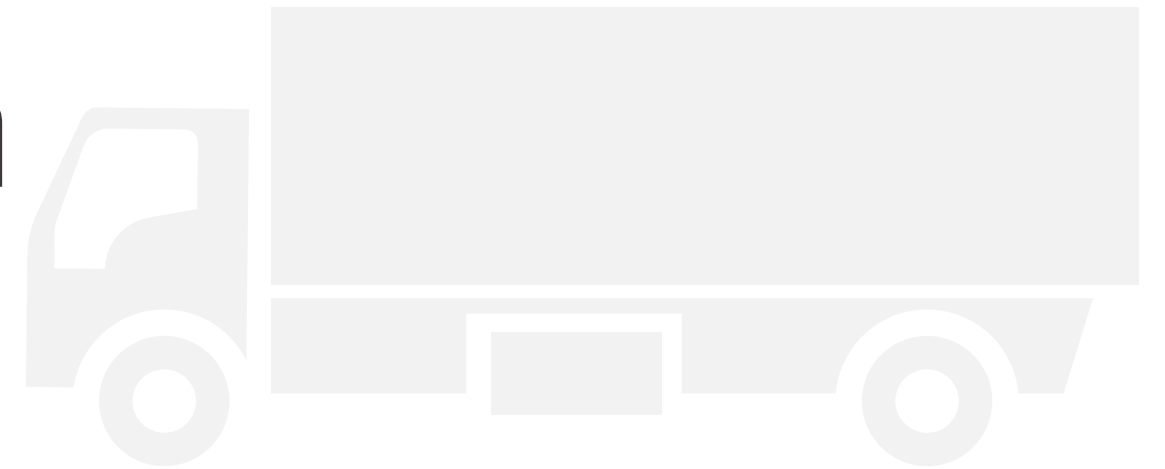


# “Delivering change: Digital transformation in Last Mile Delivery”



The GrowthEnabler InFocus reports uniquely address the top priorities for technology leaders and their teams; by recommending potential solutions, in the context of business growth. Each business priority is broken down to point level/function-specific solutions that are further linked to technologies with a list of vendors. Business Solutions are sourced from GrowthEnabler Pii, our intelligence gateway to over 525K high growth tech companies. This report is designed to navigate the ever-changing technology landscape, and enable more informed, and quicker, decision making.

**3**

Step Guide  
Document



Created for the:  
**CIO, CDO, CTO,  
CSO, CEO**



Reading Time:  
**15 minutes**

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# How will digital transformation effect growth?

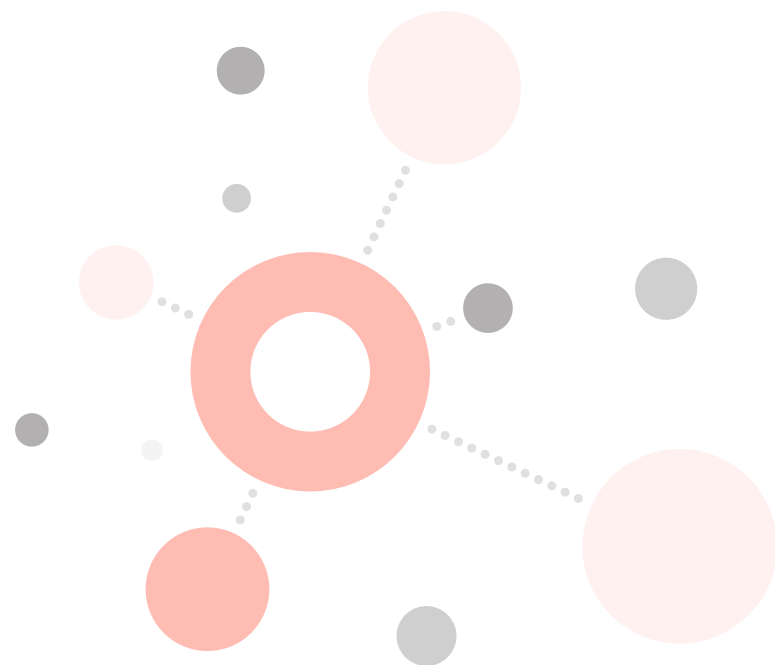
## An introduction

**Increasing internet penetration and improving consumer faith in digital shopping are spurring on the growth of the global eCommerce market, especially in developing markets like China, India and South-East Asia. In the mature markets of US and Europe, consumers are demanding even faster delivery options, flexible delivery windows, real-time tracking and seamless returns yet remain highly price competitive. The increasing need to deliver large volumes with velocity is driving innovation in the parcel delivery space.**

Last mile delivery, which often accounts for nearly 50% of the total delivery cost, includes significant labour cost disadvantages for the large incumbents. As the competitive advantages associated with traditional distribution mechanisms do not apply in the last mile space, logistics providers are being forced to develop new networks that cater to the same day delivery demands from consumers.

Recent technological advances are driving startups towards building sustainable and scalable business models. A few upcoming trends include: Advanced pricing algorithms which dynamically determine pricing for individual customers based on the predicted delivery costs, Intelligent routing algorithms that utilize geo-fencing techniques to not only enable faster deliveries but also drive fleet efficiency and Modernization of warehouses using automated picking and sorting robots.

The emergence of the Internet of Things, Advanced Analytics, Autonomous Delivery Vehicles and Mobility Management is enabling the digitization of all players across the value chain. Organizations will have to develop capabilities that enable real time visibility into their inventory and fulfilment capabilities in addition to developing synergistic partnerships with players across the value chain. Integration of the multiple systems involved in order management, procurement of packages and delivery fleet management is imperative for companies looking to succeed in the last mile delivery space.



# From Sub-segments to Solutions In 3 Steps.



## Startup Growth Stage Definitions

### EMERGING:

Early stage startups typically at beta product stage and seeking investment capital

### SCALING:

Typically funded, with a market ready product and revenue positive

### MATURE:

Established product, exploring new growth markets and partnerships

# Last Mile Delivery Optimization



## Last Mile Delivery Optimization



### Urban Fulfillment Centers and Crowdsourced Delivery Fleets

Alternative Access Points

Returns Management

Drones/AGVs

**Darkstore**  
San Francisco, United States  
*Darkstore.com*  
Darkstore is a delivery fulfillment platform for e-commerce brands which utilizes excess capacity in storage facilities, malls and bodegas to power same day deliveries.  
**EMERGING**

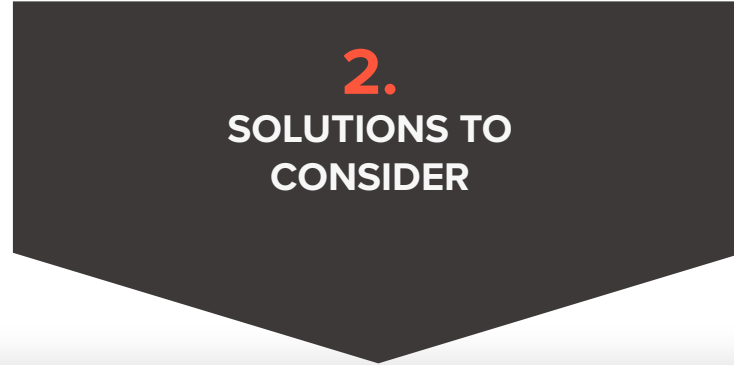
**Deliv**  
Menlo Park, United States  
*Deliv.co*  
Deliv is a crowdsourced same-day delivery service for large national multichannel retailers.  
**SCALING**

**Postmates**  
San Francisco, United States  
*postmates.com*  
Postmates is an on-demand logistics provider with a crowdsourced delivery fleet.  
**SCALING**

**Find more solutions on GrowthEnabler Pii...**

[www.growthenabler.com](http://www.growthenabler.com)

# Last Mile Delivery Optimization




## Last Mile Delivery Optimization

Urban Fulfillment Centers and Crowdsourced Delivery Fleets


Alternative Access Points

Returns Management

Drones/AGVs



**Hive Box**  
Shenzhen, China  
[fcbox.com](http://fcbox.com)  
Hive Box operates a network of self-service package drop-off and pick-up stations across China  
**EMERGING**



**Qikpod**  
Bangalore, India  
[qikpod.com](http://qikpod.com)  
Qikpod offers an electronic parcel locker network dedicated to the delivery & pickup of packages  
**EMERGING**



**HubBox**  
London, United Kingdom  
[hub-box.com](http://hub-box.com)  
HubBox is a Click & Collect service that operates a network of convenience stores, pharmacies, dry cleaners and other local retailers in the UK  
**EMERGING**

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# Last Mile Delivery Optimization



## Last Mile Delivery Optimization

Urban Fulfillment Centers and Crowdsourced Delivery Fleets

Alternative Access Points

Returns Management

Drones/AGVs

**Optoro**  
Washington D.C, United States  
[optoro.com](http://optoro.com)

Optoro offers an end-to-end reverse logistics solution that helps retailers process, manage, and sell their returned and excess inventory.

SCALING

**Happy Returns**  
Santa Monica, United States  
[happyreturns.com](http://happyreturns.com)

Happy Returns offers an in-person returns management solution for online purchase through a network of return points in shopping malls.

EMERGING

**ZigZag Global**  
London, United Kingdom  
[zigzag.global](http://zigzag.global)

ZigZag Global is a software solution that leverages predictive analytics to help ecommerce retailers manage returns in the most cost effective way.

EMERGING

Find more solutions on GrowthEnabler Pii...

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# Last Mile Delivery Optimization



## Last Mile Delivery Optimization

Urban Fulfillment Centers and Crowdsourced Delivery Fleets

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### Matternet

Menlo Park, United States  
*mtrr.net*

Matternet builds flying vehicles and intelligent control software, integrated into a complete solution for automated aerial logistics.

SCALING



### Nuro

Mountain View, United States  
*Nuro.ai*

Nuro is developing fully autonomous on-road vehicles for last mile delivery.

EMERGING



### Flirtey

Reno, United States  
*flirtey.com*

Flirtey offers a hexacopter UAV based last mile delivery service.

SCALING



# Recommendations

## The way forward with Last Mile Delivery

**1.**

Develop urban distribution networks by bringing fulfilment centers closer to the customer to reduce the click to delivery time. Create partnerships to leverage excess capacity in existing malls and grocery stores as warehouses.

**2.**

Utilize advanced analytics to create intelligent routing algorithms that reduce delivery times and fuel costs. A scalable delivery fleet can be achieved by partnering up with startups that crowdsources carriers. Customer feedback must be constantly analyzed to assess carrier performance and should be integrated into every delivery workflow.

**3.**

Offer alternative access points like locker boxes, local stores and proxy addresses to prevent package thefts and ensure customer satisfaction. Local store deliveries can also help in reducing costs by delivering consolidated shipments instead of individual packages.

**4.**

Enable a seamless return experience for the consumer by offering convenient pick up times and drop off points. Predictive algorithms should be implemented to optimize consolidation of inventory for moving it back to the warehouse or redirecting it to local markets for faster utilization.

**5.**

Leverage autonomous ground vehicles in urban areas with well developed infrastructure and drones for delivery in rural and inaccessible areas. Although public acceptance and government regulations remain a question mark at this point, organizations will need to start developing the necessary IT and HR capabilities now in order to be future-ready.



**Find out more about  
GrowthEnabler Research  
Methodology**

# GrowthEnabler Research Methodology

## Proprietary Research

### INTRODUCTION

GrowthEnabler uses its proprietary research methodologies to analyse the business impact of disruptive technologies and digital innovations on the future growth of large corporations and their industries. GrowthEnabler applies its deep-data analysis tools, scoring logic and algorithms to create intelligence that enables senior executives to make informed business growth decisions. The GrowthEnabler Personalised Intelligence Interface (Pii) is an interactive platform that provides corporates the ability to Find, Select, Connect and Manage global Startups based on their business priorities and problems.

### 1. MARKET ANALYSIS



To create and report leading technology-related market trends and industry analysis with a focus on industry sub-sectors, real-life implementations, industry and market landscapes and competitor dynamics, GrowthEnabler analyses large sets of data and information aggregated from various private and public sources, including online databases, market reports, online surveys, journals, and in-depth phone interviews.

To further enrich the efficacy of analysis, GrowthEnabler undertakes formal and informal interviews and RFI's and surveys with key decision makers and executives in corporates, as well as founders and owners of Startups. Following this exercise, large volumes of data is categorised and curated, based on, industry and market drivers, risks, opportunities and challenges specific to an industry vertical or technology area, and then injected into a pre-configured regression model to forecast and predict market movements and trends.

### 2. STARTUP TECHNOLOGY LANDSCAPE & ANALYSIS



The Startup eco-system is built using an exhaustive primary and secondary research analysis model, led by dedicated team of tech analysts and subject matter experts (SMEs), who also use Machine Learning and Natural Language Processing (NLP) technologies for data mining and curation.

**Primary Research** – The Primary research data is sourced directly from GrowthEnabler Market Surveys, RFI's with Startups, One-on-One Interviews, Calls and Product briefings, including Startup and Client Registration Information available on the GrowthEnabler Pii platform.



**Secondary Research** – A team of Machine Learning and NLP experts scan thousands of private and public data sources using data scraping and crawling methods to extract relevant secondary data, which is then validated and verified using GrowthEnabler automated data-cleansing methods, industry and technology segmentation taxonomies and mapping protocols and core intelligence from pre-populated Startup profiles and reviews.



**Analyst Validation** – A team of Analysts and Subject Matter Experts validate both the primary and secondary data while using internal peer reviews to substantiate core assumptions and data points, and external discussions with senior decision makers to assess business relevancy, timing and need.



The major sources of Secondary research are:

- i. Global Startup websites
- ii. Data aggregators
- iii. VC and Investor portfolios
- iv. News Feeds
- v. Industry reports
- vi. Regional Company registration websites
- vii. Social Sources (Social Sites, Blogs, Articles, Media sites)

**A total of 57 data-points and parameters are applied in analysing and predicting the growth potential and health of a Startup, including:**

- i. Company information
- ii. Leadership Team
- iii. Business Model
- iv. Financial Strength/Funding/acquisition data
- v. Product Innovation - patent data and core features and functions analysis
- vi. Customer value & sentiments
- vii. Social Media and Branding coverage
- viii. Business Traction and progress

**Out of the total 57, 30 parameters are classified under 5 broad categories used to calculate the GE Pii Score.**

- i. Product & Innovation
- ii. Leadership Team
- iii. Market Traction
- iv. Financial Strength
- v. Social media and Branding



## Further Resources:

**01.**

GrowthEnabler InFocus Report

**Logistics - i. Visibility Enhancement ii. Fleet Management**

**02.**

GrowthEnabler Tech Pulse Report

**LogisticsTech 2018**

**03.**

GrowthEnabler InFocus Report

**Artificial Intelligence (AI) 2018**

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Contact us for access to these reports:

**[www.growthenabler.com](http://www.growthenabler.com)**