

### Strategies To Scale:

Building Your Final Mile Business Through Smart Technology Adoption

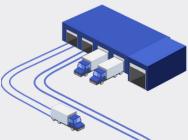
## INTRODUCTION: AN INDUSTRY IN FLUX

Over the last 24 months, the entire supply chain and the world have been facing several major shifts stemming from the ongoing novel coronavirus pandemic.

- Our interconnected, global economy has been in the spotlight. Topics like "just in time manufacturing" and logistics were once relegated to the business pages and are now common knowledge. The phrase "supply chain shortage" has stayed in the headlines and become a topic of dinner conversation in homes throughout the country.
- Consumers have moved their offices to their homes, sometimes for good. Spending has shifted away from experiences and travel and into housewares, appliances, furniture, and more. As a part of that, the ongoing shift towards eCommerce has accelerated, and consumer demand for home delivery has surged higher than ever before.
- Retail shippers are in experimentation mode, with curbside pickup and ship-from-store rapidly accelerating. Simultaneously, strained carrier capacity has shippers experimenting. Adding regional and local last-mile delivery partners to their capacity playbook has been the only way to meet consumer demand for many national players. For big-box stores like Home Depot, Costco and Walmart, this experimentation has spread throughout the supply chain, all the way back to chartered container ships!
- Simultaneously, technology adoption has taken another great leap forward, with individuals expecting one-click ease in both consumer and business-oriented software.

Final mile delivery is in a time of rapid acceleration, and it's happening whether your business is ready for the fast lane or not. High demand for capacity has benefits: newfound negotiating power with shippers, increased cash flow, and an opportunity for growth. But for many last-mile delivery businesses, it has also brought struggle. From sourcing and retaining safe, reliable drivers to simply finding the time to improve processes, many last-mile carriers may find rapid growth to be the greatest challenge of all.

If you feel like you've left money on the table in recent months, you're in the right place. This white paper will explore some of the main challenges final mile carriers are facing and the steps you need to prepare to scale your business as you look ahead.



#### LOOKING BACK: STATS YOU SHOULD KNOW

If you've been busy running your business, you may not have had time to stay on top of industry news. Catch up with eight statistics that unveil the shifting trends in the final mile and the stunning need for technology adoption that is ahead.



## 41%

The percentage of respondents saying they shop weekly or even daily via mobile or smartphone

- PwC's December 2021 Global Consumer Insights Pulse Survey

# 80%

Growth in retailers shipping orders from store to home during the 2020 holiday season

- GlobalData



Increase in sales of major kitchen appliances, including refrigerators, cooktops, and ovens in the United States from January through September 2021

- NPD Group

57%

The percentage of stores retailers expect to use partially or entirely as fulfillment centers in 2022

- McKinsey / Retail Industry Leaders Association Retail Speaks report

61%

Percentage of consumers who started shopping for the holidays by early November in 2021 - NRF

The number of new commercial and cargo vans sold by major manufacturers in the U.S. in the first half of 2021



- Transport Topics

5 million pieces per day

Expected 2021 peak season delivery demand beyond capacity

- UPS q2 earnings call

2022 The year Dave Clark, CEO Worldwide Consumer at Amazon, expects the company will become the largest U.S. package delivery service

- CNBC interview

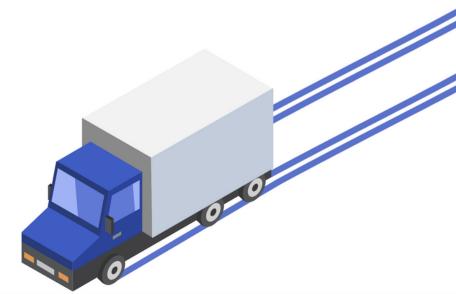
### LOOKING AHEAD: FUTURE-PROOFING YOUR FINAL MILE BUSINESS

The numbers on the previous page paint a clear picture: final mile businesses are wedged between opposing forces and are facing more pressure than ever before.

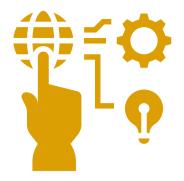
Growth in the last mile is not stopping, but neither are evolving customer expectations. On the one hand, carriers have newfound power to demand better rates and respect. In contrast, the final mile already has a reputation as the most expensive segment within the delivery journey. With increased costs, shippers will also take a more critical eye towards this expense. Meanwhile, new options that were once reserved for large enterprises alone are now within reach thanks to technological breakthroughs and accelerating technology adoption worldwide.

### TIP! Ask yourself these questions:

- Are we building custom quotes for every new shipper?
- 2. Is the speed of invoicing impacting our cash flow?
- 3. Are we struggling to onboard or train new drivers or staff or have them consistently follow correct protocols for different shippers or service levels?
- 4. Are our teams frequently switching between multiple technology products to complete their tasks?
- 5. Are critical communications or details getting lost or missed?



### NOW IS THE MOMENT FOR DIGITAL TRANSFORMATION, BUT WHERE TO BEGIN?



At Imaginnovate and many similar technology strategy and development firms, we start new projects with what we call a "discovery" process. Discovery is when we create alignment between all the influential leaders and stakeholders, define the most critical goals to those individuals and the organization, and uncover the systems, tools, and processes currently in use.

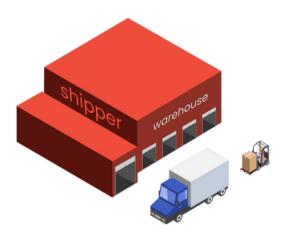
An organization doesn't need to be kicking off a custom technology development project to use a similar process. Any organization that wants to grow, change or solve a problem can profit from this approach.

To get started, let's look at two of the most common challenges that we're seeing final mile businesses face.

#### Challenge: Inefficiencies Everywhere.

The world of final mile delivery is high-touch and highly specialized, so there's no single answer for every organization. There is, however, one theme that our team has identified across a variety of final mile businesses and, in fact, throughout many organizations across every aspect of the transportation industry: inefficiencies are everywhere.

By identifying areas of inefficiency within your organization, you can locate the most straightforward elements to fix or those that will make the most significant impact.



#### Solution: Break Up Bottlenecks.

When a business grows, the influx of work can make previously hidden pain points much more apparent. Growing pains are typical, but bottlenecks can create customer delays or add risk to your business relationships.

Typically, you'll find that bottlenecks are created in places where manual, repeatable work by an individual is required. Some common examples include scheduling routes, drivers, or delivery appointments, creating quotes or generating invoices, or even simply transferring data between systems or from your software to your shippers'. When your team is doing more work than ever before, these seemingly small tasks can soon take on outsized importance as each delay adds up. Eliminating even one of these bottlenecks can considerably improve workflows for everyone in the organization.

These moments of manual labor are the perfect opportunity for digital disruption. Modern automation technologies allow organizations to put repeatable processes on autopilot, freeing up hours in the day for the team to concentrate on higher-value tasks. Meanwhile, API and EDI integrations combined with a true end-to-end technology solution can eliminate the inefficiencies and inaccuracies resulting from the transfer of data from one system to another. Technology integration can also remove manual efforts or communications outside of your technology of choice due to limited functionality.

TRY THIS: To identify the biggest bottlenecks in your organization, consider following a particular transaction through each step within your business and identifying where there are delays, errors, or issues in the process. Alternatively, think back to some recent delivery exceptions, claims, or finance issues your team has encountered. Is there a recurring theme or area where problems are arising?

#### Challenge: Inefficiencies Everywhere.

The world of final mile delivery is high-touch and highly specialized, so there's no single answer for every organization. There is, however, one theme that our team has identified across a variety of final mile businesses and, in fact, throughout many organizations across every aspect of the transportation industry: **inefficiencies are everywhere**.



By identifying areas of inefficiency within your organization, you can locate the most straightforward elements to fix or those that will make the most significant impact.

#### Solution: Break Up Bottlenecks.

When a business grows, the influx of work can make previously hidden pain points much more apparent. Growing pains are typical, but bottlenecks can create customer delays or add risk to your business relationships. To identify the biggest bottlenecks in your organization, consider following a particular transaction through each step within your business and identifying where there are delays, errors, or issues in the process. Alternatively, think back to some recent delivery exceptions, claims, or finance issues your team has encountered. Is there a recurring theme or area where problems are arising?

Typically, you'll find that bottlenecks are created in places where manual, repeatable work by an individual is required. Some common examples include scheduling routes, drivers, or delivery appointments, creating quotes or generating invoices, or even simply transferring data between systems or from your software to your shippers'. When your team is doing more work than ever before, these seemingly small tasks can soon take on outsized importance as each delay adds up. Eliminating even one of these bottlenecks can considerably improve workflows for everyone in the organization.

These moments of manual labor are the perfect opportunity for digital disruption. Modern automation technologies allow organizations to put repeatable processes on autopilot, freeing up hours in the day for the team to concentrate on highervalue tasks. Meanwhile, API and EDI integrations combined with a true end-to-end technology solution can eliminate the inefficiencies and inaccuracies resulting from the transfer of data from one system to another. Technology integration can also remove manual efforts or communications outside of your technology of choice due to limited functionality.

#### Challenge: The Solution That Doesn't Stick.

How many times have you seen a new technology or tool introduced, only for teams to revert to using what is most comfortable or familiar for them? Rapid technology acceleration has provided enormous benefits for businesses, but quick decisions in purchasing new software can become fast failures.

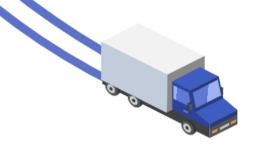
If you pick a product that is too difficult for your users to navigate or too rigid to configure to your needs, it will be of no benefit at all. Bigger businesses often address this problem by turning to custom technology development. But what if building a technology product or integrated tech stack uniquely configured to your business isn't within reach? That doesn't mean you're stuck with spreadsheets and post-it notes or a cobbled-together series of systems that don't actually get used.



#### Solution: Align Stakeholders and Define Success.

Your stakeholders are the business leaders and the parties involved in completing the work. For each bottleneck you've identified in your business, jot down the individuals or departments impacted or involved. For any technology adoption to be successful, you'll need to get the buy-in of these individuals. Consider interviewing these individuals or holding a feedback session to understand the current situation and WHY it exists. If you've introduced a software solution in the past, but it proved too tricky or deficient or only did half the job, you may find staff reluctant to try again. Doing the work upfront to understand the current situation will have you coming out ahead in the end.

Once you have identified your stakeholders, it's time to define success. While your ultimate business goal might be more extensive growth and higher profits, it is crucial to understand the motivations of your team to find a solution that will work for each individual to serve their goals as well. For example, maybe they simply want to know they'll have adequate staff available to complete each day's work. On the other hand, perhaps they want to spend less time on the phone or copying and pasting between different software platforms or documents. Or maybe they simply want to get paid faster! Whatever the answer, arming yourself with this knowledge will help you better understand the requirements for whatever software solution you choose.



#### IF EITHER OR BOTH OF THESE CHALLENGES SOUND FAMILIAR TO YOU, THEN YOU CERTAINLY AREN'T ALONE.

The good news is, your discovery process is now nearly complete, and soon you'll be ready to begin working on real solutions that can help your business scale. Armed with a comprehensive understanding of your business process, current pain points, and the needs of your stakeholders and your shippers, you're ready to start seeking an ideal software solution for your business that will help you face the challenges ahead. Technology transformation can seem like an impossible task when you're just getting started, but getting ahead of the curve may genuinely be the differentiator at this moment between the final mile businesses that succeed and those that burn out before they truly get a chance to grow.

# Ready to scale with a new final mile software solution?

See how Fleet Enable can help your business #DeliverBetter Contact us to request a demo today.

fleetenable.com finalmile@fleetenable.com (216) 293-7917

### **About Us:**

Founded in 2019, Fleet Enable was built by the experienced team of transportation technology experts at Imaginnovate. In working with some of the industry's biggest names, we've had the opportunity to encounter unique circumstances, tackle groundbreaking projects, and develop a deep understanding of the struggles many transportation and logistics technology projects face. With this knowledge, we built Fleet Enable to be a carrier-centered, end-to-end Final Mile Solution and the first truly all-in-one software product to serve the last mile carrier from order to cash.

