eBook

5 Last-Mile Trends to Have on Your Radar

Omnitracs

If you're in the last-mile industry, you're aware this fast-moving element in the order lifecycle has always been vital to the overall success of the customer experience. And luckily, last-mile delivery is finally receiving the recognition it deserves in the transportation sector and the universal supply chain. Keeping your business successful in the last mile involves paying attention to what constitutes a triumphant last-mile experience and what differentiates the leaders from the laggards.

As a vehicle is a machine comprised of many moving parts, the last-mile experience is a machine with numerous moving parts of its own. The customer experience is shifting at an unprecedented rate — with much energy going to innovative technology, an intensifying yearning for convenience, and the pandemic reshaping our lives in real time.

There are five last-mile trends currently cementing our figurative roadway:

1. **E-commerce**

2. **Same-day delivery**

3. **Contactless delivery**

4. **Crowdsourcing**

5. **Customer experience**

Identifying the inventive trends of today is one vital way you can establish yourself as a pioneer in the last-mile sector.

E-commerce

E-commerce, the process of conducting transactions electronically on the internet, <u>skyrocketed</u> by 44% in 2020. It is both the highest annual e-commerce growth rate in two decades and nearly triple the growth rate of 2019. To no surprise, the pandemic has significantly accelerated e-commerce growth.

This click-and-pay way of shopping continues to increase retail sales percentages and impacts both business-to-business (B2B) and business-to-consumer (B2C) environments. As customers grew more reliant on online shopping during the drawn-out height of the COVID-19 pandemic, both for their sanitary safety and due to store restrictions, they also pivoted toward making non-traditional purchases, including cars and furniture.

These solutions are critical because they connect the needs of both your teams and customers, never sacrificing the convenience of one over the needs of the other.

YOU CAN POSITION YOURSELF IN THE E-COMMERCE SPACE WITH SOLUTIONS THAT:

- <u>Quickly</u> find capacity in your fleet so you can account for express and traditional deliveries

- <u>Help</u> drivers and dispatchers easily navigate routes in real time

- <u>Keep</u> customers informed in a proactive way that doesn't break your phone lines

Same-day delivery

It began with five-day delivery, then it was two-day, shortly afterward it was next-day, and now we've reached same-day delivery. Every time the bar for delivery windows rises, fleets struggle with balancing the customer experience with operational costs.

To understand how swift this process must be, we can look to the post-sales cycle. Once a customer has made a purchase, given that the purchase was made within the same-day delivery benchmark, businesses must get the order ready, ship it out, and get it to the last-mile vehicle the same day. To streamline the process, some retailers are partnering with last-mile fleets rather than utilizing their own delivery services.

While same-day delivery is understandably demanding, the benefits offered to customers are unprecedented. It is, with the exception of expedited local delivery, the fastest method of shipping and delivering that businesses can offer customers today.

IN 2019, 57% OF NORTH AMERICANS BETWEEN THE AGES OF 23-27 SAID THEY WOULD BE MORE LOYAL TO A BUSINESS IF IT OFFERED A SAME-DAY DELIVERY SERVICE.

IF YOU'RE A FLEET LOOKING TO REAP THE BENEFITS OF SAME-DAY DELIVERY FOR CUSTOMERS — AND YOUR BUSINESS STRATEGY — YOU SHOULD LOOK NO FURTHER THAN EFFICIENT ROUTING AND DISPATCHING SOLUTIONS. THESE SOLUTIONS ARE IMPERATIVE IN THIS SPACE, AS THEY:

1. Account for same-day orders and work route algorithms into driver routes to add additional stops with minimal disruption

2. Enable dispatching that keeps the lines of communication open between drivers and dispatchers as drivers are racing against the clock

Contactless delivery

Gone are the days of clipboards and electronic pens — and they may never return. While the pandemic has indeed reshaped our approach to plenty in the last-mile space, there is perhaps no better example of its impact than contactless deliveries.

To minimize touchpoints and person-to-person contact, fleets have sought solutions that verify delivery credibility while keeping driver and customer safety top of mind. Unsurprisingly, this new approach is far more convenient. It results in drivers and customer teams maintaining flexibility in their days, so customer teams are not tied down to the delivery schedules of the businesses with which they're working.

A **PROACTIVE DELIVERY APPLICATION** IS ESSENTIAL TO THOSE LOOKING TO ENSURE FRONT-LINE WORKERS REMAIN PROTECTED WHILE ALSO PROVIDING CUSTOMERS AND DRIVERS WITH GREATER FLEXIBILITY IN THEIR WORKDAYS.

WITH THIS APPROACH, CUSTOMERS ARE NOTIFIED OF THEIR DELIVERY ETAS WITH PROACTIVE NOTIFICATIONS. ONCE THEIR ORDER HAS ARRIVED, THEY'LL RECEIVE ELECTRONIC PROOF OF DELIVERY WITH EMBEDDED PHOTOS. NO PEN, NO PAIN.

Crowdsourcing

Finding and retaining drivers is a significant challenge in the last mile. Fortunately, emerging models enable local drivers to sign up for delivery operations. This form of last-mile delivery falls under the umbrella definition of crowdsourcing. The success of rideshare applications can account for this expansion into last-mile delivery.

The last mile is often the most expensive element of the delivery process. As such, fleets are understandably keen on the benefits crowdsourcing offers but must ensure that their approach amplifies, rather than drains, ROI. For one, crowdsourced drivers are often paid hourly rather than with a salary. At face value, paying drivers by the hour seems like it would save fleets money. However, depending on what is being delivered and how large the load is, many fleets can't solely rely on crowdsourcing. So, they must balance both salaried drivers with hourly drivers.

IN THE CROWDSOURCING SECTOR, RELIABLE DATA AND ANALYTICS SOLUTIONS ARE PARAMOUNT. WITH COMPREHENSIVE AND DIGESTIBLE DATA, FLEET LEADERS CAN BREAK DOWN THE COST-SAVING BENEFITS OUTLETS LIKE CROWDSOURCING OFFER AND THEN REMODEL THEIR BUSINESS APPROACH BY TAPPING INTO ACTIONABLE INSIGHTS.
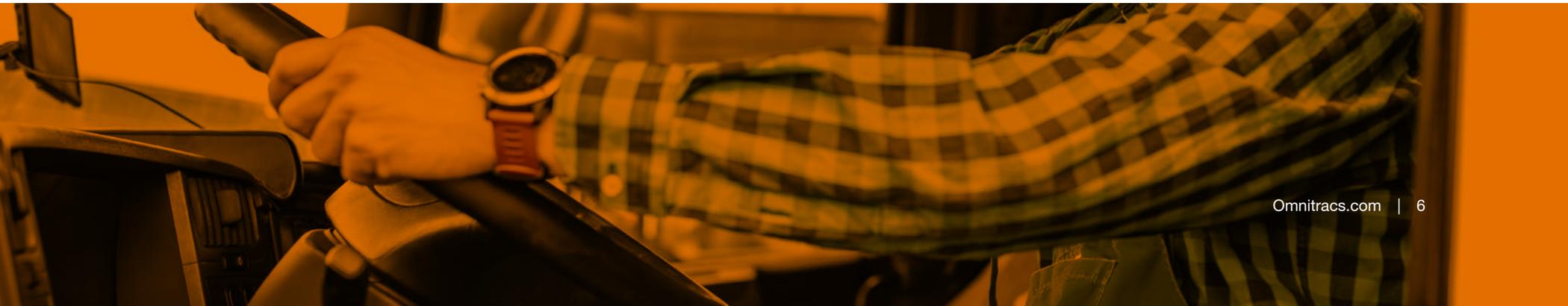
Customer experience

Customer experience is the number one factor driving innovation in the last-mile industry. It's impossible to talk about customers, though, without focusing on drivers. Drivers do more than transport goods from one location to another, although that piece of their role is undoubtedly essential. A driver serves as a brand ambassador for your business — the last point of contact for your customer. To keep drivers happy, you have to ensure they're not overwhelmed. So, it's safe to say that providing a positive customer experience goes hand in hand with securing a positive driver experience.

In the B2B world, customers are busy catering to their customers. So, the last thing anyone wants to do is keep track of their order through repetitive, time-consuming phone calls. Giving power back to the customers is made possible with a proactive order notification solution that helps customers remain aware of the status, location, and ETA of every order. Most importantly, a valuable solution clears your phone lines from repetitive calls, saving both your customers and teams time.

WHEN THINKING OF THE DRIVERS WORKING WITH YOU, ASK YOURSELF THE FOLLOWING:

1. Are they able to easily navigate along the most convenient routes for their vehicles and loads?

2. Do they have a digestible task-by-task and stop-by-stop workflow experience?

3. Am I protecting them with a video-safety culture, so they're returning home to their families unscathed?

Trends to triumphs

Fleet leaders can look to inventive leaders in the last mile, like Omnitracs, to remain ahead of the curve. Innovation breeds innovation, which is why we prioritize and pay attention to promising trends in and outside of the final leg of delivery. As trends emerge and evolve — from delivery robots to autonomous vehicles — our technology evolves in unison.

At the root of these five trends is one crucial constant: the customer. Most specifically, it is the customer's expectations — their expectations around their experience, what your business can offer them, and how well your model is keeping up with their business needs. Ultimately, each one of us can relate to the customer because we are customers. We know what it means to have a business you can rely on that cares about you and your needs and works tirelessly to deliver an experience that makes us feel seen and appreciated.

The last mile is where the culmination of everything your business is — everything you seek to offer your customers — comes to fruition. It is so much more than handing a load off to someone. With over 30 years pioneering our way in the last-mile and transportation space, we understand the intricate importance of the last mile better than most. That thorough knowledge has shaped our approach to innovative fleet management, sculpting our solutions for our last-mile customers and beyond.

Deliver a lasting impression that leaves even your most challenging customers impressed with **Omnitracs last-mile solutions**.

Omnitracs, a Solera Company, offers the 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. Recently, Omnitracs launched the Road Ahead Podcast, a new series that explores industry innovations with guest hosts. To subscribe, click HERE. For more information, visit https://www.omnitracs.com.

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