Is Your Distribution Evolving to Manage the Last Mile?

Presented by:

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Why are distributors becoming couriers? (and often doing it quite badly!)
Hello!

My name is Bill Denbigh
I am here because I am a logistics nerd and I love spreading the word...

You can find me at
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1. The times they are a changin’...

Our market and technology keep evolving
Staples joins the same-day fray with Staples Rush

USA Today - June 14, 2016
Walmart Teams Up With Uber and Lyft For Grocery Delivery Test

Fortune - Jun 03, 2016
https://www.youtube.com/watch?v=98Blu9dpwHU
2. The times they are a changin’
Take 2...

Our market and technology keep evolving
Question?
Who’s distribution network grew over the last 15 years?
From 1 DC to 8 RDC in 15 years
Population density of Arkansas
Over 90% of customers are within 50 miles of a DC or RDC
Question?
Did your average order size go down over the last 10 to 15 years?
A pallet or so of goods...

2001
Ordered every couple of weeks...

2001
That takes a week or so to get there...

2001
A case or so of goods...

2007
Ordered every few days...

2007
That takes 2 or 3 days to get there...

2007
A box of goods...

2017
Ordered every day...

2017
Sameday or next day delivery...
2017 logistics: small orders, frequently ordered and expensive modes
2017 logistics: small orders, frequently ordered and expensive modes
9 DC and 90% of customers within 50 miles
Growing cost of shipping

Growing expectations for custom logistics

90% of my customers are within 50 miles
3. Quick Case Study

How a market leader turned a problem into an advantage
“Minneapolis - St. Paul area
Electrical goods distributor
"Using logistics to dominate!

Order by 10:00 the goods will be at your job site today. Order by 16:00 and the goods will be at your job site by 8:00 in the morning!"
"$150M and CAGR of over 20%"
“Key takeaways

1. Customer expectations around logistics for distribution has changed, you MUST respond.
2. The technology exists to allow you to compete in a complex courier marketplace.
3. Logistics can be a key competitive advantage to your business rather than a cost.
For More Information:

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