WCG Group 5

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Introduction



Warwick Container Group (WCG) specialises in offering a wide range of flexible leasing options to meet both short and long-term needs.



Revenue Management (RM) models are highly beneficial in offering solutions to help improve revenue using price optimisation and inventory management.

Current Approach

Leasing at the local branches with traditional paper based booking with limited digital booking



Problems

- Accepting Container-Booking Request based on experience and intiution
- Unutilized inventory
- No forecasting for demand and price

Our Recommendation

Implementing the revenue management (RM) model into WCG's daily operations



Benefits

- Data-driven decision making
- Improved container utilisation
- Using historical booking data and trends to forecast demand

Methodology

PHASE 1
Problem formulation

Identifying the parameters:

- Length of leasing
- Week returned
- Weekly price of leasing
- Inventory

PHASE 2
Objective function and constraint formulation

 Revenue management model creation to maximize the objective function PHASE 3
Reporting

- Revenue
- Return on Investment
- Load factor

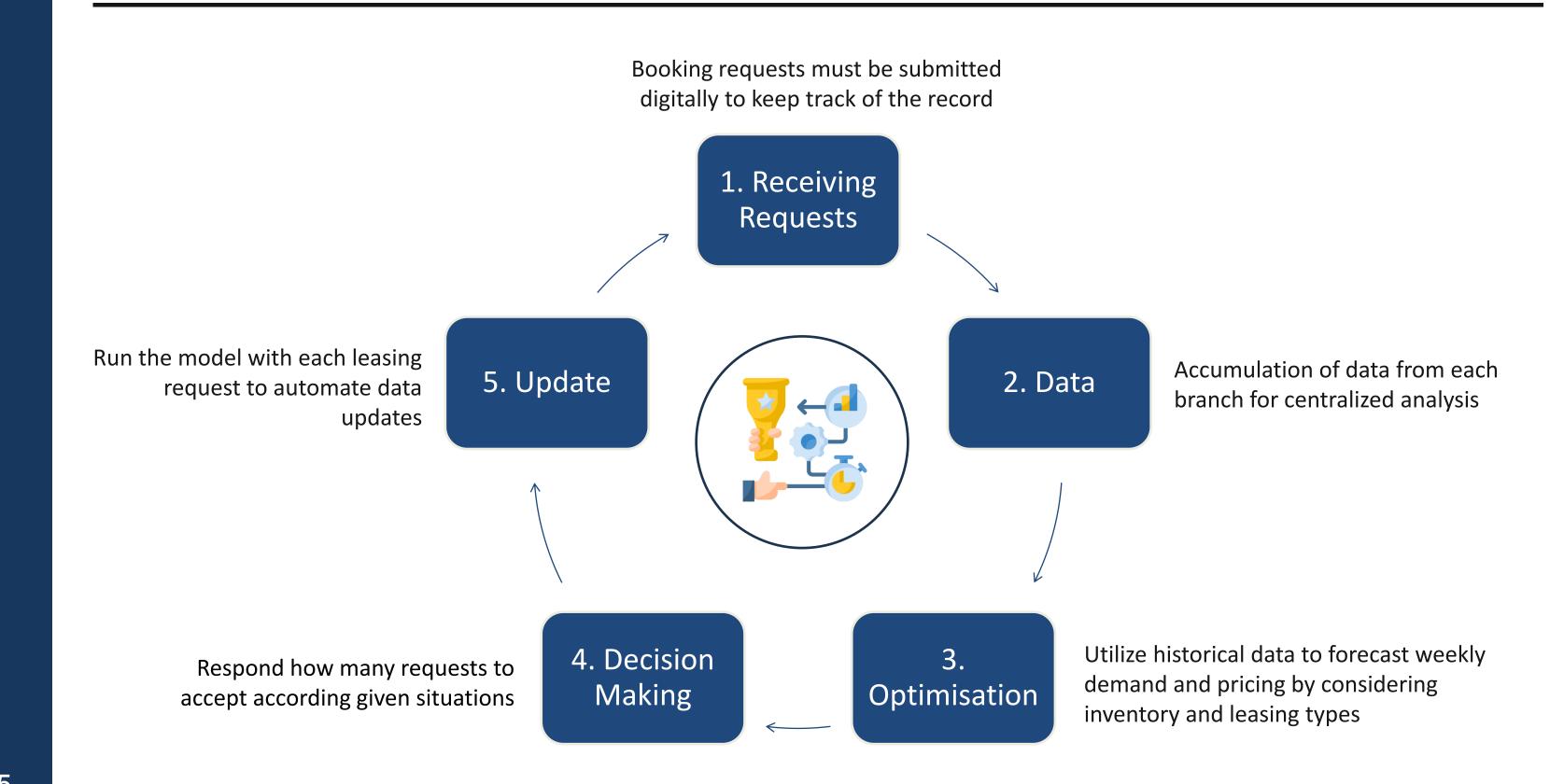
Model Comparison

	WCG MODEL	GP5 MODEL	INCREASE
REVENUE	679,000	749,588	10.39%
ROI	15%	16.7%	1.7%
LOAD FACTOR	5.72	6.16	0.44%



- Rise in Total Number of Containers Leased
- Improved Customer Responsiveness
- Higher Container Usage
- Substantial Increase in 8-Week and 16-Week Leasing Revenue

Implementation of RM model



Limitations **Potential Solution** Provided data will not be sufficient Expand data sources across different **Limited Data** years and branches enough for accurate interpretation Adopt linear network management with **Leasing Model** Only round-trip leasing considered flexible return locations **Pricing and** Integrate dynamic market trends and Model uses outdated static data **Demand** update forecasts regularly Customer Incorporate size based differentiation for Fails to prioritize by customer size Differentiation improved satisfaction and profitability





