

The Right Balance for Last-Mile Delivery Operations

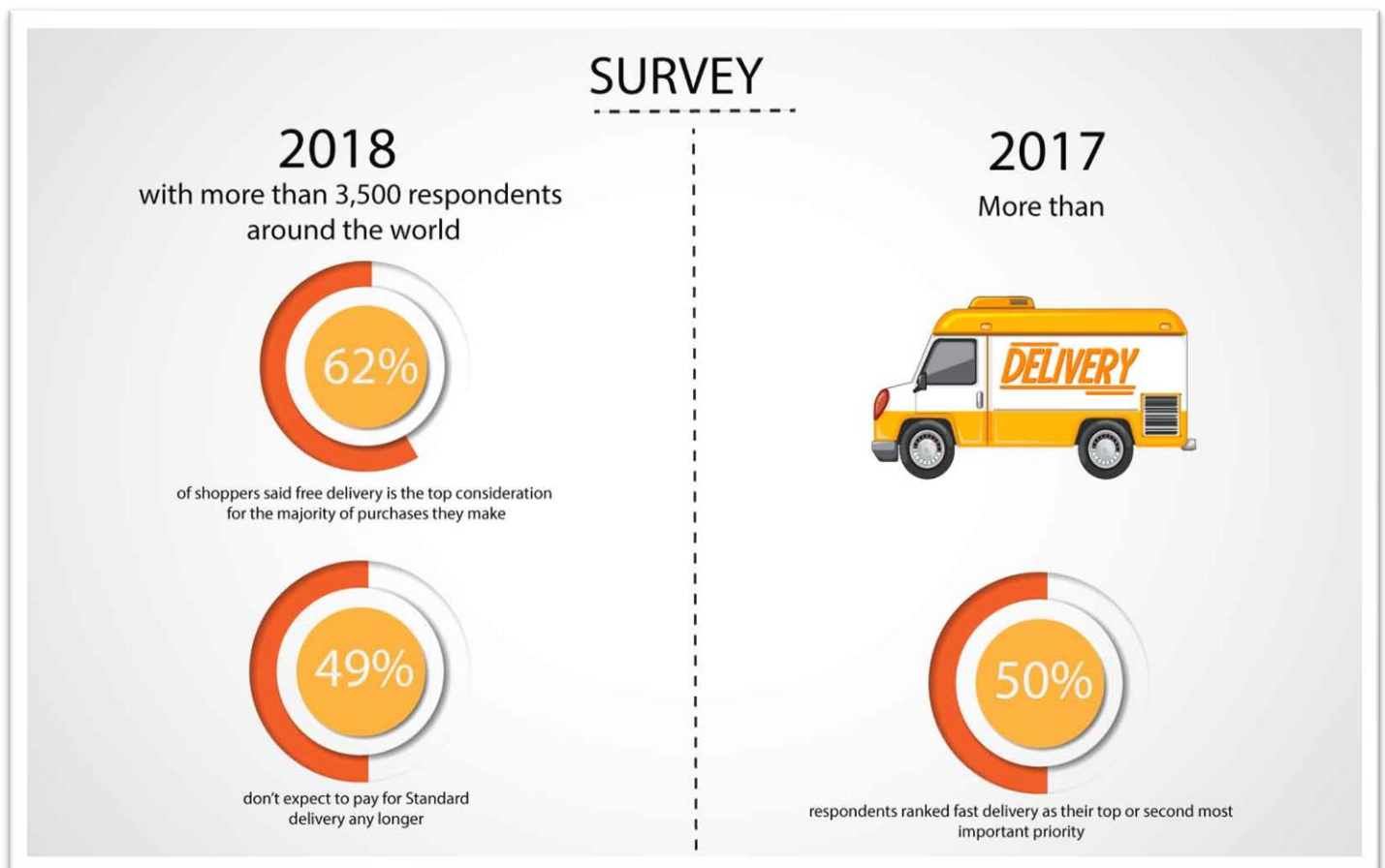
Before the advent of e-commerce, the standard delivery timing for just anything you ordered via phone or mail was 4 to 6 weeks. Even a book or an apparel product took this long to arrive. However, many changes have been made since then, especially in the technology field.

In a supply chain business, the customer is the centre. A satisfying customer experience can create a differentiating factor and help grow your brand.

Take the e-commerce sector as an example. Amazon – a giant e-commerce company, has radically changed customers' expectations with regard to delivery. Therefore, to improve your last-mile deliveries, free and fast delivery is the key expectation of most customers today.

The **Metapack 2018 & 2017 surveys** find that:

- 62% of consumers said free deliveries are one of the top considerations for the majority of their online purchases.
- 49% of consumers find standard delivery system obsolete.
- More than 50% respondents have fast delivery as their first priority.



Source: Metapack Press release

The drastic shift in customer expectations has brought attention to last-mile deliveries and laid the foundation for cutting-edge technologies. A courier management software can automate supply chain decisions and eventually help improve customer experience.

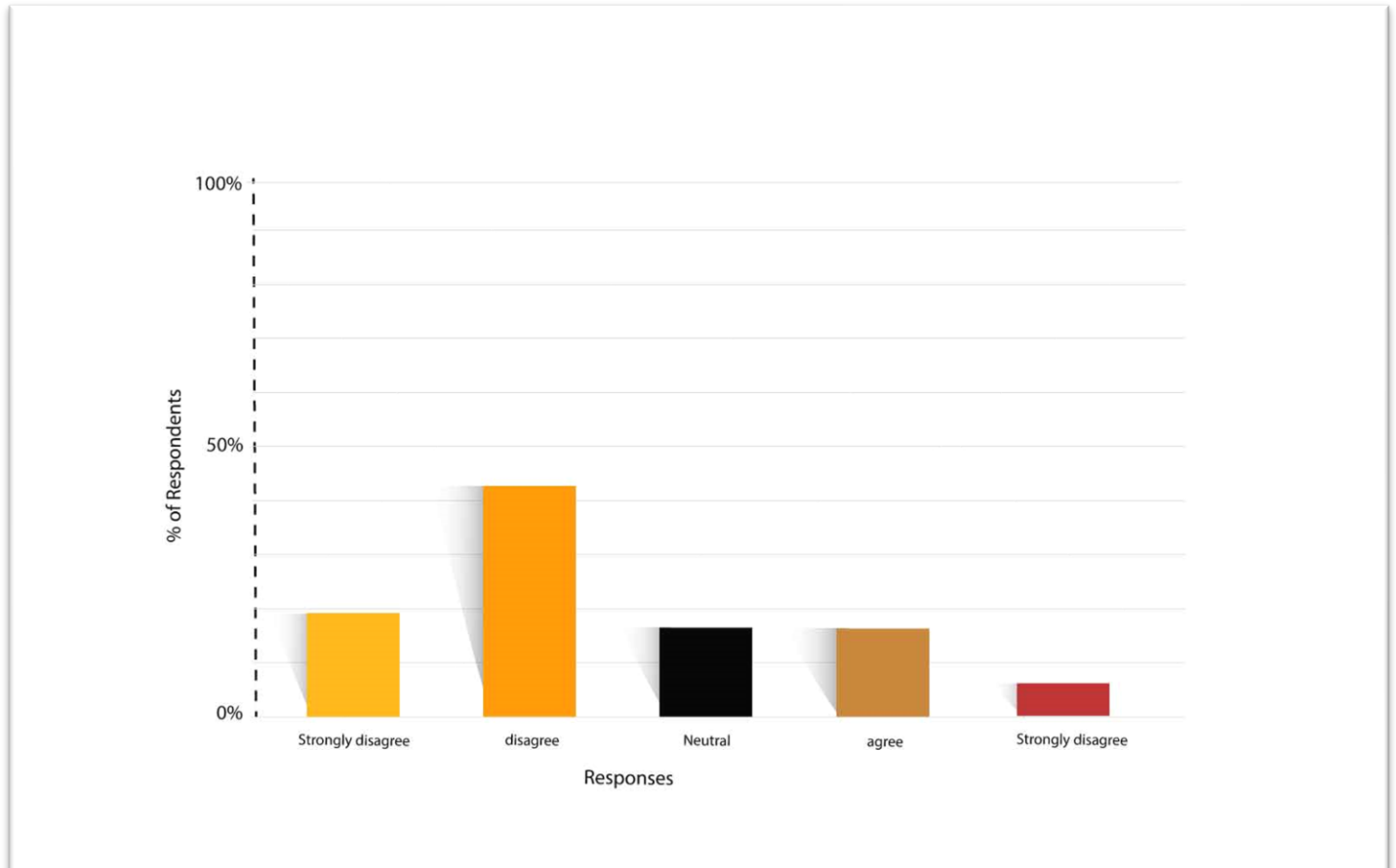
Competing on Customer Experience

As mentioned previously, the right customer experience is crucial for a business. Therefore, organisations are investing a record amount to boost customer experience. As per experts satisfying customer experience will be the only brand differentiator in the coming years. Consequently, 9/10 companies expect to compete fundamentally based on customer experience."

Adelante SCM 2020 Research shows that 62% of respondents agreed that customer experience would overtake price and product as a significant brand differentiator in the next 5 years.

When it comes to competing customer experience, the role of your on-ground staff is also vital because they are the people who come in contact with your customers. Your on-ground staff must be professional and courteous; otherwise, they will ruin your potential customer experience.

"The pattern and speed of delivery are, of course, directly linked with customer experience, " one of Indago's members commented. Not to mention, a large majority of Indago members "Agree" and "strongly Agree" to Adelante SCM research statement. (Shown in the below statistics)

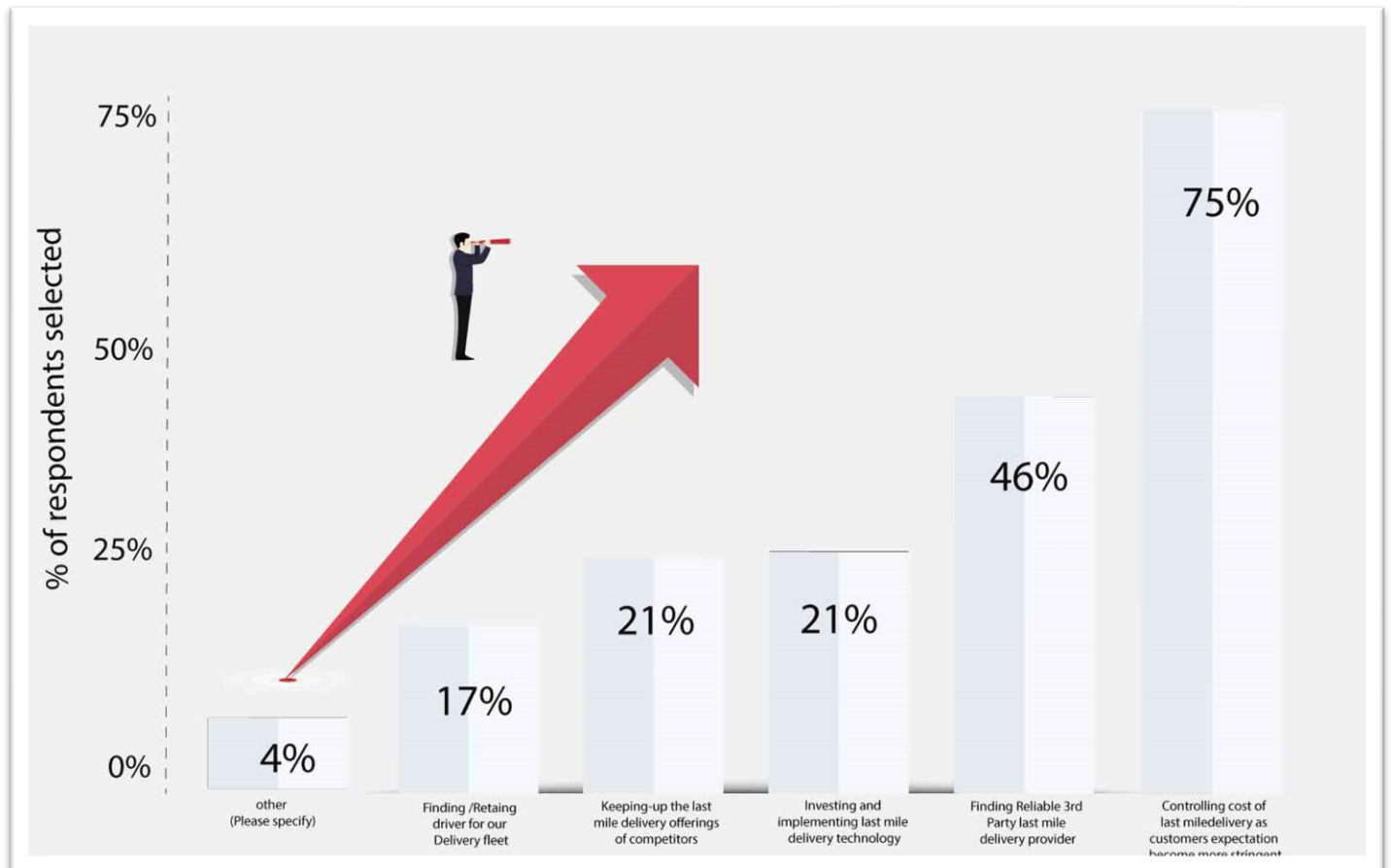


Source: Indago survey June 2021

Balance Between Cost And Customer Experience

Last-mile delivery is primarily the most significant cost driver in a supply chain business. According to a Capemini study, the last-mile delivery represents more than 41% of supply chain costs.

Finding the ideal balance between providing a better customer experience and reducing costs isn't easy. The below indigo survey shows many respondents agree to "controlling the cost of last-mile delivery as customer expectations become more stringent".



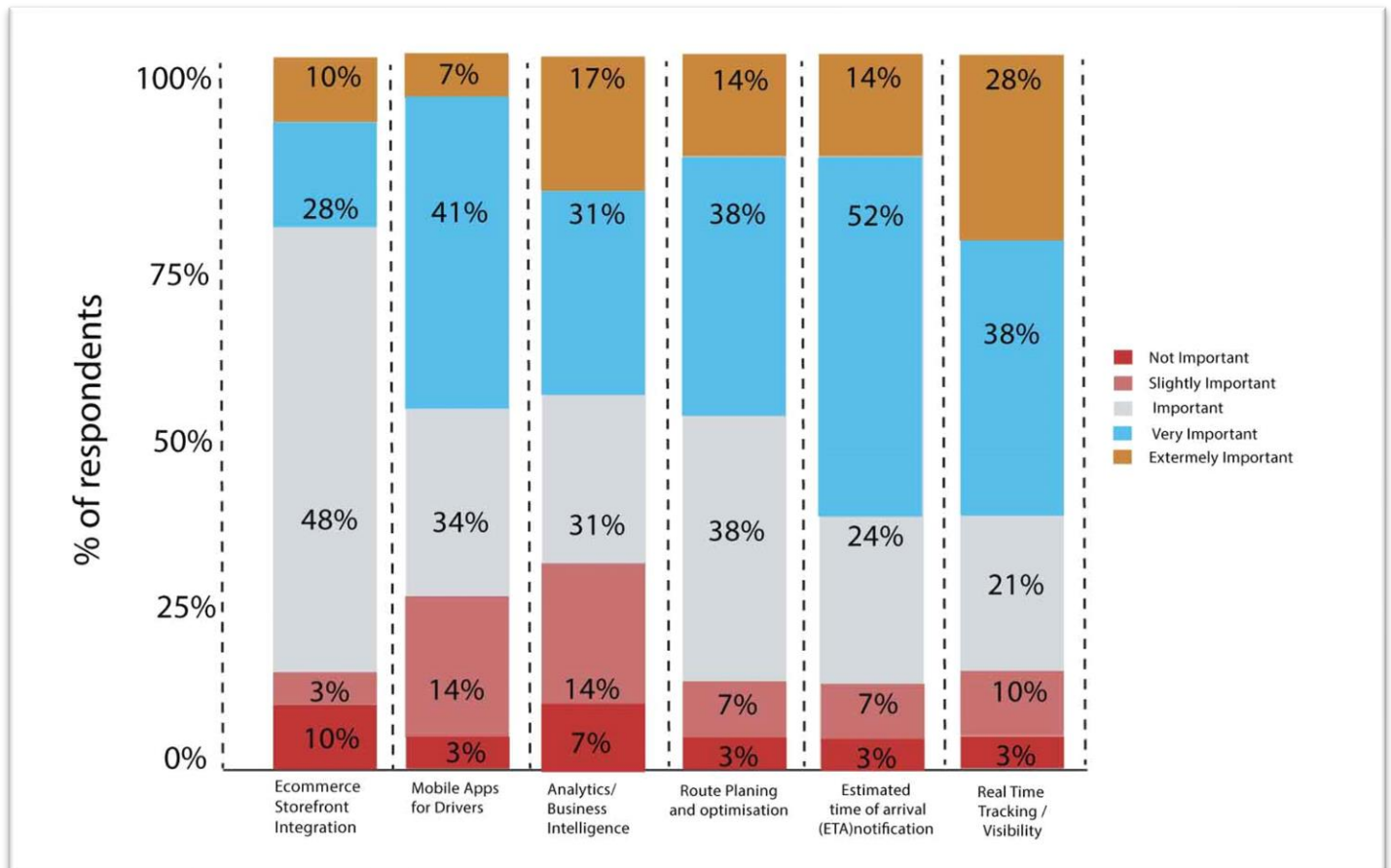
Real-time coordination between multiple selling fulfilment, delivery schedule, as well as delivery management systems poses a big problem for us. Our company is about improving customer service even at the expense of higher costs because our customer service isn't as great compared to our competitors. Our capability to achieve more depends upon adapting technological resources to enhance our existing processes or implement the latest ones.

So, to thrive in the present ecosystem, many companies are taking last-mile delivery technology like parcel delivery management software seriously. The innovative software provides real-time tracking and communication that help enhance customer experience and, eventually, business profitability.

Leveraging Advanced Technology

In this technology age, innovative software can help companies deliver an improved last-mile delivery experience for customers. One of the greatest perks of such technologies is that it provides "real-time tracking/visibility", "estimated time of arrival (ETA) notifications", and "route planning/ optimisation". More than 66% of consumers rated these features as extremely important.

How do consumers rate last-mile delivery abilities to help them attain maximum business benefits?



Source: Indago survey June 2021

In simple words, supply chain businesses need to consider all of these capabilities when determining last-mile delivery software since they're all critical in providing a high-quality customer experience while controlling costs.

Summary

In the end, the winner in last-mile delivery are those who not only provide a better customer experience to their potential customer but also generate excellent business revenue. Sonar Technologies International is Australia's smart, innovative solutions provider for last-mile delivery operations. We adopt proprietary algorithms to automate supply chain decisions. Our cost-effective technologies help enhance operational efficiency, reign costs, streamline the customer experience, and provide end-to-end visibility. Call us today for more assistance.

References:

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