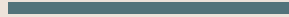


# Last Mile Logistics Optimizations



Parth K Rana

# Agenda



**What is Last Mile  
Delivery and Trends?**

**Last Mile Delivery Market for  
2021-25**

**Six Factors Affecting Last  
Mile Logistics**

**Top Features of Last Mile Delivery**

**What Can Customers Achieve With a  
Last Mile Delivery Solution**

**Cost Structure & Revenue**

**Conclusions and Questions**

## What is Last Mile Fulfillment?

- The movement of people and goods from a transportation hub to a final destination.
- Main Objective:
  - Deliver items to the customer in the minimum possible time
  - Cut company costs (\$)

## Why is it trending?

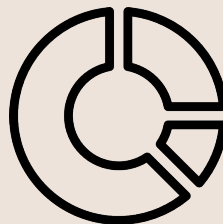
- Increase in online sales
- Delivery at home is the new lifestyle
- Contactless Delivery in response to COVID-19

## Last Mile Delivery Market In U.S. 2021-2025



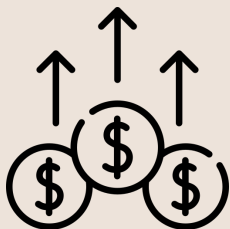
Compound Annual Growth  
Rate of almost

**16%**



Growth Contributed by **U.S.**

**82%**



Incremental Growth (\$B)

**59.1b**



Projected Growth for 2021

**14.80%**

# Last Mile Delivery

## Six Factors Affecting Last Mile Logistics



Lack of  
Visibility



Customer  
Expectations



Transparency



Poor  
Infrastructure

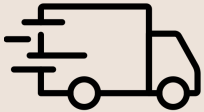


Types of  
Goods



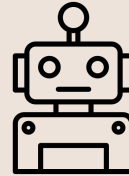
Customer  
Problems

# Top Features of Last Mile Delivery Solution



## Route Optimization

Integrate route optimization feature considers traffic, location, capacity, and time to discover the most efficient routes.



## Smart Lockers / Bots

Vendors will have a transparent process by allowing customers to pick-up or receive goods via smart locker or bot.



## Real-Time Status Update & Proof of Delivery

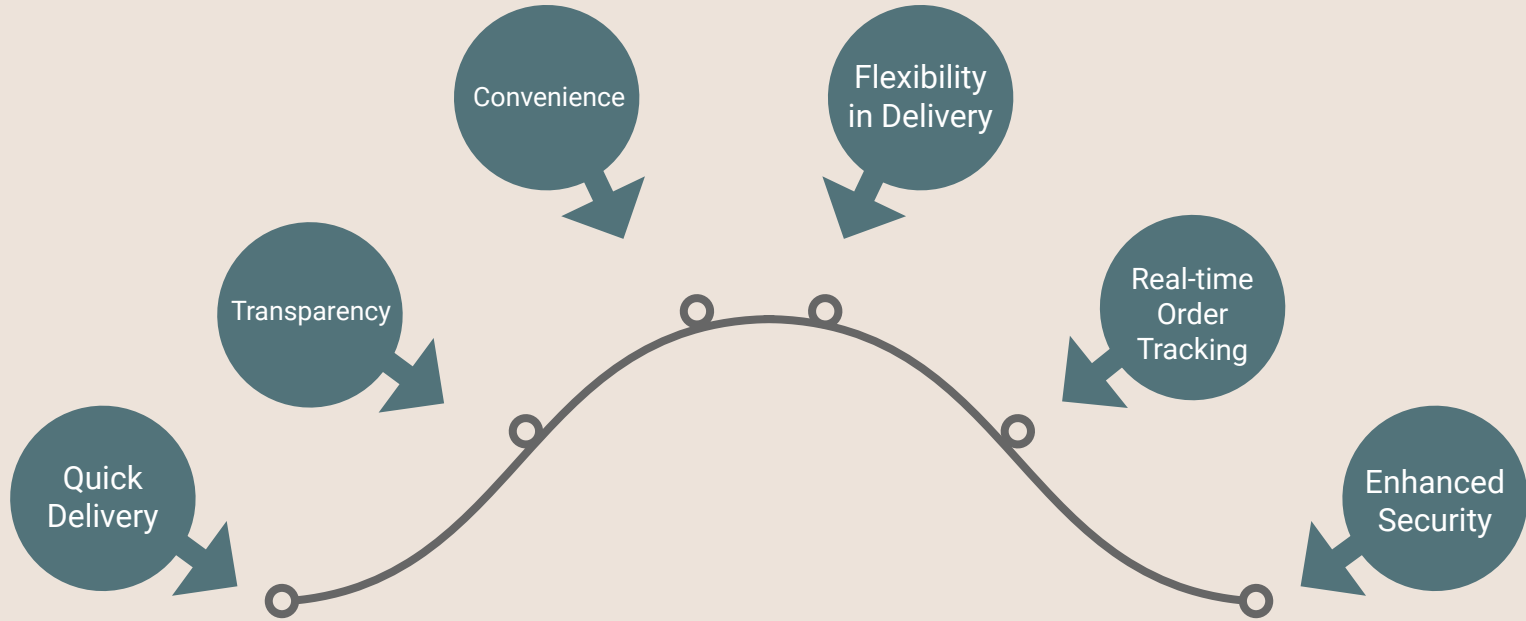
Customers will receive real-time status updates and push notifications. End of the delivery, drivers will have a in-app feature to show proof of delivery.



## Reports & Analytics

Provide analytics with the graphical representation of key business insights which helps businesses take insight-driven business decision

# What Customers Can Achieve With A Last Mile Delivery Solution?



# What Can You Achieve With A Last Mile Delivery Solution?





## Cost Structure

- Depending on what country, programmers/analysts you hire
  - Development Cost ranges from \$20k-40k
    - *(not including hosting and licensing fees)*
- A simple formula for estimating the cost =
  - Hourly rate of developers \* Numbers of hours

COST STRUCTURE				
Function	Time (hrs)	\$ 40	\$ 55	\$ 70
Design				
Model	18	\$720.00	\$990.00	\$1,260.00
User Interface	28	\$1,120.00	\$1,540.00	\$1,960.00
Testing	14	\$560.00	\$770.00	\$980.00
Registration and Work with Users:				
Registration / Authorization by Email	19	\$760.00	\$1045.00	\$1330.00
User Login / logout	8	\$320.00	\$440.00	\$560.00
Authorization through social networks	8	\$320.00	\$440.00	\$560.00
Registration / Authorization by Phone No.	32	\$1280.00	\$1760.00	\$2240.00
Profile Editing	48	\$1920.00	\$2640.00	\$4460.00
Rating and Reviews	10	\$400.00	\$550.00	\$700.00
Geolocation and Service Coverage				
Geolocation and its integration into the application	32	\$1280.00	\$1760.00	\$2240.00
Creating a route	35	\$1400.00	\$1925.00	\$2450.00
Courier traffic monitoring	74	\$2960.00	\$4070.00	\$5180.00
Payment				
Payment Gateway Integration	60	\$2400.00	\$3300.00	\$4200.00
Attaching and checking cards	40	\$1600.00	\$2200.00	\$2800.00
Prices and order value	14	\$560.00	\$770.00	\$980.00
Analytics				
Connection to Google Analytics	4	\$160.00	\$220.00	\$280.00
Yandex Tools	4	\$160.00	\$220.00	\$280.00
Communication and Notifications				
Push Notifications	30	\$1200.00	\$1650.00	\$2100.00
SMS Notifications	50	\$2000.00	\$2750.00	\$3500.00
Total	528	\$21,120.00	\$29,040.00	\$36,960.00

# Conclusion



Fulfillment is the most difficult and expensive part of the eCommerce business model



Last Mile delivery is the last touch point with consumers and plays a vital role in customer satisfaction and loyalty



This means by adopting it now, you stand a real chance to leapfrog ahead of the competition

Questions?