

LAST MILE DELIVERY IN A PANDEMIC



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Last mile delivery, which refers to the final stretch of a product's journey from warehouse to recipient, is about to become more crucial than ever.

Why? In an admittedly gloomy year, there has been a hint of hope: pharmaceutical company Pfizer has just announced that its new COVID-19 vaccine is more than 95% effective in preventing the virus in recipients. The average flu vaccine is only about 40 to 60% effective, so this is very welcome news.



Likewise, Moderna reported its vaccine is 94.5% effective, according to Science Magazine. Both are expected to be given to high-risk workers and patients at the end of this year.

Lastly, pharmaceutical company AstraZeneca said late-stage trials of its COVID-19 vaccine, developed in conjunction with the United Kingdom's University of Oxford, have shown it to be "highly effective." The results are the third promising vaccine breakthrough in the fight against the coronavirus.

COVID-19 is not a low-stakes cause; many lives will depend on the expert routing and delivery of these vaccines to clinics and hospitals. This is precisely why it is so important to have a solid plan for your routing and logistics, no matter what you are delivering.

The Scale of Delivering a Vaccine

While the actual rollout dates of the three vaccines are still unknown, Pfizer stated that by the end of this year alone, they will have manufactured enough to vaccinate more than 15 million people. This is a staggering number when one considers that the Pfizer vaccine requires two doses over three weeks (with the potential of even more booster shots needed). And according to the same piece by the New York Times, other leading vaccines also require multiple shots over various intervals of time. With the current population of the United States nearing 330 million, one can see how this might present a massive logistical challenge in terms of shipping and delivery.

Another complicating factor is that not only this vaccine, but several others need to be kept at temperatures below -100 degrees Fahrenheit (or at least very cool) to preserve their effectiveness and keep them from degrading. Out-of-freezer time will need to be minimized to preserve the vaccines, requiring fast delivery and enhanced routes.

Last Mile Delivery Is Here To Stay

By necessity, COVID-19 forced much of our economy online. Many people observed quarantines and lockdowns, which only permitted online shopping from the safety of the home. Back in April 2020, Forbes reported that US online revenue was up 68%. Even more recently, Forbes reported that 62% of shoppers shop more online than they did before and that online commerce is expected to grow by 20% this year.

Online shopping is not likely to go away anytime soon, especially due to COVID-19, and more and more people are relying on efficient shipping and logistics to fulfill their basic needs. While a vaccine will help the country get back to a sense of normalcy and allow people to resume in-person activities to a greater degree, there is no reason to think that online shopping and eCommerce will experience a decline. eCommerce and retail spending in general have grown steadily every year for the past 10 years.

Likewise, a McKinsey survey points out that an average of 58.2% of customers surveyed would continue to adopt safe delivery modes for a long time after the elimination of COVID-19 as a global threat. As such, contact-free deliveries will continue to be a requirement beyond COVID.

Crowdsourced deliveries have also become a contender in the last mile race. According to Forbes, only 9% of survey respondents indicated using these partners, but 25% are planning to implement a partnership in the next 12 months. While crowdsourced deliveries have become popular in both restaurant and grocery deliveries, they are gaining traction in retail and wholesale product delivery as well. As a result, large amounts of investment money have poured into the space, and company valuations have taken off.

Lastly, COVID-19 has driven eCommerce to levels about 5 years ahead of schedule. As a result, the need for last mile delivery services has never been higher.

The 3 C's That Customers Now Expect

As the number of deliveries surges, so do customers' expectations. Customers expect their deliveries to be safe, to give them a favorable customer experience, and the convenience of getting their products when and where they want them delivered.

Contact-Free Deliveries

One of the biggest long-term effects in last mile deliveries from COVID-19 is contact-free delivery, which became the norm after the World Health Organization (WHO) recommended it for social distancing. It is likely to continue as a norm, as it could take years before consumers are completely comfortable in accepting and signing for deliveries if they ever are.

Contact-free delivery methods have allowed some businesses to keep their doors open while also servicing their customers' increased needs. Many have scrambled to figure out how to accomplish such a feat while maintaining a chain of custody and gathering proof of delivery. Advanced dispatch software has become the key to accomplishing these ever-important goals.

Through an advanced dispatch solution, photos capturing the condition and location of delivered or serviced products can easily be obtained using a mobile application on a driver's or technician's device. Additionally, these images can be generated on a proof of delivery or service document and can be automatically sent to customers after an order is completed.

Last mile delivery companies also have to figure out how to inhibit porch thefts. As more and more of what people consume gets delivered to their homes, often when no one is there, coming up with a solution to control theft is on the minds of many delivery firms. The ability to know when the package is arriving and where the delivery was placed can help consumers in their theft prevention efforts.



CONTACT-FREE DELIVERY HAS ALLOWED SOME BUSINESSES TO KEEP THEIR DOORS OPEN



FULLFILLMENT EXPERIENCE IS THE LARGEST DRIVER OF REPEAT BUSINESS

Customer Experience

Customer experience – it's a catchphrase, a marketing vessel, and an intangible part of doing business. Most businesses realize the bottom-line benefits that having a positive customer experience brings.

Oftentimes, businesses will take strides to improve their customer experience without knowing exactly what areas they need to improve. Finding these areas of improvement are often difficult, especially when it comes to delivering products and services to businesses and the home.

Every touchpoint that you have with your customer is part of the customer experience. It starts from their very first order with you and doesn't end. The simplest way to understand the customer experience is to break it down into three parts: The buying journey, the fulfillment experience, and the post-purchase experience.

The most common and well-researched part of the customer experience is the "buying journey." This includes a business's website, their ordering experience, their support during the ordering process, and the follow-up visibility of that order. There have been thousands of studies and corresponding papers written depicting the intricate details of the buying journey that ultimately leads to a customer deciding to place an order. The buying experience is extremely important; however, the focus on the buying experience often leads to other parts of the customer experience being overlooked.

On the flip side, the post-purchase experience is all about creating brand awareness. After a product or service has been fulfilled, it is imperative to keep your business top of mind in each customer's thoughts. Through marketing, customer follow-up, and support, you can ensure that the next time that customer needs a product – your business is first to come to mind.

However, according to Supply Chain Dive, the fulfillment experience is the largest driver of repeat business for almost any retailer. Additionally, repeat business is the lifeblood of a successful company. On average, it is six times more costly to attract a new customer than it is to re-engage a past customer. Past customers understand the fulfillment experience of your business, and they know what to expect.

How can both brick and mortar and eCommerce retailers satisfy customer expectations with advanced dispatch technology? Success for both types begins with order integration but then is followed by and dependent upon effective route optimization, continual route visibility, and multi-channel communication. While artificial intelligence is not truly in use yet, businesses do expect a deep level of sophistication built into the technology.

For companies trying to win in the last mile race, partnering with innovative providers for home delivery and last mile logistics can add choices while avoiding the challenges of building their own systems or expanding service with traditional networks.

Convenience

Convenience is more important than ever in last mile deliveries. A trend that has continued to grow is the customer expectation for full visibility of their orders. The ease at which customers can order, the speed at which products can be delivered, and the ability to track orders can either attract or deter business in today's competitive environment. Having the ability to execute on these customer expectations is critical in driving initial business as well as repeat business.

Advanced dispatch removes the headache of “how” to accomplish this by providing real-time tracking to customers via text or email. Not only do the alerts and tracking give customers insight into exactly when their product will be delivered or what time a service will occur, but it also frees up time spent by sales and counter staff answering questions about estimated delivery or service times.

This trend abruptly surfaced as a need and will long outlast the COVID-19 pandemic as businesses and customers alike acknowledge the many benefits of added tracking and convenience

Features Propelling Deliveries into the Future

Some businesses have either been in the game of deliveries all along or were forced to enter it when COVID-19 hit. But now, dispatching is part of the new normal. In evaluating a long-term solution, it's important to know that not all dispatching solutions are created equally.

When comparing different solutions, make sure to analyze each solution's ability to provide integration, real-time tracking automation/learning, customizability, route-optimization, delivery or service time windows, ability to manage capacity, measurability, and longevity.

In addition to contact-free deliveries and help from crowd-sourced delivery drivers and on-demand delivery services, there are a host of features to consider when choosing a solution.



Route Optimization

Taking delivery to the next level requires the ability to optimize and also prioritize routes. Optimized routes organize each order in the most efficient way possible and may allow for re-arranging and customization of routes to prioritize VIP customers.

The increased demand for deliveries, climbing driver shortages, increased customer demands with shortened time windows, along with free delivery; all drive the importance of optimizing and streamlining operational efficiencies. Advanced dispatch has made all this possible through the ability to create optimized routes with the simple click of a button. Optimized routes are the first step in ensuring efficiency in a delivery or service operation. Routes are instantly built according to customer time windows, traffic, proximity, customer preferences, and much more to get routes dispatched to drivers as effectively and efficiently as possible.



Dispatch From Anywhere

Over the last several months, many of us have quickly realized the importance of being able to work from wherever necessary - whether it's home, the office, or anywhere in between. Having the ability to get a full picture view of everything happening within the business's daily operations from any location will be the new expectation.



Automated or Assisted Dispatching

Many dispatching software solutions can route and track, but there are also advanced solutions that provide the ability to auto-route and auto-suggest routes. Routes can be auto-created in the most optimal order based upon user-defined parameters, including employing specific drivers or vehicle types, along with specified start and end times, and the desired number of routes. Orders can be auto-suggested to an already active run to maximize routes in progress. Automated dispatching assists the dispatcher by reducing the time it takes to review routes and think through possible options.



Integration

Integration capabilities can make or break the ability to streamline orders directly from the ERP/POS system to the dispatching software. Though seemingly straightforward, this process is a crucial component of dispatching effectively.



Real-Time Tracking

The ability to track packages, drivers, the outside sales team, service technicians, and all daily operations in real-time can provide immense opportunities in efficiency, reporting, and customer satisfaction. Real-time tracking provides the ability to see a detailed full-picture view of where everything is concerning the dispatching cycle at any given moment.



External and On Demand Delivery Services

Driver shortages are having a heavy impact on the world of retail. With external delivery services, retailers now can call in an outside driver to help deliver products faster and more cost-effectively. This same feature also benefits couriers, by allowing them to float their fleet and accept orders from retailers, creating a win-win scenario for both industries.



Customizable

While some solutions may provide a cookie-cutter, one size fits all option, other solutions provide customization to help meet each company's individual dispatching needs. In addition, software customizability allows the business to adapt its operations as well as grow with future trends and needs.



Scheduled Routes

Many times, certain routes will operate on a schedule of daily, weekly, or even monthly runs. Advanced dispatching software should allow a customer to set up their scheduled routes so that they are auto-created at the time of dispatch. This saves the dispatcher and manager immense amounts of time while also increasing the efficiency of the operation.



Delivery or Service Windows

When service or delivery windows are part of the delivery equation, it is important to be able to organize and route properly to meet the indicated time windows. Routes can be built to meet time windowed deliveries in the most optimal order to ensure that all deliveries are completed when the customer needs them to be.



Capacity

Many industries rely on the ability to fit the proper amount of product in each vehicle as well as follow vehicle restrictions. Advanced dispatching solutions can formulate routes based on weight, size, vehicle capacity, driver specifications, and much more.



Communication

Communication is key in the quickly changing dispatching operation. Through email and text alerts, better customer communication is both possible and necessary to compete against larger eCommerce corporations. Customers expect more, and with the proper dispatching tool at your fingertips, providing key details to customers can be done automatically.

Last Word on the Last Mile

So, what will last mile deliveries look like post-coronavirus?

The last mile of delivery will continue to be complex, costly, and expensive. However, with technology continuing to evolve, some options can help businesses of any size enter into and effectively compete in the last mile race. Additionally, there are emerging markets – such as pharmaceuticals with life-saving vaccines – that have challenges that must be met.

While many retailers are still relying on the major parcel players to make their deliveries, that, too, is changing as they're seeking better control over the "experience" that they want to provide their customers.

But, the future potentially looks bright for disruptive technologies that can help deliver goods efficiently for businesses of all sizes.

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