
## **EXPORT THE ANALYTICS**

Finally, it's to share your work eitherthrough email or embedded toweb or pdf to Showcase your work to other.

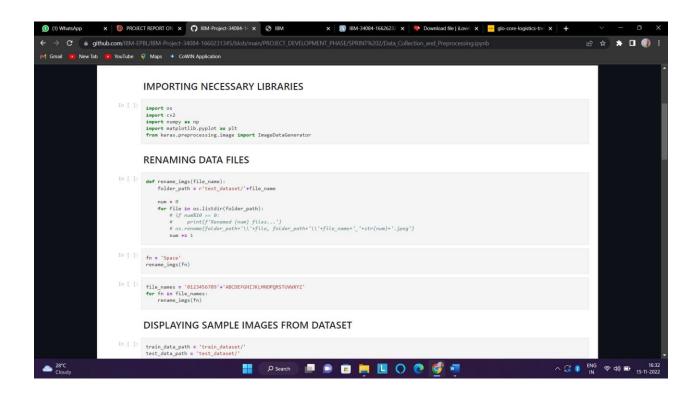
See the belowsnapshots for understanding about sharing the work as pdf doc.

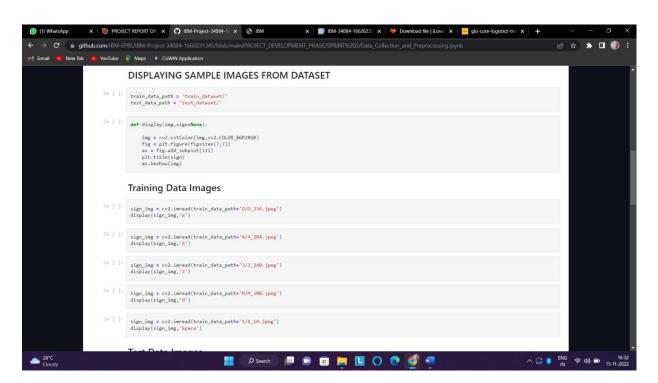


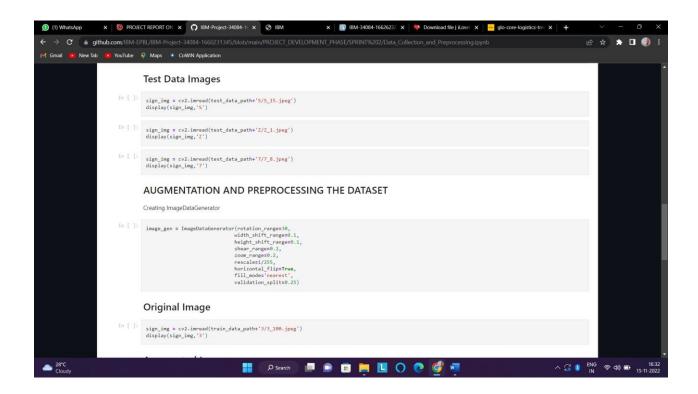


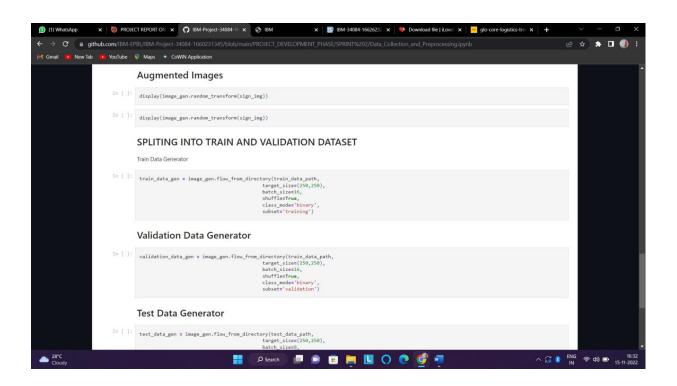


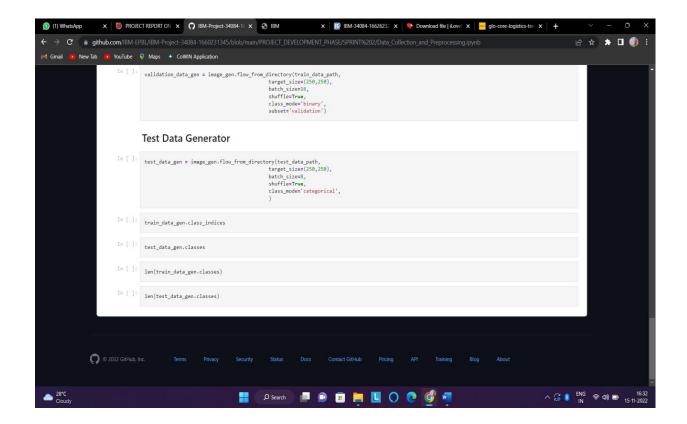
### 7.3 Database Schema





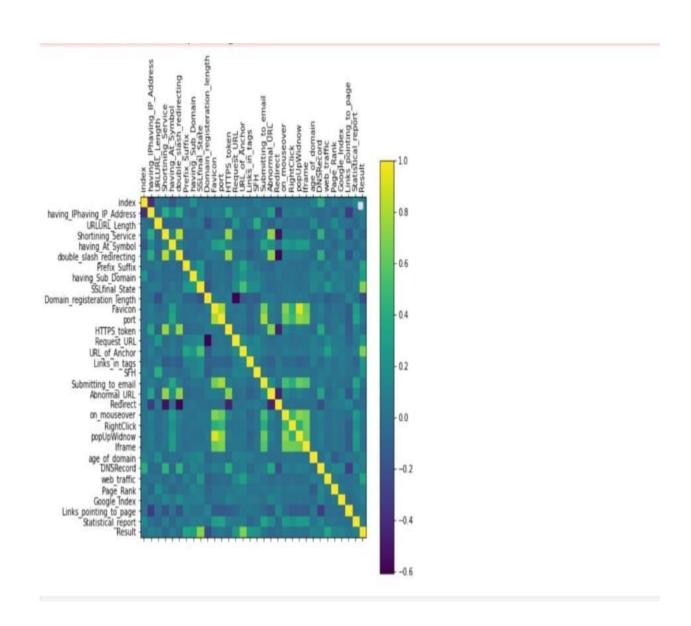


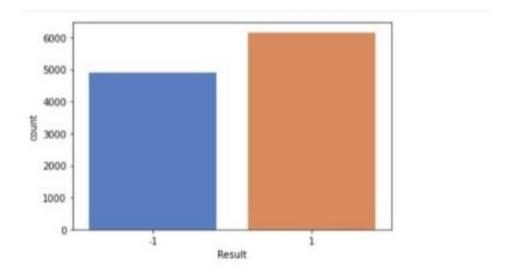




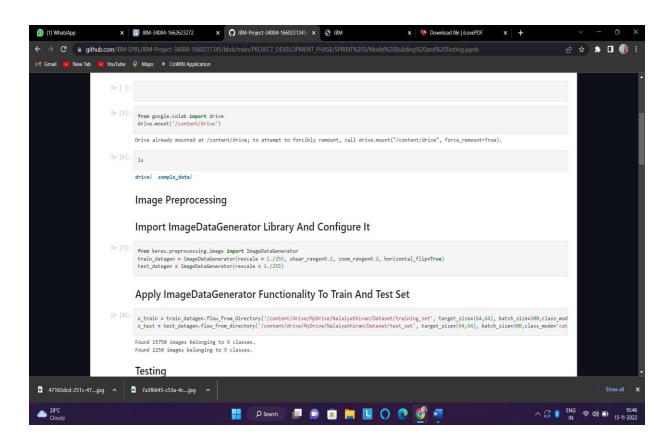
# CHAPTER-8 TESTING

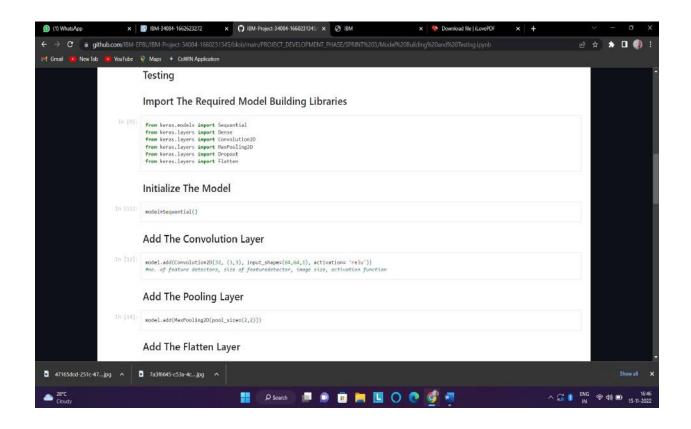
## 8.1 Test Cases

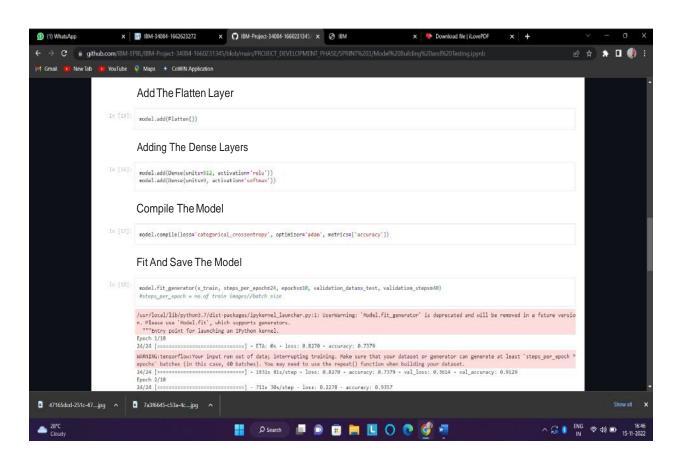


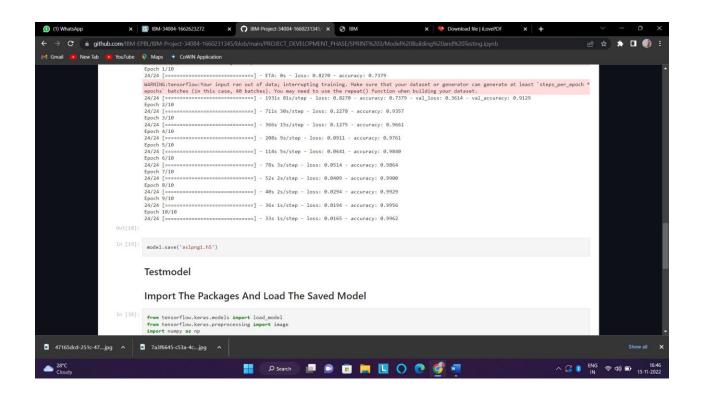


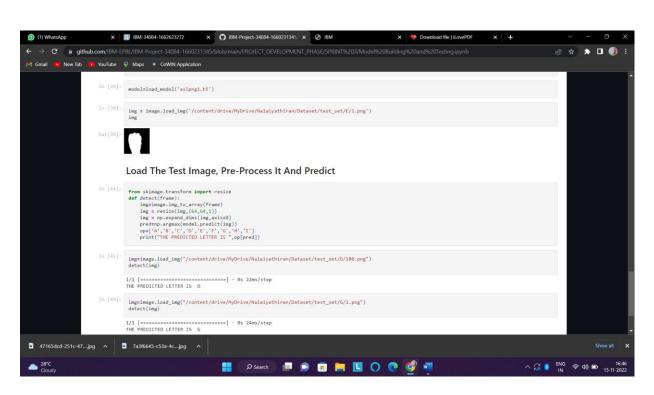
### **8.2 User Acceptance Testing**











## CHAPTER-9 RESULTS

### 9.1 Performance Metrics

### On-Time Final Delivery

This metric shows a carrier's ability to deliver successfully on time to their scheduled required arrival date and/or to the appointment time. Missing an appointment is not only financially costly (in the form of retailer chargebacks), it also adds time to the delivery as you'll likely need to schedule a new appointment, which could be several days out. If your carrier is performing below 98% with this metric, then an operations review should look for process improvement and efficiencies.

### Cost Per Pound

This metric measures gross net with total weight moved each month/quarter to show the buying and usage patterns of your customers. The trends revealed in cost-per-pound performance can help you and your customers to buy smarter and save money by not over- or under-buying product.

## **Warehousing metrics**

 Inventory accuracy – This warehousing metric measures the accuracy of orders pulled from the warehouse. High accuracy scores show that the correct products in the correct quantities are going to the correct customers. Low inventory accuracy can create angry customers and result in additional costs to fix orders.

- Dock to Stock While much attention is paid to outbound order cycle time, inbound cycle time is just as important to your supply chain. The dock-to-stock KPI measures the time between receipt of an order and the time that it is put away. Fast dock-to-stock times boost the efficiency of inbound activities and ensure that product is ready for resale as quickly as possible.
- On-Time Shipping Shipping speed is vital in both the B2C and B2B worlds, and this metric shows the percentage of shipments that left the warehouse on time. Of course, "on time" can vary between those two worlds. B2C orders generally need to ship the same day (up to a cutoff time), while B2B orders have more of a set cadence with retailers (e.g., retailer may give advance notice of 48 hours, 72 hours, or even a week). Failure to ship on time can result in disappointed customers and can decrease the likelihood that B2B shipments make it to store shelves prior to a holiday surge or big promotion weekend (e.g., Valentine's Day and "Back to School" season)
- Order Accuracy Customers both B2C and B2B not only expect orders to ship in a timely manner, they expect to receive exactly what they ordered. This metric shows accuracy (%) in terms of the number of orders filled correctly. When orders are filled incorrectly, chargebacks and delays are the likely result (e.g., Walmart's On-Time-In-Full [OTIF] policy made a splash years ago by announcing significant penalties for both late and incorrect orders).
- Fill Rate Fill rate measures the ability of a warehouse to fill orders from a specific distribution center, without having to ship from multiple locations. For a 3PL, high fill rates result from good systems integration that ensures the warehouse inventory count for each SKU matches the figure in the customer's internal system. When these numbers don't match up, retailers can accept more orders than they can fill with current inventory, – resulting in backorders, delays and potential chargebacks.

### Using logistics metrics with a 3PL partner

When you're working with a 3PL partner, expensive systems and advanced automation don't always equate to exceptional operational performance. Make sure that your 3PL is capturing, managing, and continually improving the KPIs that matter to you – and your customers' – business.

When partnering with a 3PL, discuss the metrics that your company needs to master. This discussion should also cover the steps your 3PL will take when operations are falling short of the mark, as well as any continuous improvement program that your 3PL has implemented to bolster operations.

## CHAPTER-10 ADVANTAGES AND DISADVANTAGES

### **Advantages of DHL**

- Established global presence in about 220 countries
- Door-to-door delivery of packages
- Air and sea delivery
- No pickup fees
- 24/7 international support
- Offers refunds for service failures on its part
- Complete control over transport chain ,e.g.. Temperature sensitive
- Possibility to provide value added services
- More flexible dispatching
- Important for reputation as driver represents the company
- No fixed costs
- Better planning in a volatile market
- Improved utilisation of vehicles.

## **Disadvantages of DHL**

- Less significant presence in the U.S.
- Occasional extra charges or surcharges.
- Higher Costs
- Difficulties archeiving good vehicles utilisation
- Own fleet management structures
- Less flexibility and control for retailer
- Loss of direct contract with recipient.

## **CHAPTER-11 CONCLUSION**

Logistics is one the most important and integral part of any organisations strategy and function. When the logistical process is carried out accurately then not only the company reduces the production cost but also improves the efficiency and customer satisfaction. Overall logistics management is very important for today's highly competitive and cut throat corporate world.

DHL has the world's largest express and logistics Network. Over the past decades it had turned delivering goods into a finely oiled process. Be it a book, pen. WIP material, drugs, hazardous chemicals, clothes, documents, wild animals and any other thing under the sun DHL delivers it. With a network spanning 200 countries and with its private fleet of airplanes, mobile vans, cargo ship carriers & even rail way automotives in some counties DHL can handle any type of goods. Not only has that with international network there come the hassle of documentation and paperwork, standard packaging and other formalities to adhere to. But DHL has its own department which looks into the international laws and other formalities. In the end what matters is delivering well in good condition at the door step of the customer. A happy and satisfied customer makes the business grow. Competitors have come and gone but DHL has been able to keep its No 1 position intact. This is because of its dynamic nature and attitude of maintaining good customer relations. Logistics management is important for every organization but more so DHL

We have tried to incorporate all the facets of logistics which propel DHI. to be the best delievery and carriage-service around the world. No wonder that DHL is head and shoulders above all of its competitors.

## CHAPTER-12 FUTURE SCOPE

### **SCOPE OF THE STUDY**

In order to understand the concepts of logistics in terms of practical usage and to glimpse into the how a real company or organization uses logistics as a formidable tool to gain customer satisfaction reduce overall cost and increase efficiency I selected "DHL the world's leading courier Service Company, The study is done only how DhI use logistics system effectively. There are following strength and weakness of DHL

### **COMPANY STRENGTHS**

- Strong Brand Image: In 1997, DHL became the global express transportation company to obtain simultaneous system- wide ISO 9001 certification in international quality standards. DHL has also developed their own quality system that matches their customer's standards.
- Globalism: DHL operates on a global scale. They operate in more than 220 countries. They provide services that appeal to most of the world. They have such a large market in which to operate, and thus realize tremendous revenues. They can also achieve global economies of scale.
- eServices and Technology: DHL uses and continues to search for new technology. They spend nearly 10% of total revenues, for information technology. DHL also has excellent eServices that provide access to systems that ensure customers have control and visibility of their supply chains at all times. Products can be tracked, queried and ordered online.

- Corporate symbiosis:DHL has developed its own organizational structure to serve the global market, which it has called "corporate symbiosis." This approach encompasses the empowerment of the DHL personnel at a local level, at the same time recognizing the interdependence of the parts of DHL as a corporate whole.
- Smart-Truck Project. It is the programme which allows DHL to deliver faster. The data are transmitted directly to the dynamic route planning system, which recalculates the routes, depending on the current order situation and volume of traffic.

#### **COMPANY WEAKNESS**

- High Prices: DHL's prices are above their competitors. This can be a weakness if their customers do not perceive a difference between DHL and its competitors' services.
- Mistakes in Market-Share Estimate: The biggest weakness is DHL's market-share estimate. It is difficult to estimate even when the market is stagnant and contains few competitors, and all marketshare estimates should be viewed with circumspection.
- Weak Visibility: It has weak visibility in the communitycompared with its potential.

# CHAPTER-13 APPENDIX

### **Source Code**

