Name : Lity Sahoo   +91 7815030776   sahoolity1513@gmail.com   linkedin.com/lity-sahoo-100172200
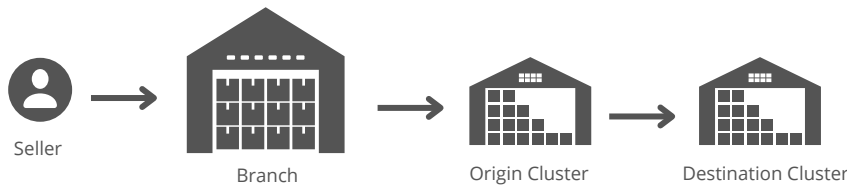
Analyzing Excess Payout in Last-Mile Delivery

Domain & Process Logistics »»» Last-mile   **Tool Stack Used**   **Excel + SQL**

PROBLEM

Logistics companies provide supply chain solutions to other businesses by building a transportation and warehousing infrastructure. This month, finance has complained that the organization has made excess payments to the tune of 50% to the delivery partners.

PROBLEM AREA

Excess payout of **last-mile delivery** became **very high**

Branch   Customer

100%   50%

Expected cost   Excess payout

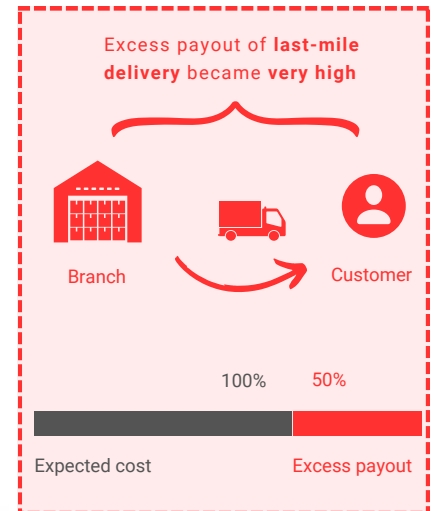Seller → Branch → Origin Cluster → Destination Cluster

Implication
Large excess payout to partners led to a **decreases in profitability** of the business.

Objectives
- To find out why excess payments are being made to last-mile delivery partners
- Improve cost base of delivery partners and prepare a cost calculator
- Improving the profitability of partners

APPROACH

Steps	Findings & Impact	Deliverables
Analyzed excess payout in different clusters	Prepared a dashboard that shows branches and BPs with **highest excess payouts**.	Dashboard
Analyzed excess payout in Ahmedabad cluster and built a model to calculate the cost of every vehicle	Built a cost structure based on the information given by partners.	Workbook
Analyzed the profitability of partners in Ahmedabad	All the partners are getting overpaid yet **only 29%** of them are **making profits**, rest are in loss.	Workbook
Standardized the previous cost structure by fixing few costs like EMI and other variable costs.	% of overpaid partners **reduces by 35%**	Workbook
Checked if the partners are still making losses after improving the cost structure	Majority of the partners are still making losses because of **low utility of the vehicles**	Workbook
Reduced the cost further by making improvements to the current process	Prepared a **cost/kg calculator** for vehicles to make sure the partners are making profits to decrease the excess payouts	Workbook

GROWTH EXPERIENCED

Understood Last-Mile Delivery Process
- Got a sense of understanding of the business model of logistics companies, especially the last-mile process.

Found the way out
- Most of the functions I used in this project were unknown. However, it was a great experience to find a way out every time I get stuck. Got a good confidence boost in Excel and SQL.

Storytelling with data
- Every data set has a story. However, no story is perfect. And in this process, I learned to find the solution to a problem and try to make the story perfect. Heard a lot about storytelling before, but using it to create an impact felt extremely satisfying. Would explore it more!