



Solera |  Omnitrac

Wholesale Food Distribution Fleets
THE NEW NORMAL



If there's one thing modern consumers seem increasingly willing to pay for [it's convenience](#). Until recently, the rapid adaptation, enormous popularity, and subsequent influence of e-commerce over the last two decades has largely skipped industries containing the majority of wholesale food distribution customers: for example, foodservice and grocery. However, that is changing – and fast.

In 2017 when Amazon bought Whole Foods, it [helped trigger an industry transformation for grocers](#). Big food retailers like Walmart, Kroger, and Target began to pour money into improvements such as expanding online delivery and in-store pickup and consumers responded positively in kind. The COVID-19 pandemic only accelerated this trend.

“The health crisis was a significant catalyst in accelerating online grocery adoption and transformation in 2020 and into 2021,” said Deborah Weinswig, founder and CEO of Coresight Research. According to [their study examining post-surge U.S. grocery prospects](#), she estimates total US food and beverage e-commerce sales [grew to \\$55.5 billion in 2020, up 81.1% year over year — a vastly greater increase than any recent year](#).

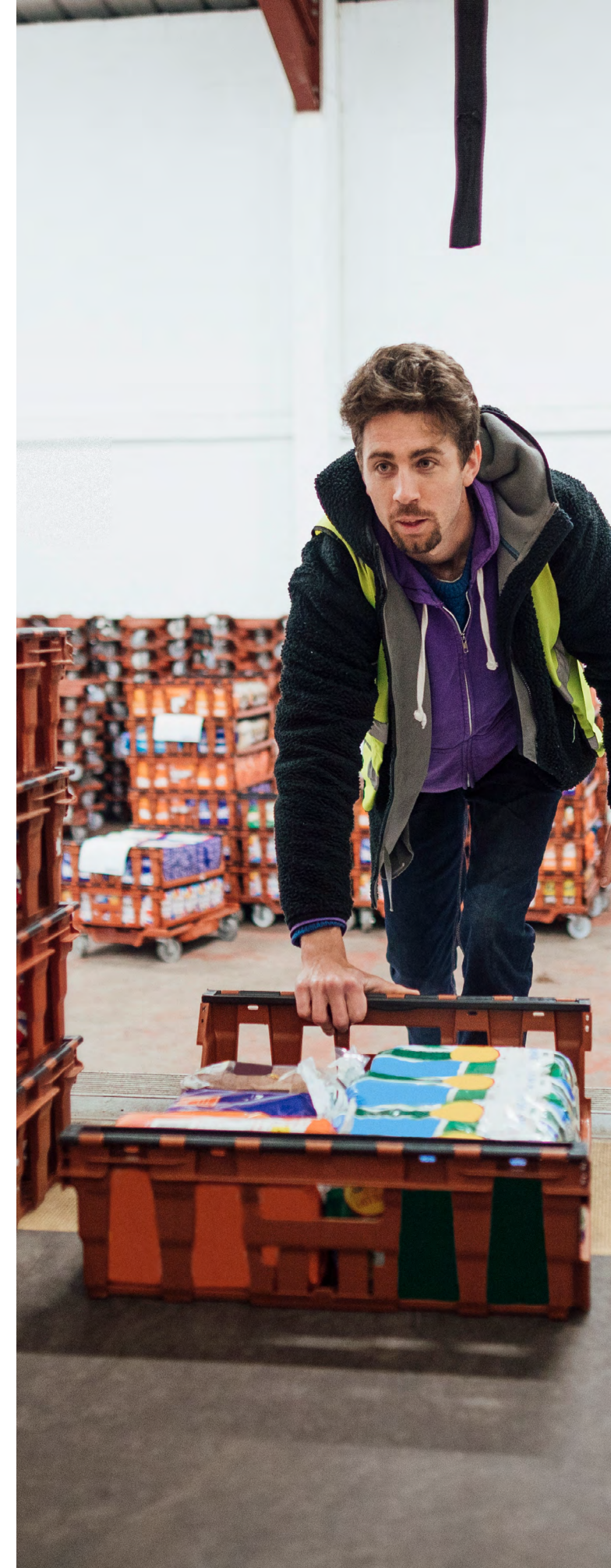
E-COMMERCE SALES GREW TO \$55.5 BILLION IN 2020, UP 81.1% YEAR OVER YEAR — A VASTLY GREATER INCREASE THAN ANY RECENT YEAR.

And, there's no sign of this upward trend going away anytime soon. [While online sales accounted for anywhere from 3 to 4 percent of the US grocery market in 2019, the share could be greater than 10 percent by 2025](#). That's because [once consumers become accustomed to convenience, they never want to go back](#).

So, what does this mean for wholesale food distribution fleets? Well, if e-commerce is here to stay, so are the demands passed along with it to distributor fleets, including:

- Meeting increased demand on time to avoid wasting perishable products
- Reducing delivery times to meet customer expectations
- Committing to critical delivery windows to preserve freshness
- Streamlining the routing process to maximize truck capacity and easily manage last-minute requests
- Improving customer experience by providing better visibility to their order

It's time for wholesale food distributors to go beyond patchwork fixes implemented for the pandemic and fully embrace the new normal of expanded e-commerce. Let's dive into how.



Industry Challenges in Fleet Management

After more than a year of pivoting and evolving during the pandemic, the ability to distribute food efficiently and effectively on a more permanent basis is of utmost importance. Buyers are choosing distributors that can meet increased demand in a timely manner, reduce delivery times, maintain product freshness and quality through delivery, meet consumer expectations for availability, and provide order visibility

This means that distributors must either quickly adapt their business strategy to the needs of e-commerce or lose out to the competition. The problem is that making this shift often requires addressing a long list of industry challenges all at once.

Do some or all of the following process descriptions sound familiar?

- Perishability and fluctuating demands decrease the number and duration of delivery windows
- Routing processes are inefficient, inflexible, and labor-intensive – especially when managing exceptions and last-minute pivots.
- Lack of vehicle visibility and driver communication inhibits fleet performance and efficiency.
- Limited evidence around safe driving increases risk, limits accountability, and can stagnate driver safety training programs.
- Outdated fleet management capabilities restrict growth and mobility.
- Manual paper processes and disconnected data streams can cause a multitude of inefficiencies and errors.

AN EFFECTIVE FLEET MANAGEMENT SOLUTION SHOULD:

EMPOWER MORE ON-TIME DELIVERIES

HELP INCREASE VEHICLE UPTIME AND DECREASE AVOIDABLE DELAYS

MEASURE DRIVER PERFORMANCE FOR TRAINING OPPORTUNITIES

PROACTIVELY NOTIFY CUSTOMERS OF DELIVERY TIMING

How Integrated End-to-End Fleet Management Helps

Streamlining supply chain management to match the accelerated speed and ruthless competition of e-commerce can be a challenge for food distributors with manual processes and disconnected data streams.

The good news is there's a better way. Fleet management technology makes streamlining supply chain management for food distributors not only possible, but easy. Let's see how this technology can streamline your fleet from end-to-end:



Route Optimization – Use historical data to automatically plan recurring orders and routes to ensure on-time deliveries for multiple deliveries with varying delivery windows. Such efficiency enables multiple timely deliveries a day to the right locations while maintaining product quality and adhering to any business rules and constraints.



Dispatching – When routes don't go to plan, quickly manage exceptions and re-sequence routes without overwhelming drivers by giving dispatchers near real-time visibility into the location and status of vehicles while streamlining communication between the back office and drivers with centralized messaging.



Visibility – By giving teams more visibility into vehicle location in near real-time you can improve in-house transparency to ensure the correct team is available to intake or deliver quickly while giving customers proactive updates into order status, ETA, and delivery status.



Safety – Increase vehicle uptime with fleet-specific navigation customizable to each vehicle to ensure the right vehicles stay on the right roads. Keep drivers safe and accountable and protect cargo from theft with video-based safety in and around the vehicle. Use safety data to implement a relevant, proactive safety program that can reduce risky driving, increase driver retention, and streamline driver coaching. Capture deliveries and incidents of interest on camera to protect the organization's drivers and the reputation from false or extraneous claims.

Fleet management technology can help do all these things and more. Plus, when these solutions come together all one platform, they create a seamless, integrated, end-to-end experience across teams that can scale with the business.

See how integration into one platform helped this leading wholesale food distributor improve fleet management

The Challenge

Merchant's Foodservice faces some of the toughest challenges throughout the day - with operations in 12 states and more than 6,000 customers - ensuring quality product across the supply chain is critical to their business success.

The need to have full visibility into their fleet, improving safety, and delivering exceptional customer service, lead Merchant's to choose the converged solution of Omnitracs and SmartDrive to meet it's challenges and optimize operations.



About Merchant's Foodservice

From humble roots more that 110 years ago in southern Mississippi, Merchant's Foodservice has grown into the 12th-largest foodservice distributor in the United States with operations in 12 states. More than 6,000 customers trust Merchant's Foodservice and its hardworking team of 800 individuals to meet their needs by delivering perishable and non-perishable goods in a timely and safe manner. The company works proactively and aggressively to protect the safety of its products, drivers, and the general public. To achieve this goal, Merchants closely monitors every link in the supply chain, from the grower and manufacturer through delivery to its customers.

The Results

As a result of converging their solutions on the Omnitracs platform, Merchant's has seen:

- **14%** increase in Fuel Efficiency
- **25%** decrease in insurance claims
- **25%** decrease in vehicle maintenance DVIR scores
- **50%** reduction in collision frequency

Join the leaders in Wholesale Food Distribution with Omnitracs

The wholesale food distribution industry is already full of unique challenges. The increasing popularity of e-commerce – catapulted forward by the COVID-19 pandemic – only stretches distributors' capabilities even further. Now and especially into the future it will become more and more difficult to be successful without implementing some form of fleet management technology.

Visit www.omnitracs.com/industries/wholesale-food-distribution, or call +1 (800) 348-7227 for more information. Transform your wholesale food distribution company for the better.

About Omnitracs

Omnitracs, a Solera Company, offers the industry's only complete fleet intelligence software platform. Serving the largest for-hire and private fleets in the transportation and distribution industries, Omnitracs best-in-class solutions accelerate business success, improve efficiency, and enhance the driver experience for nearly 15,000 customers who collectively travel 700 million miles per week. Omnitracs pioneered digital transformation in trucking more than 30 years ago, and today offers a one-stop shop for enterprise-grade, data-driven solutions across compliance, telematics, workflow, routing, and video safety. Headquartered in Dallas, Omnitracs serves customers in over 50 countries and employs more than 2,000 people worldwide.

Featured Technology



SmartDrive Video Safety

Visibility and Driver Coaching



Omnitracs ELD & HOS Solutions

Compliance



Omnitracs Routing

AI-enabled route optimization



Omnitracs Dispatch

Back-end communication



Omnitracs XRS

Mobile compliance



Omnitracs Active Alert

Enhanced customer service

