

Logistics Performance Analysis – Findings & Recommendations

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24-Feb-2025



Introduction

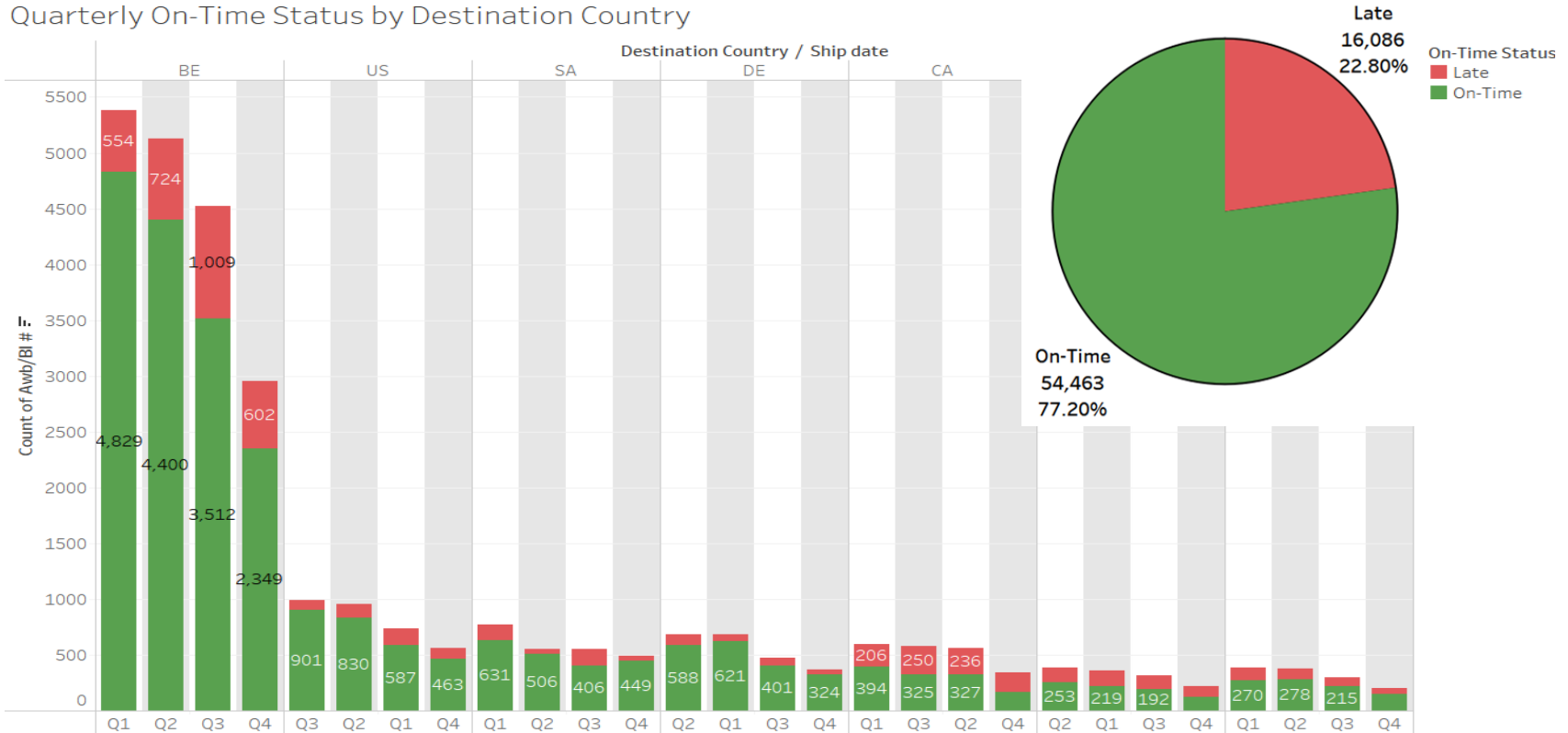
- Efficient pharmaceutical logistics is essential for the safe and timely delivery of medicines, vaccines, and medical supplies.
- Given the stringent regulations and the delicate nature of these products, a well-managed supply chain is crucial to maintaining quality, ensuring compliance, and meeting patient needs.

Key Takeaways & Business Impact

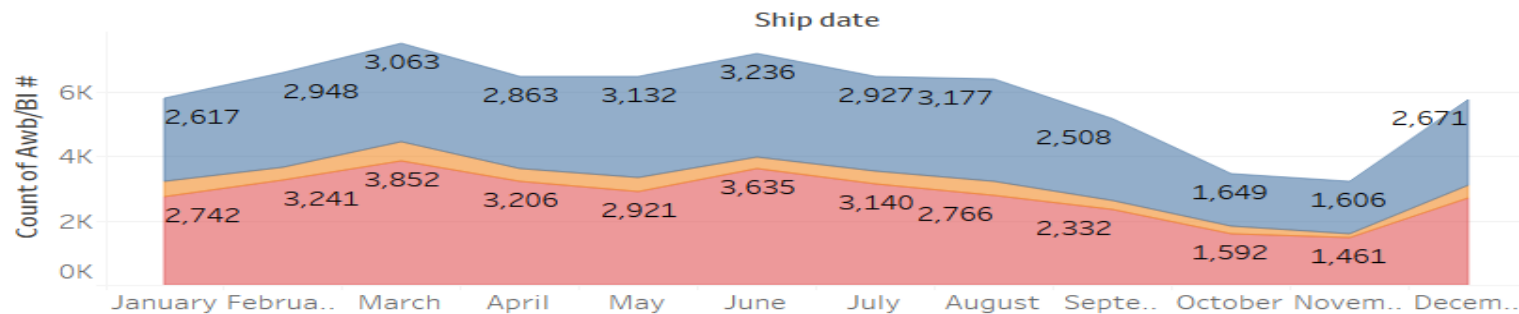
- **Overall On-Time %:** 77.2% (Goal: *90%)
- **Late Shipments:** High in **BE (Belgium)** & **CA (Canada)**
- **Freight Costs:**
 - **Air shipments are expensive**, but mostly on-time
 - **Truck shipments are reliable and cheap**
- **Forwarder Performance:**
 - **GFF 3 has highest On-Time and low freight cost.**
 - **GFF 5 has more Late shipments and have high freight cost.**

Shipment Performance by Country

Quarterly On-Time Status by Destination Country



Shipments by Month Analysis



Year of Ship date

- ☒ (All)
- ☒ 2020
- ☒ 2021
- ☒ 2022

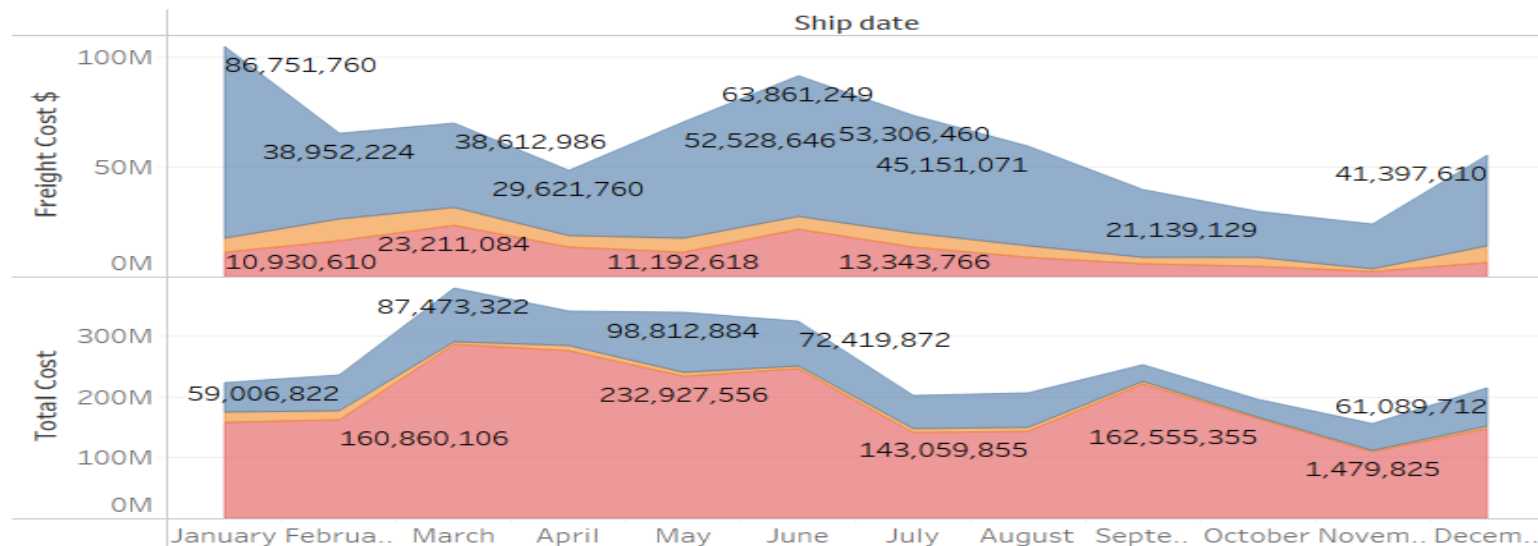
Mode

- ☒ (All)
- ☒ Air
- ☒ Ocean
- ☒ Truck

Mode

- ☒ Air
- ☒ Ocean
- ☒ Truck

Shipment vs Cost Analysis



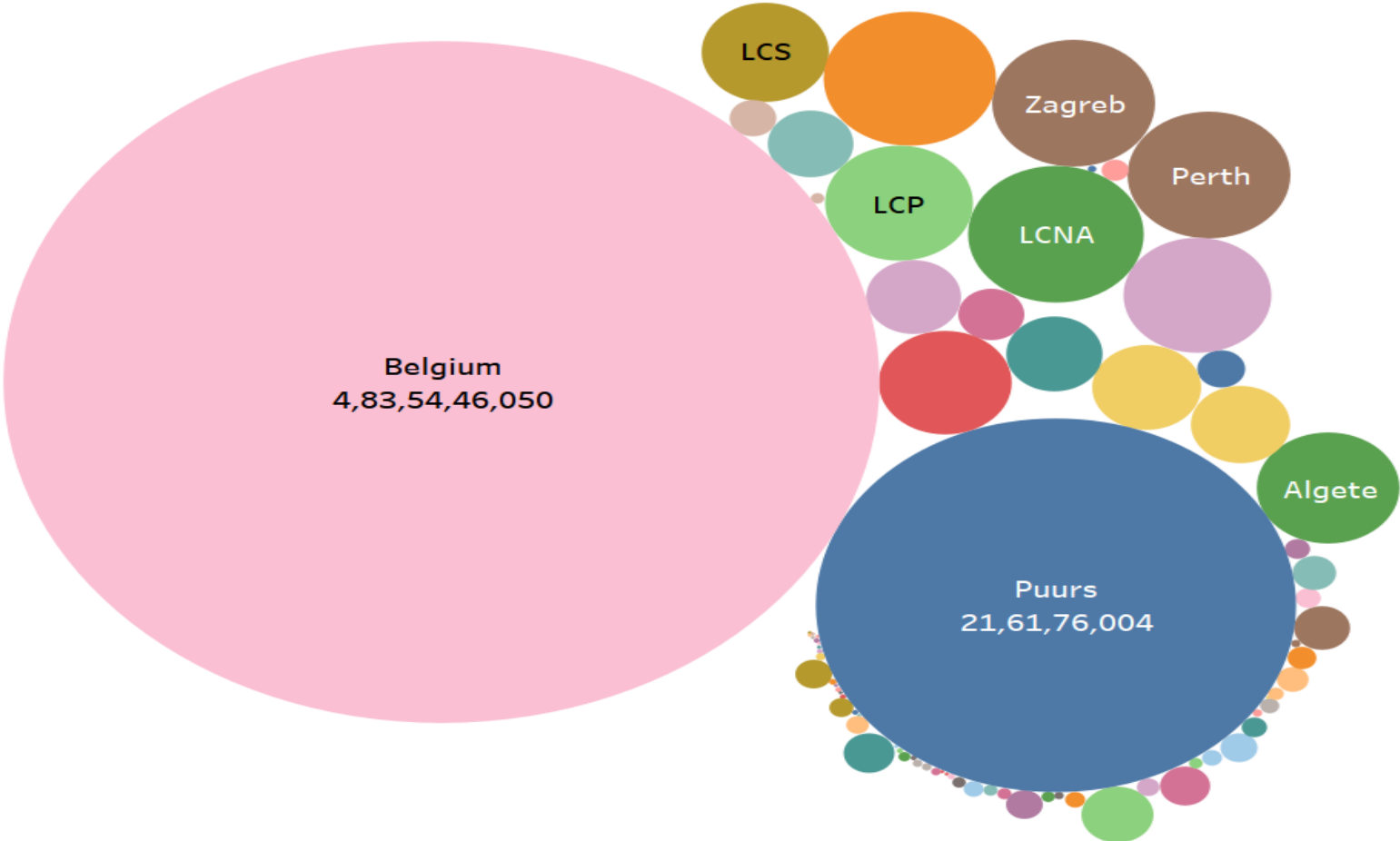
Year of Ship date

- ☒ (All)
- ☒ 2020
- ☒ 2021
- ☒ 2022

Mode

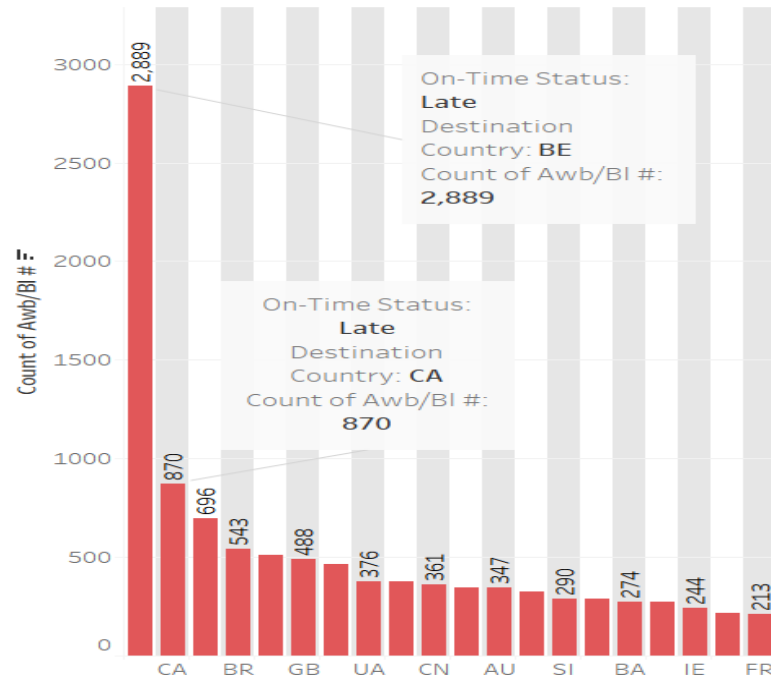
- ☒ (All)
- ☒ Air
- ☒ Ocean
- ☒ Truck

Quantity in Sales by Site



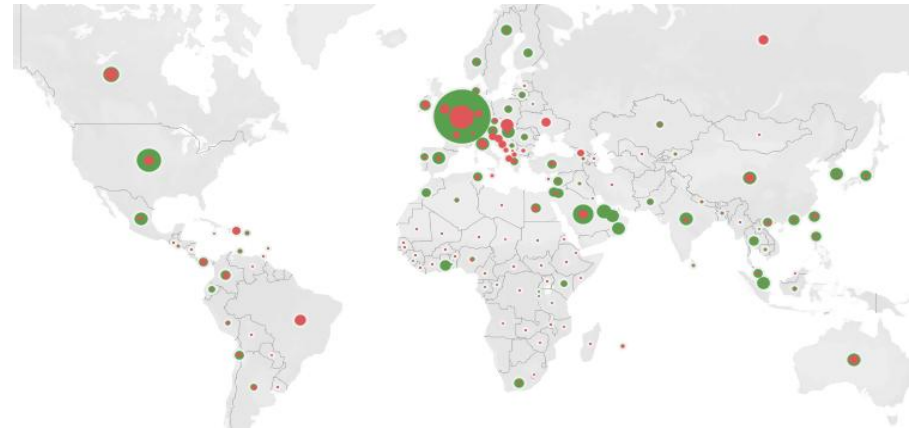
Shipment Performance by Country

On-Time by Destination Country



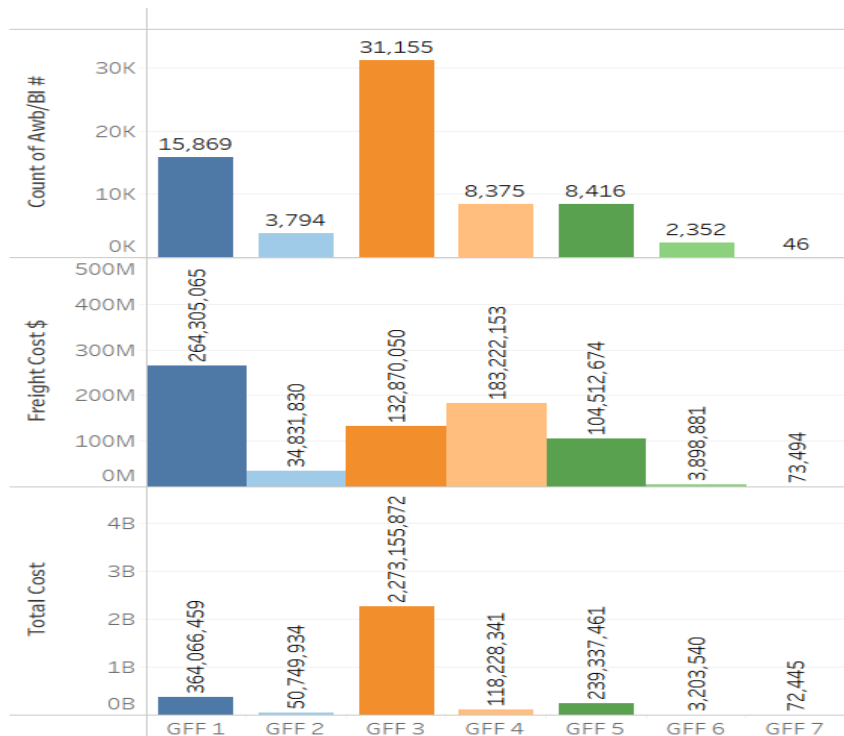
Findings:

- **Belgium & Canada have the highest late shipments**
- **Late shipments increased in Q3 for Belgium**
- **Potential causes:** Forwarder delays, customs, shipment mode

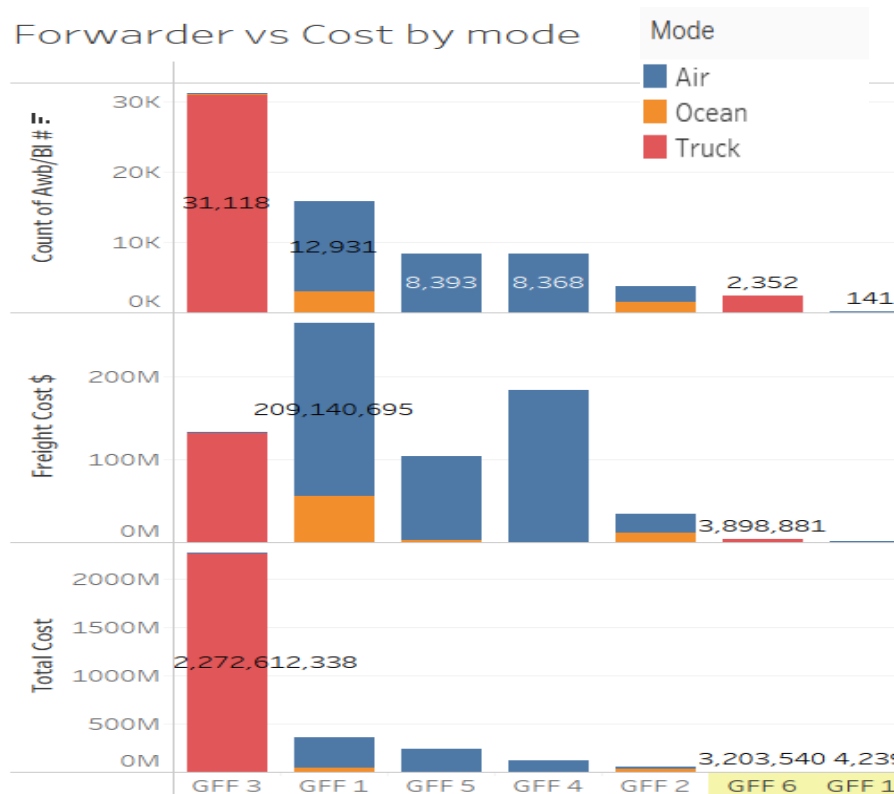


Are We Overpaying for Freight?

Total Cost and Freight cost by Forwarder

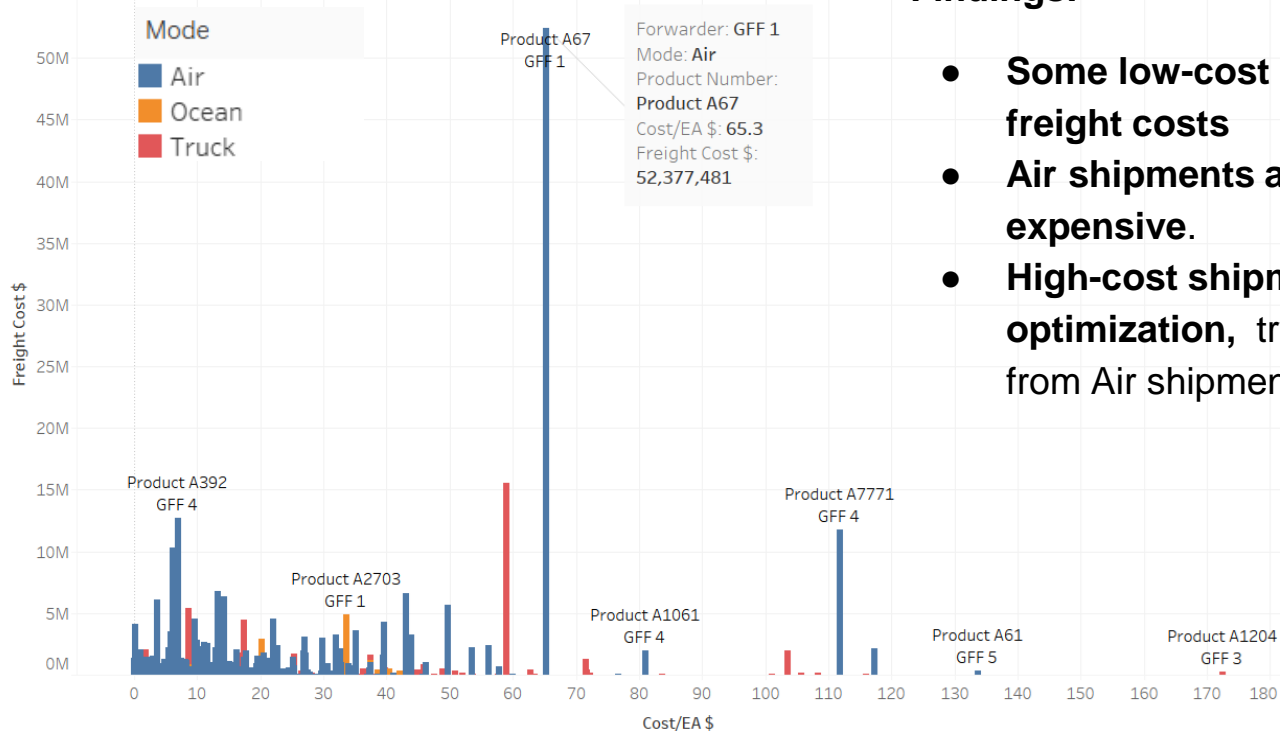


Forwarder vs Cost by mode



Are We Overpaying for Freight?

Cost/EA \$ vs Freight Cost

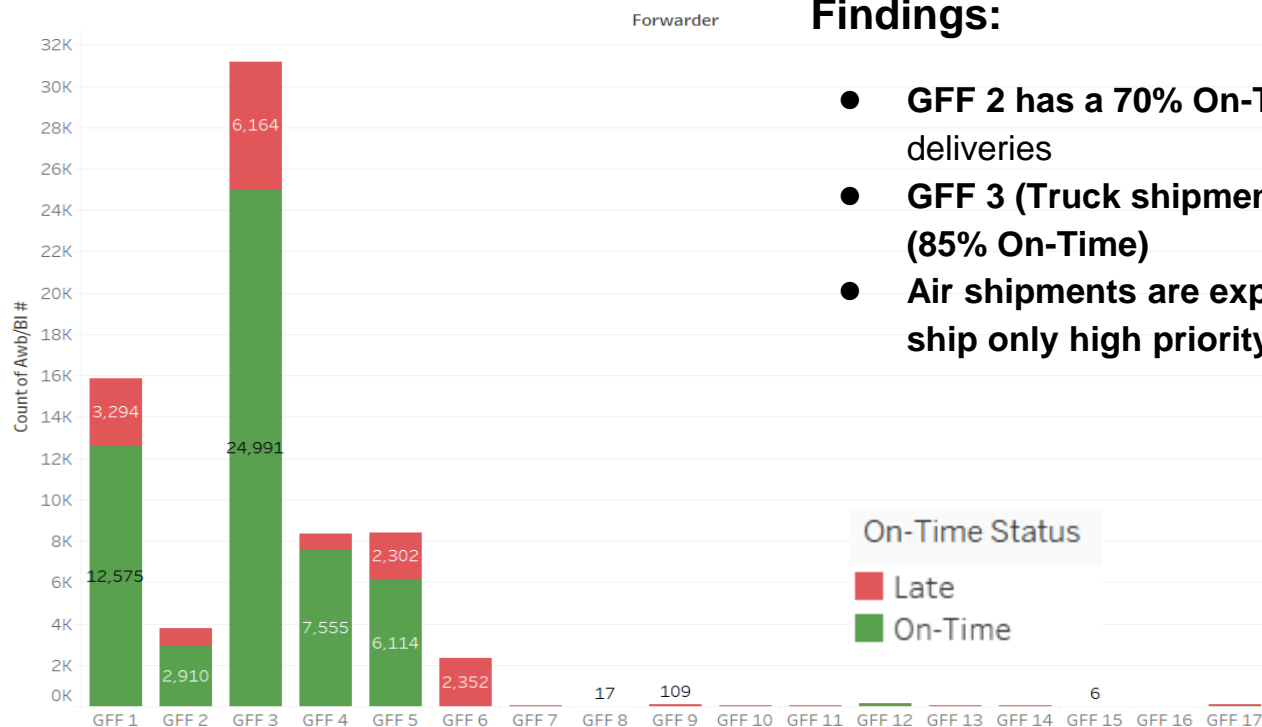


Findings:

- **Some low-cost products have very high freight costs**
- **Air shipments are significantly more expensive.**
- **High-cost shipments need cost optimization, try to move some products from Air shipments to Ocean or Truck.**

Which Forwarders Cause the Most Delays?

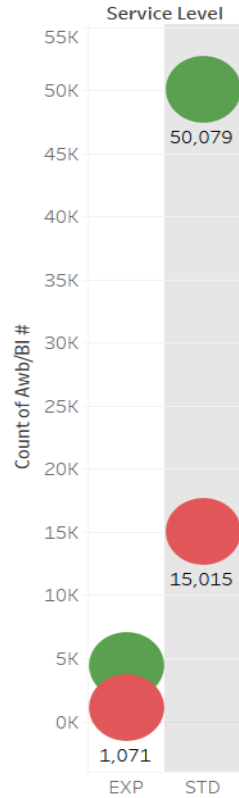
Forwarder by On-Time shipment



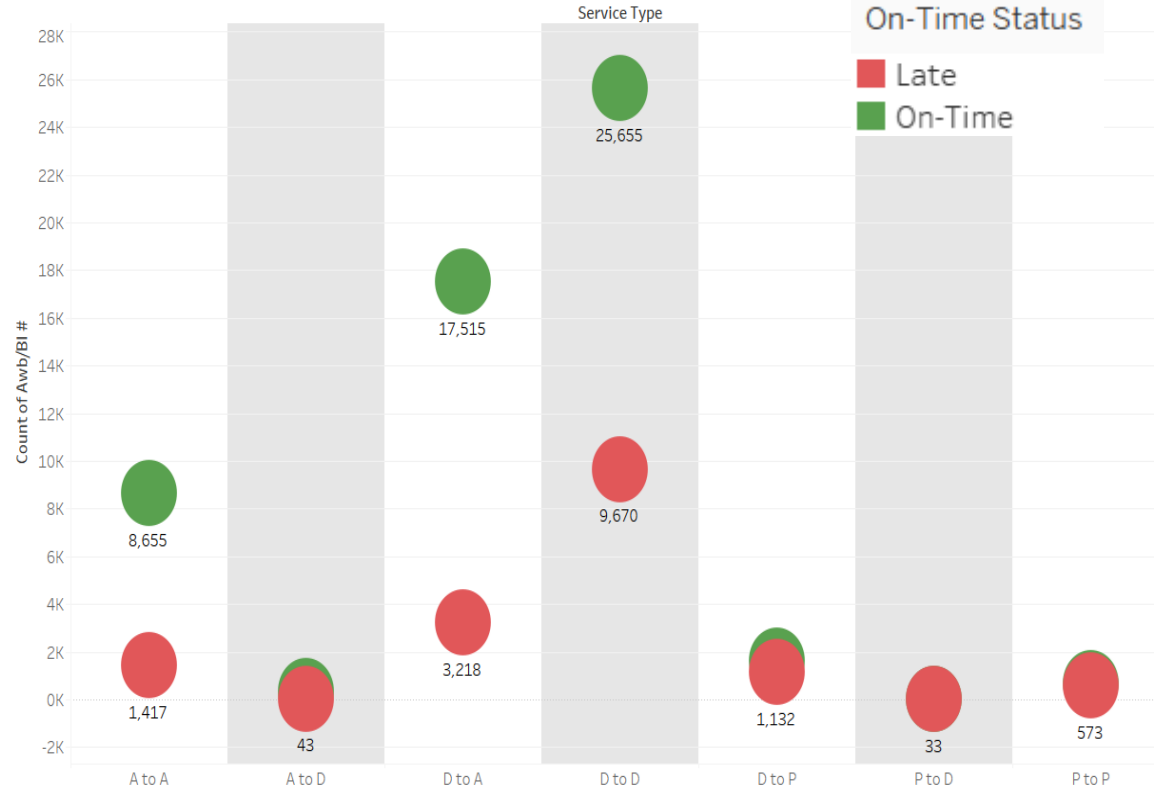
Findings:

- **GFF 2 has a 70% On-Time rate**, impacting deliveries
- **GFF 3 (Truck shipments) is the most reliable (85% On-Time)**
- **Air shipments are expensive but mostly on time**, ship only high priority shipment via Air mode.

On-Time Shipment by Service Level



On-Time Shipment by Service Type



Optimizing Logistics for Better Performance

- **Reduce dependency on GFF 1 and GFF 4. Forwarder GFF3 is the most reliable.**
- **Optimize shipment routes for Belgium & Canada.**
- **Shift some air shipments to truck for Products like A67, A7771.**
- **Improve shipment scheduling to avoid delays.**
- **Automate tracking to flag delays early.**

Final Takeaways & Discussion

1. Shipment Performance (On-Time vs Late)

- **Overall on-time delivery rate:** 72%
- **Top-performing countries:** *Belgium, US, South Africa*
- **Underperforming countries:** *Canada, Slovakia*
- **Potential causes of delays:** *specific forwarders (GFF3, GFF1, GFF5), long-distance shipments*

2. Product Cost vs Freight Cost Analysis

- Some **low-cost products** have **disproportionately high freight costs**.
- **products such as A67, A7771** cost less but incur high shipping expenses → *Potential cost-saving opportunities if we change the shipment mode or the forwarder.*

3. Recommendations for Optimization

- **Improve on-time performance:** Partner with **better-performing forwarders**, optimize routes.
- **Reduce freight cost inefficiencies:** Negotiate better shipping rates, consolidate shipments.
- **Monitor forwarder performance:** Switch to cost-effective and reliable logistics providers.

Thank you