

AKI Group

Improves productivity and reduces costs
with Aptean Routing & Scheduling

Industry

Distribution Services



Challenges

- » Managing transportation requirements to the UAE's seven emirates
- » Effectively processing 25,000 orders per month
- » Efficiently managing transportation operations for over 12,000 deliveries
- » Using manual planning processes to route and schedule deliveries

Benefits

- » Annual transportation cost savings of \$1 million
- » Increased average deliveries per vehicle by 164%
- » Reduced fleet size by 38%
- » Lowered the average cost per delivery by 65%

Al Khayyat Investments (AKI Group) is a family-owned company that operates a diverse range of autonomous business units including retail, consumer, contracting, pharmaceutical, strategic investments and automotive. Founded in 1982, the AKI Group is now a \$1.6 billion business that has developed strong partnerships with leading international brands. With a strong workforce and state-of-the-art logistics center, the company strives for operational excellence that helps build lasting relationships with its customers.

The AKI Group has an in-house transportation operation that is responsible for providing delivery services across the business. Operating from its logistics center in Dubai, it is responsible for all transportation requirements to the UAE's seven emirates – Abu Dhabi, Ajman, Dubai, Fujairah, Ras Al Khaimah, Sharjah and Umm Al Quwain. Due to the diverse make-up of the business, the transportation operation makes deliveries to a wide range of customer locations including hospitals, pharmacies, shopping malls, retail stores and restaurants.

Transportation optimization

The AKI Group processes around 25,000 orders a month, typically equating to 12,500 deliveries each month to up to 5,500 customer sites across the UAE. The company recognized that manually planning such a large multi-drop delivery operation was resulting in inefficiencies. It selected Aptean Routing & Scheduling *Paragon Edition* software to transform the performance of the distribution operation. The solution also included Street Level Mapping and Average Road Speed Data to achieve even higher levels of route accuracy, as well as Aptean Route Execution to provide real-time visibility of the operation.



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Gary Grindlay, Group Head of Logistics, AKI Group




Having implemented Aptean Routing & Scheduling software, the AKI Group saw significant operational improvements across a number of essential transportation KPIs. In particular, the company has been able to reduce the size of its fleet from 84 to 52 commercial vehicles, while average deliveries per vehicle increased from 4.7 to 12.4, a rise of 164%. The solution is also enabling the AKI Group to better manage delivery volume peaks, which see around 45% of orders being placed in the last four days of the month.

“By better managing our fleet and drivers we have dramatically improved the productivity and efficiency of our transportation operation, making annual savings of more than \$1 million,” explains Gary Grindlay, Group Head of Logistics at the AKI Group. “Changes in the economy of the UAE are forcing supply chain operations in the region to get more focused on cost savings and improved productivity. We are bringing together the best technology solutions available to address these challenges, with Aptean Routing & Scheduling *Paragon Edition* now a crucial part of our commitment to operational excellence.”

Overcoming regional challenges

Within the UAE there are strict regulations governing commercial vehicle usage for food, non-food and pharmaceutical loads. The AKI Group operates a mixed fleet of 4.5, 10 and 12 ton delivery vehicles – including a number of multi-temperature, compartmentalized bodies – to handle the needs of the different business units. The transportation team is now able to use Aptean Routing & Scheduling software to automatically factor in vehicle restrictions when planning deliveries, so the company can maximize capacity while achieving regulatory compliance.

The responsibility of the delivery staff extends beyond delivering goods to the unloading bay. Instead each vehicle is typically staffed with a two-or three-man team, made up of a driver along with support operatives that are expected to unload the order in a specified storage area. This added requirement not only creates an increased workforce overhead but can often result in unexpected delays or increases in vehicle waiting times.



“In partnership with our business – and working closely with our planning, transportation and IT teams – Aptean has helped us maximize the return on our investment. As a result, we have already achieved significant value and expect further gains moving forward. For me, Aptean is the number one provider of route optimization software.”

Gary Grindlay, Group Head of Logistics, AKI Group



“Economic changes in the region are forcing transportation operators to focus far more on efficiencies than they have done in the past. By integrating our planning, transportation management and supply chain systems we are leading the way in the region and ensuring we are best positioned for pressures such as fluctuations in the economy and rising wages,” adds Grindlay.

Enhanced transportation planning

Since the adoption of Apteian Routing & Scheduling *Paragon Edition*, the AKI Group has consolidated its planning resource into a single team, having previously operated four independent sets of planners. This has allowed the company to create a centralized planning function. The team is responsible for managing all deliveries, monitoring the fleet in real time and analyzing planned versus actual performance to target continuous improvement.



Are you Ready to Learn More?

Interested to see how Apteian Routing & Scheduling can help improve your transportation operation?

Contact us at info@apteian.com or visit www.apteian.com.



About Apteian

Apteian is one of the world's leading providers of industry-specific software. Our enterprise resource planning and supply chain solutions are uniquely designed to meet the needs of specialized manufacturers and distributors, while our compliance solutions serve specific markets such as finance and life sciences. With both cloud and on-premise deployment options, Apteian's products, services and unmatched expertise help businesses of all sizes, across many industries, to scale and succeed.

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