

A man and a woman, both wearing high-visibility yellow safety vests and caps, are standing next to a white truck. The man is wearing a red cap and the woman is wearing a blue cap. They are both smiling and looking at a tablet held by the woman. The background is a blurred view of the truck and some industrial equipment. The image is framed by yellow chevron patterns at the top and bottom.

Aptean Transportation

Distribution and Delivery: 5 Strategic Priorities for 2024



Ready for What's Next, Now®

If You're Under Pressure To Do More With Less in 2024, You're Not Alone

Logistics teams are often in the firing line when it comes to reducing overhead and carbon footprint, but bottom of the pile when it comes to investment.

To help you focus resources and prioritize changes that will make your distribution operation more efficient (without compromising quality of service), Aptean has identified five strategic priorities for the year ahead.

Discover how these priorities could impact your business and learn how transportation management software (TMS) can help you apply new strategies and meet the expectations of senior leaders, colleagues and customers in 2024.

Let's start with our first priority for the next 12 months: protecting your company from staff churn.





Priority 1

Protect Your Company From Staff Churn

While people and skills shortages have started to ease, recruitment is still a big challenge for the logistics industry; there is still an 80,000 shortfall in qualified truck drivers.

Many firms suffer when experienced team members leave the business, as vital information is stored in their heads. When they move on, so does their knowledge, which is a major risk factor—especially if you have an aging workforce.

There are many reasons why someone could leave your company over the next 12 months—they could retire, change jobs or go on long-term sick leave. The bottom line is that you don't want their departure to disrupt operations.



How Can You Mitigate the Impact of Staffing Changes?

Documenting your route planning process should be a priority goal for 2024 to protect your company from staff churn.

Using a TMS solution to formalize workflows will ensure critical logistics information is captured digitally. All your employees can access this data to continue business as usual when someone leaves or retires.

Not only does a TMS system help to mitigate the impact of people leaving your business, but you can also use it to manage day-to-day changes. For example, your TMS will include route planning and optimization software, so you can quickly re-plan schedules if a driver calls in sick.

And when someone new joins your company, you can use the information captured in your TMS software to get them quickly up to speed.



Priority 2

Move Your Route Planning Software to the Cloud

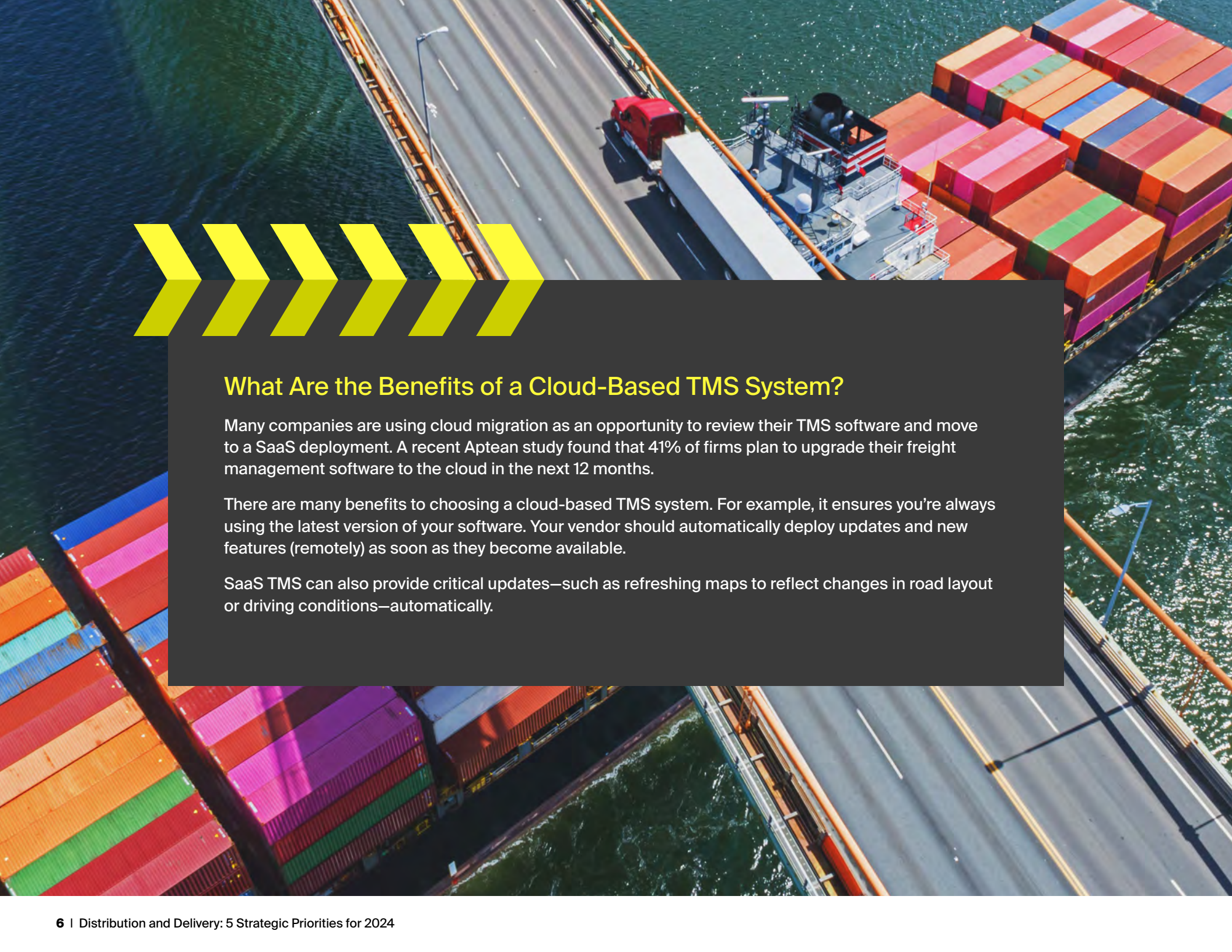
If your company is already managing logistics using TMS software, you're on the front foot. But is that system still purpose-built for today's business environment?

Now is a good time to review your current technology stack and take steps to future-proof your distribution infrastructure.

Many companies that invested in on-premises technology are moving over to the cloud for better performance. Gartner predicts that **85%** of organizations will be cloud-first by 2025.

For small businesses, cloud TMS software is a cost-effective option, as it doesn't require specific hardware. It's also simpler to deploy and manage (fixes can be made remotely by your vendor to avoid burdening your limited IT resources), and it's highly secure.

For larger enterprises, cloud technology enables flexible and hybrid working. That's something many legacy systems can't manage, which companies learned the hard way during the pandemic. The Software as a Service (SaaS) model can also easily support multi-site distribution.

An aerial photograph showing a large container ship with many colorful shipping containers (red, orange, yellow, green, blue) moving across a bridge. A white semi-truck is also on the bridge. The bridge spans a body of water. A dark grey rectangular box is overlaid on the right side of the image, containing text. To the left of this box, there are five yellow chevron arrows pointing to the right.

What Are the Benefits of a Cloud-Based TMS System?

Many companies are using cloud migration as an opportunity to review their TMS software and move to a SaaS deployment. A recent Aptean study found that 41% of firms plan to upgrade their freight management software to the cloud in the next 12 months.

There are many benefits to choosing a cloud-based TMS system. For example, it ensures you're always using the latest version of your software. Your vendor should automatically deploy updates and new features (remotely) as soon as they become available.

SaaS TMS can also provide critical updates—such as refreshing maps to reflect changes in road layout or driving conditions—automatically.

AO: Modernizing Route Planning to Maximize Deliveries

Online electrical retailer, AO is a great example of how cloud migration can boost growth and scalability.

AO's previous software was plagued by inefficiency, with routes generated by the platform often requiring manual intervention. Their legacy on-premises system had not received regular updates and they were lacking support from their technology provider.

Moving to Aptean's cloud-based Routing & Scheduling Software has been a game-changer.

With fully automated route creation, AO's routing specialists can delve deep into strategic scenario modelling so that customer deliveries happen on time every day. By running simulations to model the impact of "what-if" scenarios, they can make more informed decisions and maximize their delivery potential.

As AO continues to grow, the system can easily scale up without the need for costly hardware purchases or data center upgrades. The cloud-based environment offers AO superior flexibility, especially when changing the number of users, system permissions and other backend settings.



"We've seen tremendous progress in our routing efficiency since implementing the cloud-based solution. Today, close to 100% of all our routes are produced without human intervention."

Carl Phillips, Group Tech Director, AO

Read AO's Story In Full >>

Priority 3

Show Senior Leaders How You're Performing

Visibility will be another priority goal for many distribution teams in 2024. You might know you're doing a good job, but does the rest of your company?

With running costs increasing—for example, fuel prices climbed steadily in the final quarter of 2023—senior personnel will be keeping a close eye on distribution overhead.

Many company leaders want an overview of logistics costs on a weekly or monthly basis, but the reporting process can be lengthy and inaccurate if you're using manual tools or legacy software.

Moving to modern TMS software with business intelligence (BI) capabilities makes reporting much quicker, easier and more impactful, especially if the system can present information through a visual dashboard.





Which Distribution KPIs Should Your Company Track?

2024 is the year to set KPIs that demonstrate you're running a productive and cost-effective distribution operation.

Clear, tangible metrics are the simplest way to ensure you're accountable for all department spending and prove you're using resources effectively.

Calculating KPIs like cost per load, cost per pallet and driver and vehicle utilization will enable you to benchmark your current activities and track how strategic changes improve your performance throughout the year.

Accurate, up-to-date metrics will also prove helpful when you're putting together a business case for further investment—for example, recruiting new staff members or expanding your fleet.

And using the BI dashboard within your TMS software will allow you to automate the reporting process, so you're not spending hours pulling reports for senior leadership meetings.



Priority 4

Add Metrics to Your Green Strategy

Sustainability will remain a hot topic in 2024, and now is the time to quantify your distribution climate footprint and take steps to lower it.

There are many ways you can reduce the environmental footprint of your logistics operation, including:

- › Optimizing routes to reduce mileage
- › Minimizing the number of vehicles you need to cover every drop
- › Reducing the amount of time your fleet is on the road
- › Using lighter vehicles for appropriate routes (e.g. urban deliveries)

While you can make all of these changes manually, it's easier to implement them and generate data to prove their working using your TMS software. Some platforms even include a carbon footprint calculation tool.

How Green Is Your Transport Operation?

Take Our Quiz >>



How Can TMS Software Reduce Your Carbon Footprint?

Investing in TMS technology will give your company access to sophisticated algorithms that can reduce the time, mileage and vehicles needed to complete your deliveries.

With TMS software, you can make intelligent decisions about your route that lower CO² emissions.

For example, you can sequence drops to deliver the heaviest items first or integrate route plans for multiple depots so you're looking at distribution capabilities holistically rather than site-by-site.

Many leading companies have significantly cut their climate footprint using TMS technology. For example, Tesco has reduced its CO² created per case of goods delivered by 50%. Smarter route planning has saved the supermarket chain 150,000 miles per week.

Read More TMS Success Stories 



Priority 5

Become More Responsive to Customer Demands

It's not just internal demands you'll be answering to in 2024. Customers now expect deliveries within two days, one in the case of groceries. As a result, companies are under more pressure to speed up last mile delivery.

Your planning capabilities play a major role in last mile success. Currently, route planning can be an all-day affair in some businesses, as manual or disjointed processes mean it takes several hours to sequence drops.

Automating the route planning process using TMS software enables you to optimize schedules in minutes—and update them throughout the day.

The quicker your company can plan routes, the further you can extend the cut-off point for next-day deliveries. You can even introduce same-day delivery services.

It also takes fewer people to plan schedules when you're coordinating routes through dynamic software, which will help to ease recruitment pressures and control logistics overhead.



Industry Insight: Warburtons

Jim Norton, distribution planning manager at Warburtons, shares his thoughts on changing customer expectations.



Unit **3**

blackheath

Blackheath Products: Better Results in Less Time

Blackheath Products is a leading distributor in the construction and furniture industries. When the company conducted a major expansion program, which saw its operation double in size, it needed TMS software to map efficient routes and schedules for a fleet of 25 commercial vehicles.

By investing in Aptean Routing & Scheduling *Paragon Edition*, Blackheath Products was able to connect disjointed warehouse operations and improve the speed and consistency of customer deliveries while spending less time on route planning.

In fact, using TMS technology has reduced the time Blackheath Products spends on planning routes by 75%.

The company has also made up to 20% fuel and mileage savings.

Read Blackheath Products' Full Story >>

Is Your TMS Software Fit for Purpose in 2024?

Each of our strategic priorities underlines the importance of digital infrastructure in driving distribution efficiency. If you don't have TMS software, now's the time to invest.

Even if you're using an online system to plan routes and driver schedules, there's no guarantee it will meet your needs in the year ahead.

If you can't tick all these boxes, perhaps it's time for an upgrade:

- ☐ **Everyone in your team can access the software**
- ☐ **Your drivers can easily check their schedule when they're on the road**
- ☐ **You can plan routes in a few minutes**
- ☐ **You can integrate route plans for more than one depot**
- ☐ **You can easily re-sequence routes if there are last-minute changes**
- ☐ **Your system updates automatically so you're using the latest maps and features**
- ☐ **You can track and report on KPIs through your TMS software**
- ☐ **You can sequence plans to minimize CO² emissions**
- ☐ **Your TMS vendor offers a good training program and customer support**
- ☐ **Your TMS vendor helps you adapt and develop your software for your changing needs**

Aptean has a suite of transportation management solutions that work together to effectively optimize your routes and manage your resources while facilitating rapid, reliable last-mile delivery.

Aptean Routing & Scheduling provides fleet managers with the tools to plan, schedule and map efficient routes and then track deliveries in real-time. Our software delivers resource planning benefits, including:

- › Automatic identification of the most efficient routes, cutting planning time from hours to minutes
- › Real-time dynamic route optimization that factors in details like delivery quantities, customer addresses, time windows, vehicle fleet sizes and driver shifts
- › Workflow frameworks that provide operational oversight of your complete delivery lifecycle (including delivery exceptions) while taking upstream information such as warehouse picking capacity and manufacturing capacity into account

Aptean's Live Planning Toolkit delivers the visibility and control you need to master real-time route management and fully realize all the benefits of your route planning software.

There's no need for your planners to make on-the-fly changes because your plans are created using the necessary real-world data to inform them. And if deviations occur out on the road, the transport team has the visibility and control they need to proactively deal with those issues—keeping fleet performance on track and customers happy.

Aptean Home Delivery is an end-to-end fulfilment system that operationalizes the ordering and delivery process from initial customer order through to delivery and post-delivery management. With our software:

- › Customers can choose available delivery windows at the point of sale to avoid missed/rescheduled deliveries
- › Routes and schedules are automatically updated when a customer places their order to maximize drops per vehicle
- › Regular shipment updates are sent to customers automatically via email and SMS, so they always know where their package is and when it's likely to arrive

Aptean Electronic Proof of Delivery is an ePOD system that enables fleet drivers to confirm deliveries efficiently and transparently, as they can:

- › View all deliveries in one place
- › Drill down into the specifics of individual deliveries
- › Record electronic customer signatures and photos for proof of delivery

Aptean TMS is a powerful software specifically designed to optimize freight movements. With our TMS, you can efficiently plan, rate and manage shipping of products or goods across various modes of transportation. The software allows you to select the most suitable routes and carriers, ensuring smooth and cost-effective logistics operations. TMS also streamlines the management of freight bills and payments, saving you time and effort. Our TMS solution allows you to:

- › Achieve efficient multi-mode transportation management
- › Reduce shipping costs by optimizing your carrier selection process
- › Streamline warehouse operations to drive efficiency and productivity
- › Make informed decisions with access to comprehensive reporting

Aptean Ship is an integrated packing and shipping solution that supports both small parcel and LTL carriers to make the entire shipping process more fluid and help to reduce shipping-related expenses. With our solution, you can rate shop carriers and modes in a single application, streamline processes by providing your warehouse instant access to orders through an integrated ERP and rate shop with ease in one unified view.



Interested in seeing how Aptean Transportation software can drive efficient distribution?

Contact us at info@aptean.com or explore **Aptean transportation solutions.**



Aptean is one of the world's leading providers of purpose-built, industry-specific software that helps manufacturers and distributors effectively run and grow their businesses. With both cloud and on-premise deployment options, Aptean's products, services and unmatched expertise help businesses of all sizes to be Ready for What's Next, Now®. Aptean is headquartered in Alpharetta, Georgia and has offices in North America, Europe and Asia-Pacific.

To learn more about Aptean and the markets we serve, visit www.aptean.com.