

How to create a last mile logistics plan to grow your business



FRAYT



Simplify operations, optimize time and money, and deliver on today's customer expectations.

When looking to grow your business, it's time to get on board with last mile and, specifically, on-demand delivery solutions.

About 50% of the world's consumers are shopping online - directly from their favorite brands and via the typical eCommerce players - requesting next day/same day home delivery. In fact, 41% say they're willing to pay a charge for same-day delivery with nearly one-fourth saying they'd pay extra to receive packages within a one- or two-hour window of their choosing.

Those expectations have not only transformed the retail world, but also transferred to the B2B sector. And that includes the construction/contractor supplier industry, with some of the biggest building supply names, like Lowe's and Home Depot, already well into the game.

Fortunately, logistical solutions have evolved, along with customer expectations, and are in place to bring your business up to speed in the crucial last mile.



Which last mile delivery strategy is right for you?

To consider what last mile delivery option is right for you, here are some questions to ask:

-  What is the nature of your business?
-  Who is your customer base?
-  What is your current delivery system/solution?
-  Do you have a vehicle? Or a hub with a fleet of your own vehicles?
-  How would last mile delivery impact your business?



How to plan your last mile delivery strategy

At this final stage of your supply chain, your packaged orders are processed through an online, centralized system, tracked, and arrive at a transportation hub where they go to a designated fleet or vehicle with an assigned route. Upon leaving the hub, orders are scanned and you and your customers are notified before the final delivery/scan.

A global CPG company, a boutique faucet fabricator, and a local cookie artisan serving a city or select neighborhood all require vastly different logistical needs and solutions.

Fortunately, on a local to global scale, leveraging third party delivery logistic resources can help when you don't have your own vehicle or fleet. And even if you do, it's become standard to take advantage of a third party in tandem with your own in order to round out your last "mile" deliveries for any number of reasons.



The four most vital aspects of a last mile delivery strategy.

As with any part of your supply chain component, the last mile presents its own demands. But if you address them with foresight and consistency, they can become one of your biggest allies in enhancing brand connection with your client base.



Speed

Sooner means better, with over half of respondents in a recent survey for a major credit card saying that same day shipping would increase brand loyalty. The challenge lies in the shorter time frames between order placement and shipment.



Efficiency

Matching orders to the optimal fleet and other fulfillment parameters ensures vehicles are packed and scheduled for as few trips as possible - all while still meeting on-demand requirements and optimizing time and money in the short- and long-runs.



Real time tracking

Knowing where an order is at any given moment is becoming necessary for most customers.



Delivery exceptions

These are variables that either fall on the customer side or within your actual operations or logistics: customer delivery requests, out-of-stock-items, missed deliveries, faulty products, delivery rejections for any number of reasons, etc.



Delivering on the last mile of retail success.

Essentially, if you aren't in the eCommerce game or considering the potential from participating, you need to be... as of yesterday. If you're already in it and want to stay in it, let alone win it, you have to own this last mile - especially on-demand - with a logistical strategy that is optimal for you reaching the customer base you have and desire, and how and when those in that base might want it.

According to a Sept. 8, 2021 McKinsey & Company report on "Retail's need for speed...":

- ▶ Over 75% of your colleagues - specifically in specialty retail, hard goods and apparel - are in the one- to two-day delivery business, or are building our capabilities to do so.
- ▶ Over 90% of consumers now expect two to three days to receive your offerings...and almost a third want it TODAY.

As mentioned, delivering on efficiency is paramount yet challenging; however, the brand loyalty when you succeed in this space is golden. Titanium. But it requires doing it right and maintaining high satisfaction:

- ▶ Have a PR readiness plan - Once a customer has an unpleasant experience, you need a plan for addressing it to win that customer back and remediate the possible social media fallout.
- ▶ Keep communication lines open - Interacting on multiple communication levels with customers and being able to manage their expectations when meshing demand and supply is key.
- ▶ Provide scalability - As sales/goals grow, the different departmental processes, people, and assets necessary to synchronize all this has to become one organic entity.



Construction/contractor supply - build in the best last mile.

Again, how consumers the world over are purchasing and what they expect is all trickling into every sector of B2B, with the construction/contractor supply world no exception. Check out your competition and you'll see them including or boosting their last mile delivery capabilities, with both of you facing similar issues in that last mile:

- ▶ Streamlining processes and building in efficiency since over half of your shipping expenses fall into this part of your overall delivery.
- ▶ Unusual location aspects of construction:
 - Sites not listed or recognized by search engines, even Google
 - Not having the correct drop-off location and specification once on-site.
 - Clearance issues.
 - Rules and codes of state/local governments, OSHA, and other governing bodies affecting who and what goes into a job site.
 - Construction personnel who can't work until your delivery comes in.
 - The ongoing truck driver shortage.



What retail and construction/contractor supply should demand in their logistics



Partnering with the right on-demand logistical solution supplier as an add-on or new build out is the next key in your fulfillment chain, especially as they know the landscape, the methodologies, the assets, the partnerships, and more to present you with solutions that help you optimize your same day delivery efforts in the last mile. Remember, this can be the most expensive part of your fulfillment journey in attempting to deliver at a desired speed and volume that's conducive to both your operation and your customer. This requires heightened visibility into your data and operations and a fully digitized and automated solution, or the right logistical solutions partner.



The FRAYT On-Demand Delivery Platform was built for business.

Because you will need to fulfill same day delivery without stress and wasting time and money, we're serving 50+ markets with 7,000 professional drivers nationwide, a 95% SLA rating, and our simple 3-step process:



- 1 Get a price estimate.
- 2 Place your deliveries, matched to experienced, dedicated FRAYT drivers in your area.
- 3 Track in real-time, sharing the journey with your customers from pick up to drop off.



FRAYT's diverse fleet of vehicles will align to any order for efficiencies and savings:



Car/Courier

For smaller HVAC, auto or plumbing parts, tools, paint cans, and more.



Midsize Vehicle

For appliances, lumber, and other longer items.



Cargo Van

Handles building materials, signage, tables, lighting, and other large quantity items.



Box Truck

In select markets, can accommodate multiple pallets, construction material, or 4+ big box items.

Set up your account or schedule a demo to find out more about The FRAYT On-demand Delivery Platform

GET STARTED