👤 **Name**   📞 **+91 XXXXXXXXX**   ✉ **xyz123@gmail.com**   🔗 **linkedin.com/profile_url**

Optimizing Last-Mile Delivery Planning for Cost Reduction

Domain & Process   Logistics   ⟫⟫   Last-mile   **Tool Stack Used**   SQL + Tableau
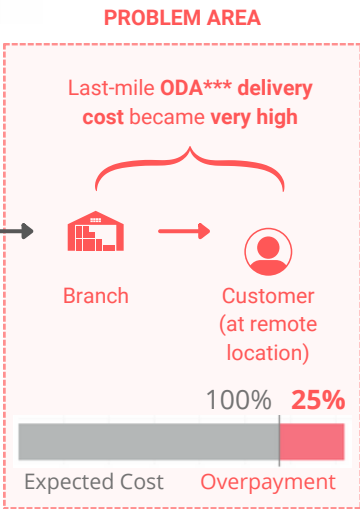
PROBLEM

A logistics company's last mile process became inefficient. The cost of delivering package to remote areas exceeded expected amount by 25%.

PROBLEM AREA

Fig. A typical logistic process

Last-mile **ODA*** delivery cost** became **very high**

100%   **25%**

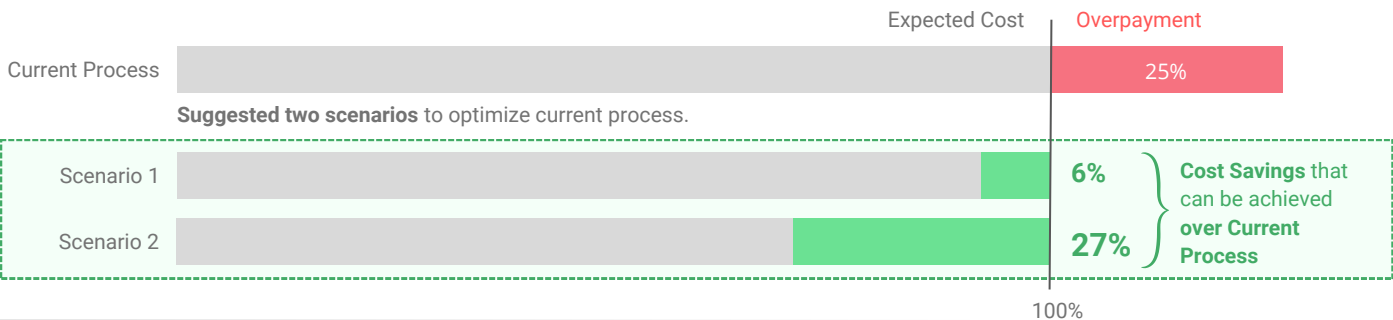Expected Cost   Overpayment

Implication

- Overpayment to partners led to a **decreases in profitability** of the business.

Objectives

- Find why the cost has become high and what was its impact on the payouts of the partners.
- Calculate payouts to be given to the partners for making deliveries in the current month.
- Improve the current process to reduce the cost even further.

APPROACH

Steps	Findings & Impact	Deliverables
Understood the process of delivering consignments to ODA areas	On any given day, a last-mile delivery partner can **make only 2 trips.**	NA
Checked if partners followed the process established for making deliveries in ODA areas	In **~95% of clusters,** partners are **violating** the process	Dashboard 🔗
Calculated current payouts to be made to the partners	The report was needed by finance team for **releasing payouts** to the partners	Excel Report 🔗
Analyzed the impact of process violation on the payouts to the partners	Payouts to partners was **25% more** than expected. **That was ₹30 lacs!**	Storyboard/Deck 🔗
Reduced the cost further by making improvements to the current process	Cost could be further **reduced by ~27%** (**₹30 lacs**)	Storyboard/Deck 🔗

Expected Cost   Overpayment

Current Process   25%

Suggested two scenarios to optimize current process.

Scenario 1   **6%**   **Cost Savings** that can be achieved

Scenario 2   **27%**   **over Current Process**

100%

GROWTH EXPERIENCED

1   Understood Last-Mile Delivery Process

Got a sense of understanding on the business model of logistics companies, especially the last-mile process..

2   Increased SQL Proficiency

Got a good confidence boost in using SQL. Spent more than 4hrs searching "how to do ... in sql."

3   Storytelling with data

Heard a lot about storytelling before, but using it to create an impact felt extremely satisfying. Would explore it more!

APPENDIX

Terminologies
*Branch: Small warehouse
**Cluster: Big or main warehouse in the state
***ODA: Outskirt Delivery Area (remote location)

Others
Link to SQL queries. ⧉

Have a Feedback?

Let's connect! Would love to hear it.

Contact information is in the banner!