



Route4Me Courier Book

The Last-Mile in 2021

What Happened and What to Expect

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1. Introduction

"There is nothing wrong with change...if it is in the right direction."

— Winston Churchill



The pandemic affected everyone - from small, local businesses to multinational giants.

Customers worldwide changed their behavior radically, and the eCommerce demand went through the roof overnight. Drone delivery made its debut. Some businesses' supply chain operations were slowed down or even completely stopped. Some industries struggled to survive while others thrived.

What happened in 2020? It sure felt like the apocalypse for some industries - but not for eCommerce and the last mile.

Even though it might sound like a cliché, it's true: the only constant in the last mile delivery world is change. Yet, the COVID-19 pandemic took the last mile by surprise with an unprecedented surge in demand.

How did delivery businesses respond to this global phenomenon? Have they managed to tackle the massive amount of orders? If they did, how? What helped them succeed? Is their strategy sustainable in the long run? Should you follow their example? Or is there a better way to do it? And, most importantly, what can we learn from this?

This eBook offers answers to all of these questions by exploring how the pandemic affected the last mile and eCommerce sectors, what the post-COVID-19 future will look like, and how you can adapt your business operations to the new reality so you can get ahead of the curve. What's next?

Based on the change in customers' behavior and shopping preferences, the eCommerce demand will undoubtedly keep growing. And the last mile has to deliver. Now it's a great time to optimize your last mile operation or start offering last mile delivery services. After all, *"he who fails to prepare prepares to fail."*

Dive in to discover how you can win the last mile. Find out what technologies and modern software can help you plan faster and more cost-effective routes, reduce your operating and payroll expenses, and improve your bottom line in the face of uncertainty and ever-evolving customer demands.

This resource's sole purpose is to help you adapt to the new changes that revolutionize the last mile and disrupt normality as we know it.

Can you imagine servicing more stops and earning more with your existing or even smaller fleet and fewer drivers? You don't have to dream about it anymore. Read on and find out how you can achieve that.

2. Last-Mile Delivery During the Pandemic: Success and Lost Opportunities

"It's through curiosity and looking at opportunities in new ways that we've always mapped our path."

— Michael Dell, CEO of Dell Technologies



COVID-19 took the entire world by storm. Each industry had either suffered losses or thrived during the pandemic. Last-mile delivery is part of the latter category, as online ordering surged in 2020 due to the new quarantine restrictions. According to [The Future of the Last-Mile Ecosystem](#) report, last-mile delivery is forecasted to grow 78% by 2030.

Something had to change so that the world could accommodate the future reality of last-mile delivery. Logistics leaders were already turning to drone delivery, Click & Collect solutions, robots, and other [similar strategies](#). One thing was certain: digitization and automation would play the leading role in future-proofing last-mile delivery. Data and advanced analytics were the engines that needed to propel these technologies forward. Moreover, near real-time traffic monitoring, route planning, route optimization, and logistics management were and still are an integral part of successful last-mile delivery.

What Happened to the Last-Mile Delivery During the COVID-19 Pandemic?



As the COVID-19 virus started spreading, the global economy became more fragile. Job insecurities and financial instabilities took the business world by storm. According to a survey conducted by [McKinsey](#), most executives believed that the economic situation was *"worsening around the world."* However, things were expected to get better - but were they going to?

Despite the pessimistic outlook on the economic landscape, businesses searched for strategies to keep the lights on and protect the few employees they afforded to keep. Companies worldwide started speeding up their digitization endeavors and invested in new technologies to sustain a fully remote workforce. Automation and artificial intelligence adoption were also on the rise.

Was this enough to minimize the effect of COVID on the business environment? Was it enough for businesses to survive?

According to [Deloitte](#), since many companies had Tier 1 or Tier 2 suppliers in Wuhan, China - the epicenter of the COVID-19 spread - their [supply chains were disrupted](#). Based on an International Trade Centre (ITC) [publication](#), the losses due to factories shutting down globally totaled around USD 126 billion in 2020.

Consequently, last-mile deliveries were also affected. This is the perfect example of bad timing: a spike in online ordering combined with the incapacity to produce and deliver.

This dramatic situation can be perfectly exemplified through a single [case](#):

"China's food delivery leader, Meituan Dianping, experienced an increase in grocery deliveries in March and April (2020) of 400% compared with last year."

This example illustrates the situation many companies faced during the pandemic: a surge in online orders putting a strain on their last-mile delivery capabilities.

While the rest of the world was still struggling with the pandemic, China overcame the epidemic-related lockdown. Yet, [last-mile delivery businesses](#) were still in trouble, being caught by surprise by a high number of new customers as more and more companies added deliveries on their services lists.

Digitization: The Solution for Last-Mile Businesses' Survival



Since COVID-19 is a highly contagious virus and primarily transmitted from person to person, human interaction had to be minimized. This set the trend for [online grocery shopping](#) and an overall increase in online ordering activities to the detriment of in-store purchasing.

This has unbalanced the synergy between supply and demand and put last-mile delivery services in a partially incapacitated position. An article published by [The Wall Street Journal](#) in July 2020 stated that UPS's *"average daily shipping volume rose 21% in the quarter, [...], with a 65% increase in shipments to homes."*

While the population opted for deliveries instead of visiting physical stores to protect themselves from the ongoing, highly-contagious health hazard, drivers became increasingly exposed.

Drivers were sparing citizens from unnecessary shopping trips, minimizing the need for human contact.

But [who protected the drivers?](#)

A mask, a pair of gloves, and a bottle of...hand sanitizer.

In addition to the standard protective and preventive measures, employers searched for ways to keep their employees and customers safe. They adopted practices such as:

- Contactless deliveries that don't require the customer's signature
- Curbside order pickup possibilities
- Subscription services
- Click and collect solutions
- Buy online, pick-up in store (BOPIS)

Protecting employees has been on top of everyone's mind during the pandemic. Businesses with essential workers ensured that their most at-risk employees had the necessary equipment to stay safe and started using solutions - such as geofencing and predictive maintenance tools - to [improve their supply chain management](#).

Other firms that could move a part of their operations online and continue their activities remotely did so. The companies in this category had to invest in collaboration tools that enabled seamless communication between remote employees, cloud computing technology, endpoint security solutions, and other vital tools to keep their businesses afloat.

Route Optimization During the Pandemic

One type of software that proved to be incredibly helpful during the pandemic is [route optimization software](#). Since in-store purchasing had to be avoided at all costs to minimize human contact, everything - from [groceries](#) to medical supplies - needed to be delivered to customers' homes.

As previously mentioned, most businesses were not prepared for such a spike in last-mile delivery requests. This translated into the need to be as efficient as possible while having the same fleet capacity. But how?

[Meeting that behemoth demand](#) while also staying compliant with the new traffic regulations implemented due to the quarantine, taking into account the new oil prices, and keeping drivers as safe as possible was no easy feat. To help companies who struggled to solve this complicated equation, [some route optimization software providers offered free service](#) during the lockdown.

In March, [PRWeb.com](#) was announcing that "*Route4Me, the world's first and most used Dynamic Route Optimization™ platform for modern businesses, is offering all its available services free of charge to all government agencies at the federal, city, and municipality level around the world in the interest of public health and safety.*"

This proved to be incredibly helpful. For example, with the help of the Route4Me platform, [The Foodbank of Santa Barbara County](#) managed to handle the ever-increasing number of orders during the pandemic successfully. From serving 125 families monthly, the Foodbank suddenly had to reach 600 families in one week.

The pandemic indeed changed the world in many ways. Many businesses didn't make it and closed their shutters for good. Those were tough times.

Although the virus wasn't planning to go away anytime soon, governments' restrictive measures worldwide started to loosen up, and the people began to return to their old lives slowly. Everyone was looking with hope towards the future and picturing a better post-COVID-19 world.

Will last-mile delivery businesses go back to normal? Is the world going to return to in-store purchasing?

3. eCommerce During the Pandemic

"Most people miss Opportunity because it is dressed in overalls and looks like work."

— Thomas A. Edison



While some people weren't affected that much by the pandemic, others started to take active preventive measures.

This was ground zero for significant changes in consumer behavior. As the cases of COVID-19 infections were growing exponentially, more and more people started to

self-isolate, minimizing physical interactions as much as possible. In-store shopping, dining out, social gatherings, and events had to be avoided.

The Supply Chain Disruption

The global [supply chain](#) was among the first sectors to be disrupted by the pandemic. Since most businesses didn't keep a large stock of products at hand due to high storage costs, they relied heavily on manufacturers to meet their demand. But when Asian countries started to shut down factories, retailers that were exclusively dependent on suppliers from that geographical area were quickly running out of stock.

These circumstances, coupled with the dramatic change in consumer behavior towards prioritizing only essential products and putting other purchases on hold (such as fashion or furniture), had a rippling effect on the retail industry - both physically and online.

While the demand for some products rose through the roof, the fast fashion industry's sales dropped dramatically. As social distancing measures were getting stricter, consumers became less concerned about apparel and more focused on food, cleaning products, and other essential items.

As [McKinsey](#) said, *"a crisis may increase or decrease demand for particular products, making the estimation of realistic final-customer demand harder and more important."*

To deal with the resulting shortages, retailers introduced pre-orders and backorders in an attempt to soften the blow of emerging supply chain problems. But this solution was merely sufficient to address the issue. Stocking up with essential products to prepare for future demand spikes was not a viable option either, since [warehousing was not a budget-friendly option](#).

Viable solutions for the supply chain issues were hard to come across since fundamental changes were needed. Instead of going for the cheapest manufacturing deals and collaborating with providers located on the other side of the globe, companies could try and source production locally. This practice will ensure better visibility over the entire supply chain and improve [logistics management](#), offering agility and resiliency in the context of another similar crisis.

Businesses Struggling to Survive the Pandemic

Some companies, such as H&M, dealt with a dramatic drop in sales during the pandemic. Many physical stores were forcibly closed as a result of stricter COVID-19 prevention regulations. Typically, the customers would shop online, and the businesses wouldn't lose much revenue. Yet, [people were not interested in buying clothing](#) anymore. This forced fashion retailers to close their factories.

Fast fashion was not the only industry struggling to keep afloat.

According to a [CNBC video](#) documenting the effects of the COVID-19 epidemic on restaurants, this industry employed over 15 million people in the US before the pandemic. Things went down quickly, and by April 2020, approximately 3 million people lost their jobs due to restaurants closing. Some [food businesses started offering take-out and delivery services](#), either turning to [third-party delivery services or keeping this operation in-house](#).

The restaurants' shift of focus to food delivery came with a new set of challenges:

- Outsourced delivery services through apps - such as UberEats - charged fees that tempered with the already low profits
- In-house delivery required new investments in personnel and the necessary equipment
- Delivering orders randomly without a plan and route optimization resulted in [unnecessary fuel consumption](#), time and vehicle capacity wasted, and tired employees

Restaurants, bars, and caterers alike were in a tight race for survival, and the only thing that could save them was efficient last-mile delivery.

eCommerce on the Rise

While some businesses struggled to keep their doors open, others could barely keep up with the high number of online orders.

In an article published in August 2020, Daniel Law from [G Squared](#) pointed out that:

"With more and more retail outlets shutting doors because of the COVID-19 pandemic, consumer brands need to adapt and re-reassess their marketing strategies. Many companies in almost every industry took steps further and offered direct to consumer (DTC) delivery services in hopes to stay afloat amid the crisis."

According to the survey conducted in late March 2020 by [First Insight](#), online shopping was on the rise with 34 percent. Around 90% of [this survey](#)'s participants said they would prefer to shop online instead of visiting brick-and-mortar stores and shops. This translated into [4.2 trillion USD](#) in e-retail sales and an [18.4% growth](#), compared to 3.53 trillion US dollars in 2019.

Since the lockdown forced companies to close their physical venues temporarily, it was time to come up with a solution to stay in business, and [the answer was eCommerce](#). Companies were at a crossroads - they could either freeze their activities altogether or move their business online.

For example, in April 2020, Bebe Stores Inc. [closed over 100 shops](#) and moved their entire business online.

As most firms decided to turn to eCommerce to minimize the pandemic's negative financial effects, consumers responded with an increased demand for essential goods and services.

Now what?

"The global eCommerce software market size was valued at USD 6.2 billion in 2019 and is projected to grow at a compound annual growth rate (CAGR) of 16.3% from 2020 to 2027." — said Grand View Research in a [report](#) published in May 2020. And this growth in size can be attributed to the increase in on-demand deliveries caused by the pandemic limitations.

Business owners resorted to eCommerce platforms for a quick turnaround. Based on a [Statista](#) report conducted during that year, the leading eCommerce platforms by market share were [WooCommerce](#), [Squarespace](#), [Shopify](#), [MonsterCommerce](#), [WixStores](#), and [Magento](#). [BigCommerce](#) was also a popular choice.

But was this enough to meet the rapidly increasing demand?

Sure, eCommerce platforms ease one business's way into the online marketplace. Yet, it was not sufficient to make up for the forced shutdown of physical stores - last mile delivery needed to be factored in as well.

As previously mentioned, [the eCommerce boom put a strain on last-mile delivery services](#). Companies had to think fast and find a way to serve their online-purchasing customers promptly without investing in additional resources or assets.

How?

One thing that could [mark this objective as achieved](#) was route optimization software. This type of solution helped business owners efficiently and effectively process, dispatch, and track a continuous stream of online orders during the pandemic. But what about the future?

4. The Last Mile & eCommerce in the Post-COVID Era

"In a chronically leaking boat, energy devoted to changing vessels is more productive than energy devoted to patching leaks."

— Warren Buffett, CEO of Berkshire Hathaway



The coronavirus pandemic affected all industries in different ways. Businesses relying on physical venues lost revenue due to social distancing regulations worldwide, while eCommerce saw an unprecedented increase in demand.

The supply chain took a hit as the manufacturers most companies were dependent on were shutting down production during the quarantine. Insufficient stocks were another issue.

Last-mile delivery had its own challenges as the online orders kept piling up. On top of the demand surge in eCommerce, many business owners turned to delivery as that was the only option to survive the lockdown.

Consumer behavior changed drastically. Will this change be permanent? What's in store for eCommerce, last-mile delivery, and the supply chain in the post-COVID world?

Will eCommerce Replace Retail Completely?

The future is uncertain. Consumer behavior and shopping habits might never return to the normality we knew pre-COVID. Many consumers made their [first online purchase](#) during the lockdown, discovering that they could get the things they needed without leaving the comfort of their own homes.

Since many companies opened online shops and created their own websites during the lockdown, the business world had already started moving towards a digital-first era. In the second quarter of 2020, Shopify - one of the most popular eCommerce platforms - registered [a growth of 71%](#) in the number of newly created online shops.

Even after the quarantine restrictions were lifted, most brick and mortar shop-based businesses shifted their go-to-market strategies towards eCommerce. They chose to re-open fewer physical venues and focus more on online sales.

Drone Deliveries - A Step Towards Faster Last-Mile Deliveries



We're entering the age of [self-driving trucks, drone deliveries](#), and warehouse robots.

The year 2020 was the perfect environment for testing robot deliveries as traffic was less heavy or almost non-existent. In Beijing, an eCommerce company initiated drone deliveries to service people in Hubei's quarantine zones. And in August, Amazon obtained federal permission to create a drone fleet, as [The Wall Street Journal](#) stated in an article.

The use of autonomous vehicles not only paved the way for a new, less resource-intensive alternative to traditional delivery practices, but it also translated into significant cost reductions for businesses adopting this technology.

According to [Transport & Logistics](#), "Research studies published in collaboration with JDX R&D Center of Automated Driving state that utilizing autonomous vehicles reduces the cost of delivery by 22%, which led to an approximately \$110 million annual saving for JD.com."

Turning to autonomous last-mile delivery has the potential to make transportation planning easier. The final mile could be optimized for faster deliveries, converting into fewer returns, and maximizing revenue.

According to an article published by Professor Carlos Cordon on [imd.com](#), the longer it takes to deliver an order placed online, the higher the chance for consumers to return the ordered products. Therefore, faster deliveries will positively impact sales and costs associated with logistics.

Supply Chain Re-Configuration

The pandemic taught us valuable lessons about the supply chain vulnerabilities, and things might change for the better in the future. [The Ferrari Group](#) predicts that supply chain management support teams will rely heavily on online and digital tools for everything from decision-making to collaboration.

This digitization of the supply chain is also referred to as supply chain 4.0, which defines the adoption of cutting-edge technologies to drive operational efficiencies.

Until now, logistics managers focused mainly on reducing supply chain-related expenses as much as possible. In the future, supply chain 4.0 adoption will become a priority, leading to maximized sales and improved visibility.

What's more, the [supply chain configuration is also in line for change](#). Instead of sourcing production in a single geographical location that is thousands of miles away, companies might look for local factories and manufacturers - even though this will increase products' prices. This makes for shorter, more resilient, and agile supply chains that would not be so vulnerable in the face of future crises.

Another possibility would be to rely on multiple manufacturers scattered across different geographical areas. This will come in handy whenever an unfortunate, unpredictable event happens in a particular place, causing factories to close or make transportation of goods impossible.

Now that we know what happens in the logistics world on a macro level, we shall switch our focus on methods businesses like yours can use to adapt to emerging changes.

5. The Art of Setting Goals

"Our goals can only be reached through a vehicle of a plan, in which we must fervently believe, and upon which we must vigorously act. There is no other route to success."

— Pablo Picasso



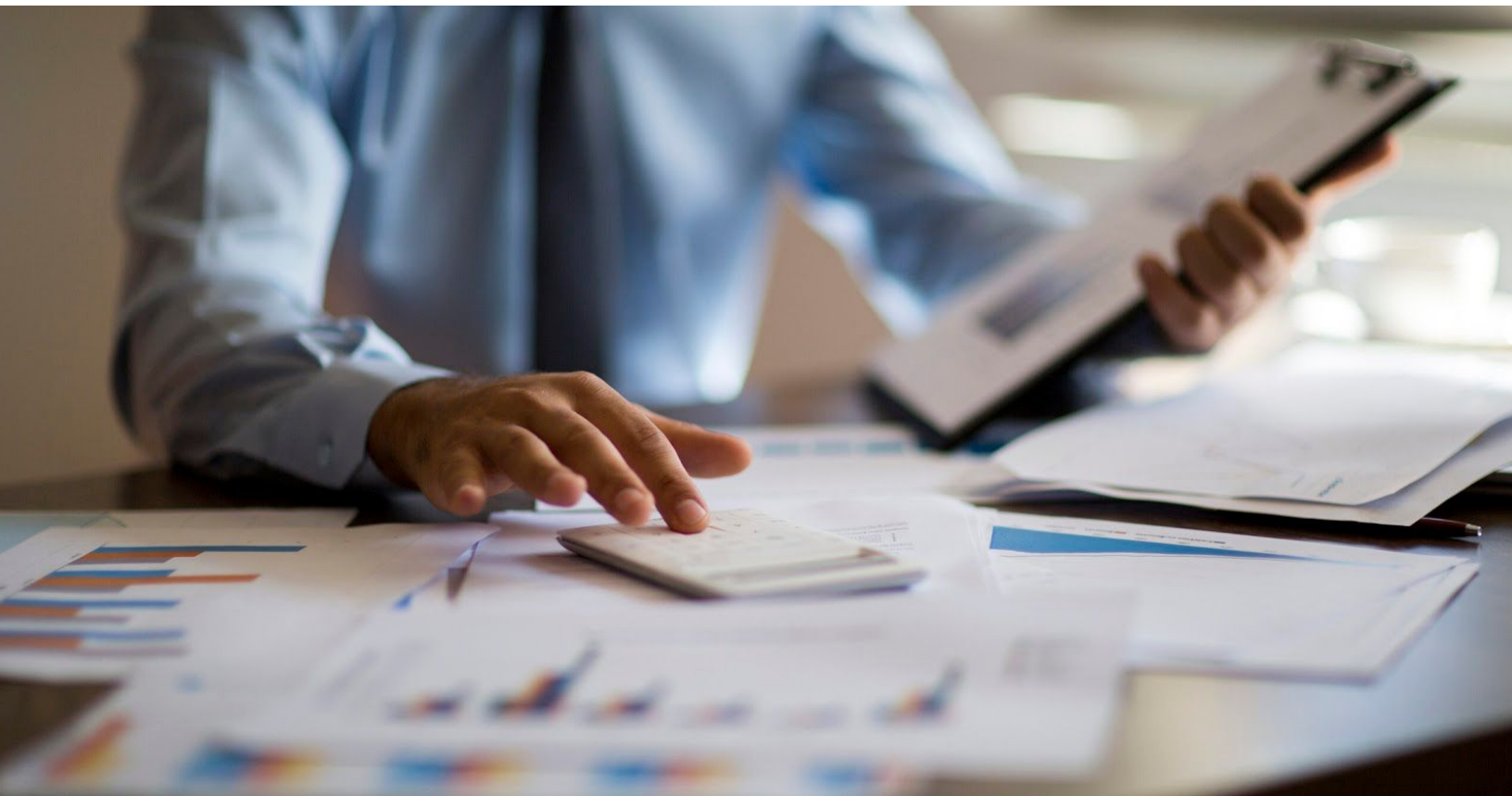
Last mile delivery companies are known to have relatively low profit margins.

That's why you need to [keep an extra-close eye on your operating costs](#). Unexpected expenses can take a big bite out of your profits.

To avoid these expenses, you need to expect the unexpected. Every plan you make needs to be detailed and precise. A surprise can cost you a lot of money - it might even cost you your business. When profit margins are slim, it doesn't take all that much to send you into financial ruin.

Businesses running last mile delivery operations often fail because they set their goals based on assumptions rather than data. It's important to make decisions based on hard logic rather than shaky assumptions.

Always Know Exactly How Much a Route Will Cost Vs. How Much Revenue It Will Generate



Here's one example of an assumption gone wrong: let's say you're bidding for a potential customer's contract, and you put a low offer on the table in order to edge out your competitors and win the contract.

Your offer is low, sure, but you assume the revenue you make from this arrangement will be enough to justify how much those last mile deliveries cost you in fuel, wages, and other expenses.

Figuring out how much a route will cost you requires many complex calculations. Missing one small detail can completely blunder any route you make by hand.

Many people don't realize that you shouldn't send drivers west during sunset. The sun's glare will impair the driver's vision, making the last mile delivery take longer and putting the driver at greater risk of getting into an accident.

It's easy to forget about something obscure like that - especially when handling the last mile.

Or you might make a much more obvious miscalculation, like forgetting to carry the zero on some back of the envelope math.

So maybe you make a mistake, as people are known to do from time to time. Then, when you actually start working the route, you realize more money is going out than coming in. Hey, you're only human!

That mistake puts you in a tight spot. You could admit to the customer that you miscalculated the project's feasibility, but that'll make you look unprofessional. You need to maintain an excellent reputation to keep winning over new customers, so this isn't an ideal option.

The alternative is to keep working the route and hope that you can eventually find a way to make it work for you financially. Until you do, you'll be losing money, and that's not a great option either.

In this situation, there is no right answer. That's why you need to know precisely how much a route will cost you before you commit to any last mile contract. The only way to avoid this situation is to obtain accurate projections of route expenses.

Avoid Assumptions. Make Data-Driven Decisions



Once your business grows to the point where you have more than a dozen customers, planning routes perfectly gets too complicated for a human to handle. From construction-related detours to the ever-changing flow of traffic, there are just too many factors to keep track of yourself.

You need last mile optimization software to do this job right. You could use a free online mapping tool, which would show you only how to get from point A to point B. However, they don't guarantee that they're giving you the most effective way to get somewhere. They're just not built that way. And they certainly don't have the ability to project the cost of a hypothetical last mile operation.

That's why you need route optimization software. It allows you to make a mockup route with real addresses to see how much the new route would cost you in [fuel expenses](#), employee wages, etc.

Instead of making a vague assumption, you'll have a concrete figure to work with when you're making a bid. This information will stop you from committing to deals you can't afford.

The First Step of Setting Goals



One problem last mile businesses often have when it comes to setting goals is that they don't know where to start.

It's an intimidating prospect, deciding in which direction to take your business. Day-to-day decisions are usually easy to make. You're just doing what you need to do to get through

the day. But a decision that affects your long-term future? That's a big deal, enough to make you hesitate. To find the right direction, take a look at your records.

What does your data tell you? Are fuel costs eating up a bigger portion of your profits than they used to? Does it seem like people in rural areas are more interested in your service than people in urban areas? Or maybe you find yourself in the opposite situation, with your last mile delivery services more popular in the city than in exurban environments.

It's smart to keep yourself up to date with industry news from high-authority sources like Bloomberg and The Wall Street Journal, but the most important information for setting goals is the data you produce yourself. For the examples above, [your own data](#) will show you everything you need to know.

If you find that the cost of gas is more of a problem than it used to be, then you know that figuring out how to be more fuel-efficient is a worthwhile goal.

If you see that a certain area or demographic is especially interested in your last mile services, then a good goal would be to find how to target these areas/demographics in your advertising campaigns effectively.

Look at the data, make an observation, and go from there. What is the data telling you? The information you need to set strong goals is right in front of you. All you need to do is listen.

How to Interpret Your Data

"If you know the enemy and know yourself, you need not fear the result of a hundred battles. If you know yourself but not the enemy, for every victory gained you will also suffer a defeat. If you know neither the enemy nor yourself, you will succumb in every battle."

— Sun Tzu, The Art of War



Running a last mile operation isn't exactly warfare (though it can certainly feel that way at times). But Sun Tzu's sentiment here applies to any kind of endeavor, whether you're leading an army into battle or trying to make your courier company as profitable as possible. If you know yourself, you will succeed.

Knowing yourself means knowing where you're strong and where you're weak. It means knowing what needs to be improved and what's not worth worrying about.

A business that really knows itself is able to identify flaws and work toward improvement while simultaneously avoiding the distraction of tinkering with something that's already as good as it's going to get.

With Route4Me, one of the most used route planning programs on the planet, you'll learn things about your business that you never knew before. Detailed graphs are available for the following variables:

- [Distance](#) (Planned vs. Actual)
- [Total Stops](#) (Planned vs. Visited)
- [Time](#) (Planned vs. Actual)
- [Routes per Day](#)
- [Average Time on Site](#) vs. Allocated Service Time
- Stops per Day (Planned vs. Visited)

Dashboard

EXPORT AS CSV

Members Filter

November 11, 2020

Include All Sub-users in the Report

Group by Day

Totals

10

Total Routes

142

Total Stops

379

Planned Distance, mi

194

Actual Distance, mi

78

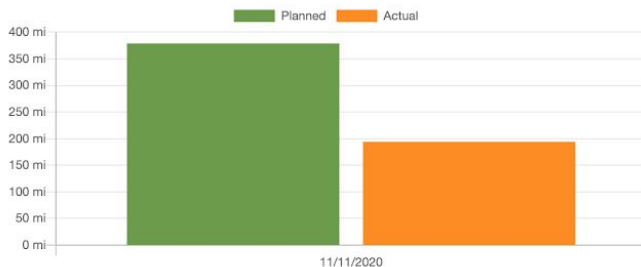
Adresses Visited

73

Notes Added

Graphs

Distance (Planned vs Actual)



Stops (Visited vs Not Visited)

142

Total Stops

78

Adresses Visited



Visited
Not Visited

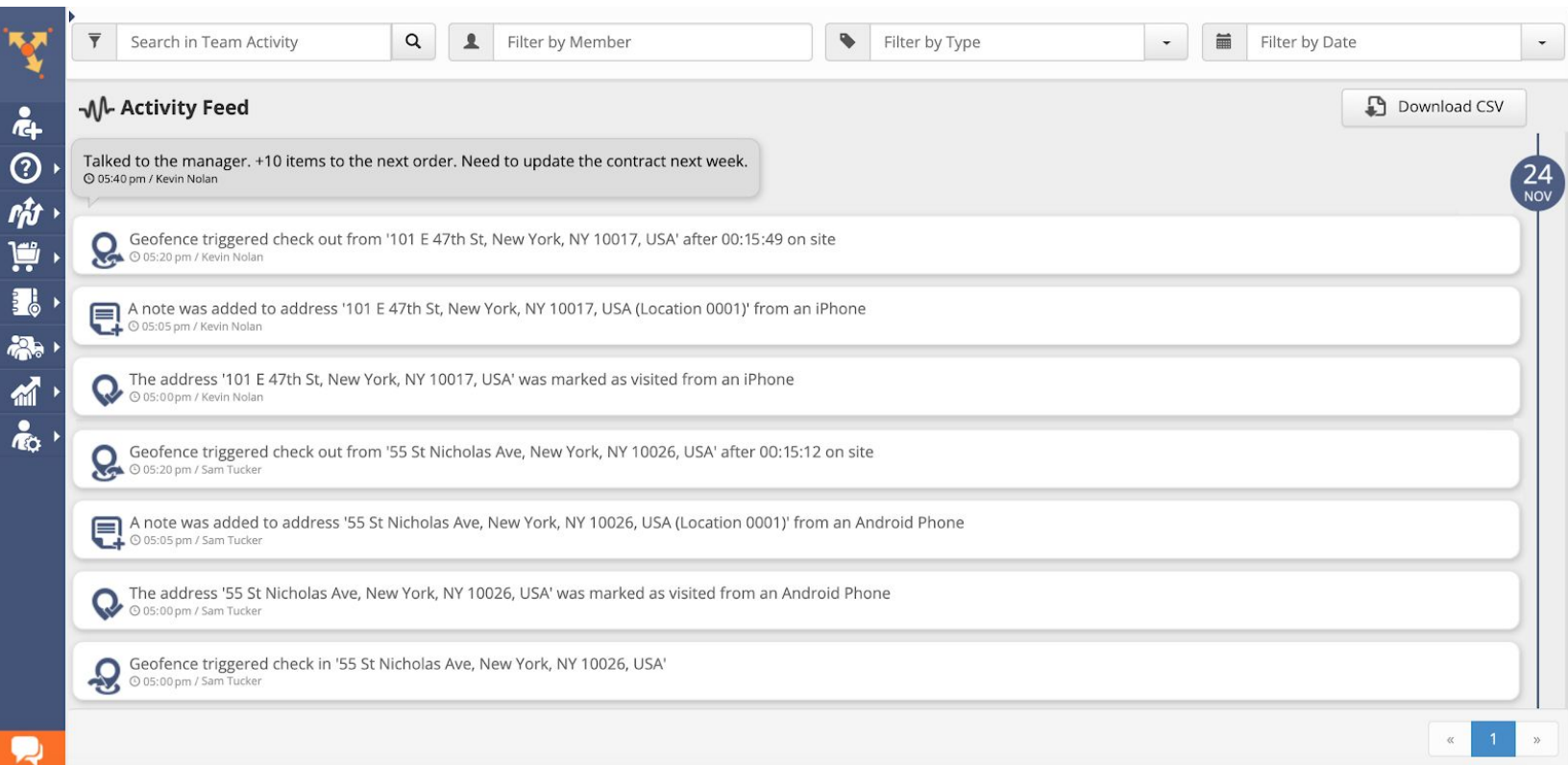
With this information, you'll know:

- The status of all planned routes
- Whether drivers are completing their routes on schedule
- Whether deliveries were missed or delayed, and if they were, why

You can use this data to give your drivers helpful feedback, which should improve their performance and make your customers more satisfied with your last mile delivery services.

One reason why Route4Me is so widely used is that it [breaks down complex information in an easy to understand, highly visual way](#). Other key features of Route4Me include:

Activity Feed



The screenshot shows the 'Activity Feed' section of the Route4Me dashboard. At the top, there is a search bar labeled 'Search in Team Activity' and three filter options: 'Filter by Member', 'Filter by Type', and 'Filter by Date'. A 'Download CSV' button is located in the top right corner. The activity feed itself is a list of events, each with a location pin icon, a description, and a timestamp. The events are as follows:

- Talked to the manager. +10 items to the next order. Need to update the contract next week. (05:40 pm / Kevin Nolan)
- Geofence triggered check out from '101 E 47th St, New York, NY 10017, USA' after 00:15:49 on site (05:20 pm / Kevin Nolan)
- A note was added to address '101 E 47th St, New York, NY 10017, USA (Location 0001)' from an iPhone (05:05 pm / Kevin Nolan)
- The address '101 E 47th St, New York, NY 10017, USA' was marked as visited from an iPhone (05:00 pm / Kevin Nolan)
- Geofence triggered check out from '55 St Nicholas Ave, New York, NY 10026, USA' after 00:15:12 on site (05:20 pm / Sam Tucker)
- A note was added to address '55 St Nicholas Ave, New York, NY 10026, USA (Location 0001)' from an Android Phone (05:05 pm / Sam Tucker)
- The address '55 St Nicholas Ave, New York, NY 10026, USA' was marked as visited from an Android Phone (05:00 pm / Sam Tucker)
- Geofence triggered check in '55 St Nicholas Ave, New York, NY 10026, USA' (05:00 pm / Sam Tucker)

At the bottom right of the feed, there is a pagination control showing '1' and navigation arrows. On the far right edge of the screenshot, a date indicator shows '24 NOV'.

The [activity feed](#) displays all the movements of your fleet. This includes individual driver progress, note additions, and route modifications.

Reports



Route4Me's last mile optimization software provides [detailed reports](#) about your routes. Reports are automatically updated every time you make a change to an existing route.

Fuel Costs



Fuel Costs

Hint:

Set the cost of gas in your area. Total costs and miles per gallon vary by vehicle.

diesel	unleaded 87	unleaded 89	unleaded 91	unleaded 93
3.95	3.10	3.25	3.45	3.55

SAVE

As a last mile delivery company, the cost of gas is likely one of your biggest expenses. How much you're [paying for gas is easy to keep track of with Route4Me](#).

When you know exactly how much gas is costing you, you'll have a baseline to compare results to when you experiment with different fuel efficiency techniques.

6. Successfully Meeting Customer Expectations

"Our mission statement about treating people with respect and dignity is not just words but a creed we live by every day. You can't expect your employees to exceed the expectations of your customers if you don't exceed the employees' expectations of management."

— Howard Schultz, Starbucks CEO



The most significant commerce trend is that customer service has become just as important as price and product quality when customers choose which brand to use.

This is the result of consumers having more choices than ever before. As recently as a couple of decades ago, pretty much everything people bought came from a store that was close enough to reach by car.

But now, with online marketplaces like Amazon and eBay, distance doesn't matter as much for the customer as it used to. When someone wants to buy a product or service, they can open up a web browser and look through hundreds of companies located all over the world to find the best deal.

That's a lot of competition.

Competition drives prices down and minimizes the difference in quality between services. More and more, it's customer service that sets one business apart from another.

Manual route planning makes for bad customer experience. It gives you less control. All it takes is bad weather, sudden traffic, or some other unforeseen event to derail your plans and set your drivers adrift.

Weather, traffic, construction... these things happen. You can't blame the dispatcher or the driver when forces outside their control stop them from making a delivery on time.

But whether your excuse for a late delivery is understandable or not, a late delivery is a late delivery. Customers don't care about what went wrong. All they're interested in is their delivery, and they want it to arrive on time. They want to get the last mile delivery service they paid for.

A late delivery can really disappoint your customer. What if one of your customers is a restaurant that depends on you to deliver their fresh ingredients?

If your driver doesn't show up, then the restaurant can't get the ingredients they need to make the dishes they display on their menu.

That's pretty much the worst-case scenario for a restaurant. They need to have food to serve to people. Otherwise, they don't make any money. Their reputation takes a hit, too.

What would you think of a restaurant that wasn't able to serve half the dishes on their menu? You probably wouldn't bother to go back, right?

One late delivery can do a lot of harm. In many cases, it's enough to convince a customer that they'd be better served by another business.

Sufficient Vs. Desired Expectations

Keep in mind that there are two parallel levels of customer expectations: sufficient and desired.

Meeting sufficient expectations is the least you can do. You need to be nice to customers, show up when you say you're going to show up, and other elementary aspects like that. If you can't meet sufficient expectations, you won't stay in business for long.

Of course, there's a difference between staying in business and thriving as a business. To thrive, you need to meet desired expectations in addition to sufficient expectations. Being able to accommodate last-minute requests and make same-day deliveries are examples of desired expectations in the last mile world.

Most customers will understand if you can't meet their desired expectations, but if you can, they'll love you for it. The great thing about customer love is that it translates directly into profit, as it leads to improved customer loyalty and free marketing through personal recommendations.

Keep Your Drivers Honest



Sometimes, unsupervised employees become lazy employees. It's easy to get caught slacking off in an office, but when workers escape their boss's physical presence, they can get away with taking their time.

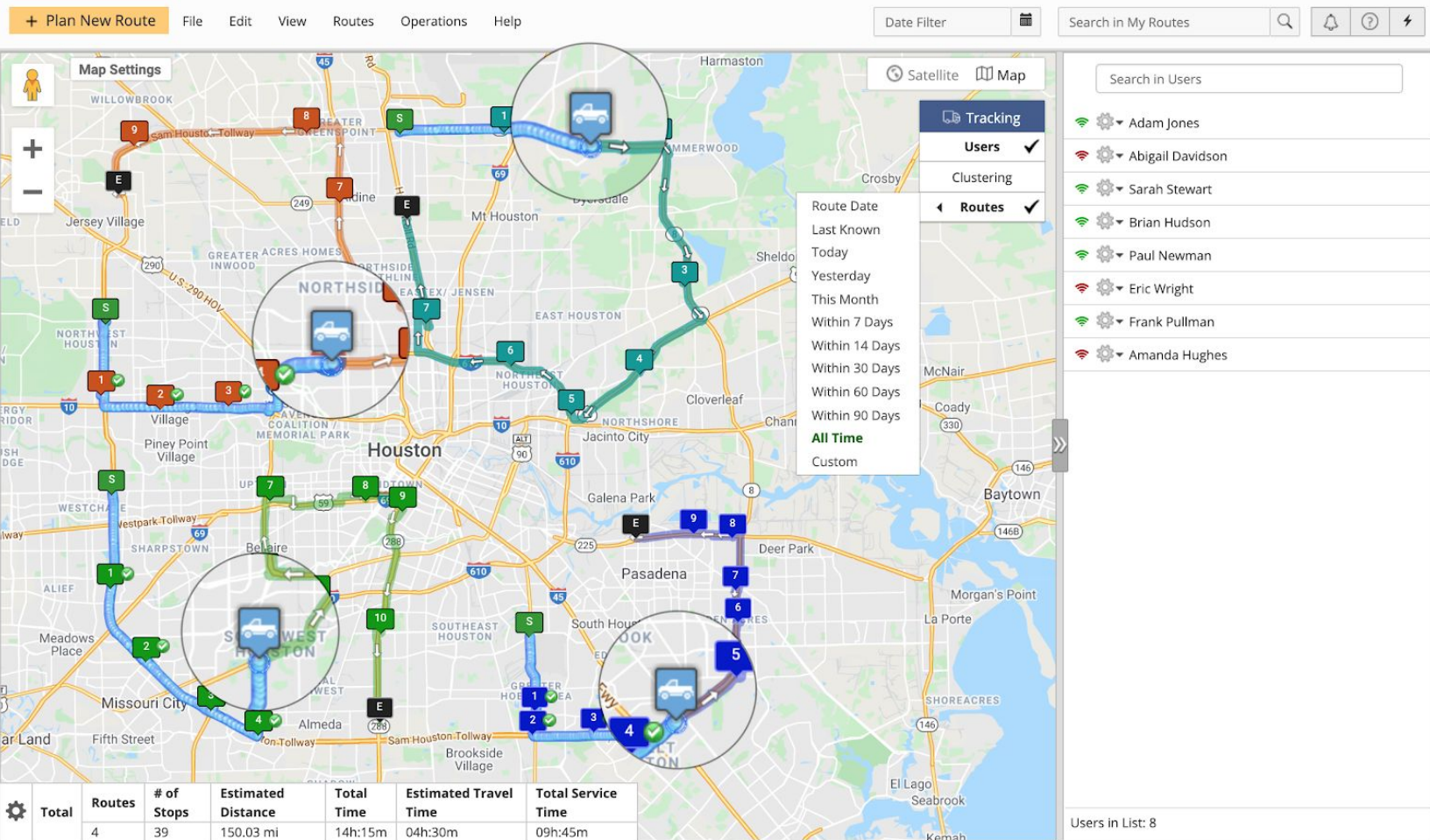
Courier companies have to watch out for this in particular, as their drivers are almost always unsupervised.

When they're not being watched, drivers might engage in dangerous behavior or do things that waste fuel, waste time, or upset customers, such as:

- Speeding and driving offensively or aggressively
- Taking longer routes than necessary
- Taking longer than approved lunch breaks
- Making personal stops on company time

- Driving through high-traffic areas during rush hour
- Slacking off and upsetting customers by being late

The answer to the problem of unsupervised drivers is [GPS tracking](#) - often a feature of last mile optimization software. This technology allows you to see where your drivers are and how fast they're going at all times.



The screenshot displays the Route4Me software interface. At the top, there is a navigation bar with options like '+ Plan New Route', 'File', 'Edit', 'View', 'Routes', 'Operations', and 'Help'. A search bar for 'Search in My Routes' and a 'Date Filter' are also present. The main area is a map of Houston with several routes plotted in different colors (blue, green, orange). A 'Tracking' menu is open, showing options for 'Users' and 'Routes'. The 'Routes' menu is expanded, showing various time filters: 'Route Date', 'Last Known', 'Today', 'Yesterday', 'This Month', 'Within 7 Days', 'Within 14 Days', 'Within 30 Days', 'Within 60 Days', 'Within 90 Days', 'All Time', and 'Custom'. On the right side, there is a 'Search in Users' section with a list of users: Adam Jones, Abigail Davidson, Sarah Stewart, Brian Hudson, Paul Newman, Eric Wright, Frank Pullman, and Amanda Hughes. At the bottom left, there is a summary table:

Total	Routes	# of Stops	Estimated Distance	Total Time	Estimated Travel Time	Total Service Time
4	39	150.03 mi	14h:15m	04h:30m	09h:45m	

You'll know if a driver has a habit of going over the speed limit or if they diligently follow traffic laws. You'll know if a driver wastes time by making unsanctioned stops or if they stick to the schedule. You'll know everything, which lets you make informed business decisions regarding your employees and their performance.

Giving your customers what they want can be difficult. What if a customer has a last minute change they want to make to an order, but when they let you know about it, your drivers have already left for the day?

The customer would probably understand if you told them it's too late to make a change. For many last mile companies, this would be the only option. You can only do so much. Customers can be demanding, but most of them understand that you have your limits.

When you have last mile optimization software, though, it's easy to adjust your routes in real-time. Any changes you make on your office computer will be automatically reflected on your drivers' smartphones. You'll be able to surprise and impress your customers by accommodating their last-minute requests.

Going above and beyond for your customers is sure to improve customer loyalty, which is one of the best things you can do for the long-term health of your business.

7. Tools for Improving Customer Experience

"The goal as a company is to have customer service that is not just the best but legendary."

— Sam Walton, founder of Walmart and Sam's Club



Think about the future and plan for every possibility:

- How do you ensure the packages reach your customers on time?
- What do you do if a driver never shows up for the day?
- How do you handle customer disputes?

If you don't have immediate and thorough answers to any of these questions, you need to spend more time preparing for the unexpected. The following three tools will help keep your last mile deliveries running smoothly:

#1: Parcel Tracking Software



Not long ago, customers were happy just to have a package arrive on time.

Customers are more demanding now. In addition to getting their package on time, most customers want to [track their package](#). They like being able to check where their package is as they wait for it to arrive.

With parcel tracking software, you can give your customers the ability to do exactly that.

That makes customers happy, and it will save you a lot of time, too. You won't have to deal with customers calling in to check on the status of their deliveries when they can just see for themselves online.

#2: Parcel Alert System

Sometimes, a customer forgets that they have a delivery on the way. So even if your driver arrives on time, the customer might hold them up and make them late to the next customer.

One delay seems minor. But one delay can have a ripple effect that makes a driver late for many different deliveries, especially if the delay happened early in the morning. Being late for multiple last mile deliveries in a single day would upset a lot of customers.

A parcel alert system sends [notices through text or email](#) to remind customers to get ready for their scheduled delivery. This will significantly reduce instances of customers delaying your drivers. It also gives customers time to prepare for the arrival of their order, which they'll surely appreciate.

#3: eSignature Software and Hardware



Collecting signatures from your customers to confirm they received their packages lets you easily settle disputes.

The vast majority of customers don't normally mean trouble, but there are also some scammers out there who will order a package, receive it, and then claim it never arrived so that they can collect a refund.

If a customer claims that a package never arrived, but you have a document showing that they signed for it, then you have all the proof you need to dismiss the claim.

But what if you don't have that document? If you collect signatures using physical slips, it's easy for a driver to lose a slip or two throughout the day. You might lose some yourself when you try to organize the slips back at your office.

If your driver makes 50 stops in a day, then they have to collect 50 signatures. It isn't easy to keep track of 50 little pieces of paper. Losing some of them is inevitable.

What do you do when a customer claims they never received a package, your driver claims they did deliver it, and you don't have a signature slip?

You won't know who's telling the truth. You won't know if you should refund the customer and suspect your driver of stealing, or if you should believe your driver and ignore the customer's claim.

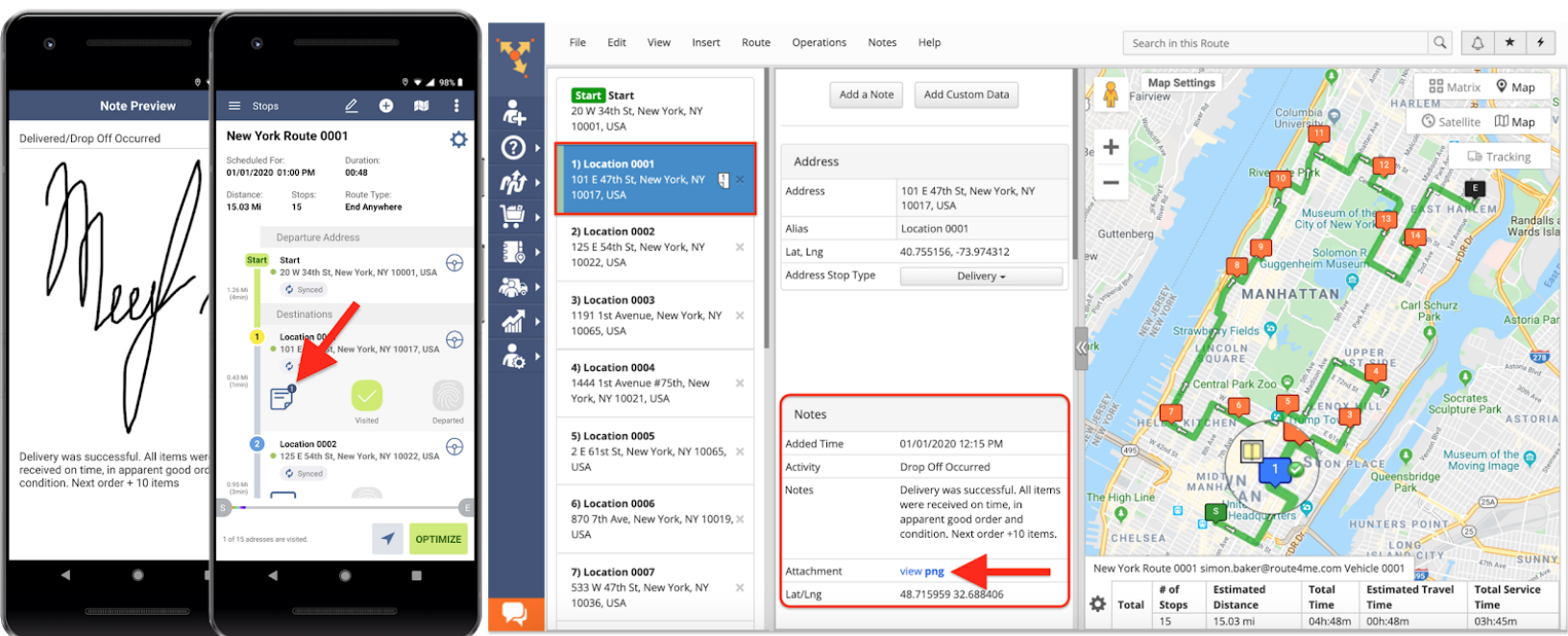
It's better to collect signatures electronically with eSignature software. That way, you'll never lose any signatures. You'll always know whether customer claims are valid or not.

There is hardware available for the sole purpose of collecting signatures electronically, but these devices are bulky and expensive. A single signature pad costs \$100 minimum. It's not that much if you only have one or two drivers. But what if your business employs 10, 20, or 30 drivers?

There's both an upfront price and long-term maintenance costs to consider with these devices - they are not cheap, in other words.

eSignature software is a more lightweight and easy to use option for collecting signatures. It's available on smartphones, so your drivers won't have to lug around any extra equipment to organize the signatures they collect throughout the day.

A cheaper and more convenient way to [capture proof of delivery \(POD\)](#) is to use Route4Me's [Android](#) and [iOS mobile apps](#) to collect customers' signatures. This way, you don't need to invest in special software or hardware.



8. Planning Routes

"Give me six hours to chop down a tree and I will spend the first four sharpening the axe."

—Abraham Lincoln



Some degree of wasted time is inevitable. No matter how much you stress that social media is a time-wasting distraction that will not be tolerated in the workplace. Sometimes your employees are going to sneak a look at their phones to see what's happening on Facebook.

Or even if no electronic device is involved, an employee might spend a good ten or twenty minutes chatting with their favorite co-worker when they arrive every day. That's an innocent interaction, but it's also time you're paying for that wasn't spent in a productive way.

You can't stop all wasted time. That said, you can cut down on it significantly.

An easy way to cut waste is to stop planning routes by hand and start using [route optimization software](#) or last mile delivery software instead.

The sheer amount of time it takes to plan routes manually is incredible. When you have many customers to visit and multiple drivers to direct, it's hours and hours of work.

Last mile delivery optimization software gives you 100% accurate and optimized routes. The best part is that it only takes one minute or less to do so. Why don't you let last mile delivery optimization software do the hard work for you? Then you'll have some extra time to build your business, relax, or do whatever else you want. Here are some other time-saving tips that'll make your business more efficient:

Time-Saving Tip #1: Separate Last Mile Deliveries to Businesses From Last Mile Deliveries to Individuals



Most customers aren't going to be mad if you give an ETA of 2:00 and your driver gets there at 2:05. You will generally have a wide window of acceptable delivery times to work with, except in special cases.

But even with wide windows, as you pick up more and more customers, you may find yourself overwhelmed and failing to make deliveries on time. If you are feeling overwhelmed, one move you should consider is separating your deliveries to businesses from your deliveries to individuals.

For example, you could deliver to businesses from 9 AM to 1 PM and deliver to individuals from 2 PM to 6 PM. Stops at businesses tend to take longer as there is usually more inventory to unload, so it'll save you time to separate these visits from the quicker

deliveries made to individuals, rather than switch back and forth between quick drop-offs and lengthy unloads.

Time-Saving Tip #2: No U-Turns



U-turns can be a real drag on a driver's productivity. Drivers never know until they get to a U-turn how long it's going to take for traffic to clear enough for them to actually make the turn.

If your route depends on a U-turn, then it depends on an unknown variable. A bad break in traffic just might make your driver late.

For this reason, in most cases, it'll be better for your drivers to avoid U-turns entirely and stick with turns that are easier to predict.

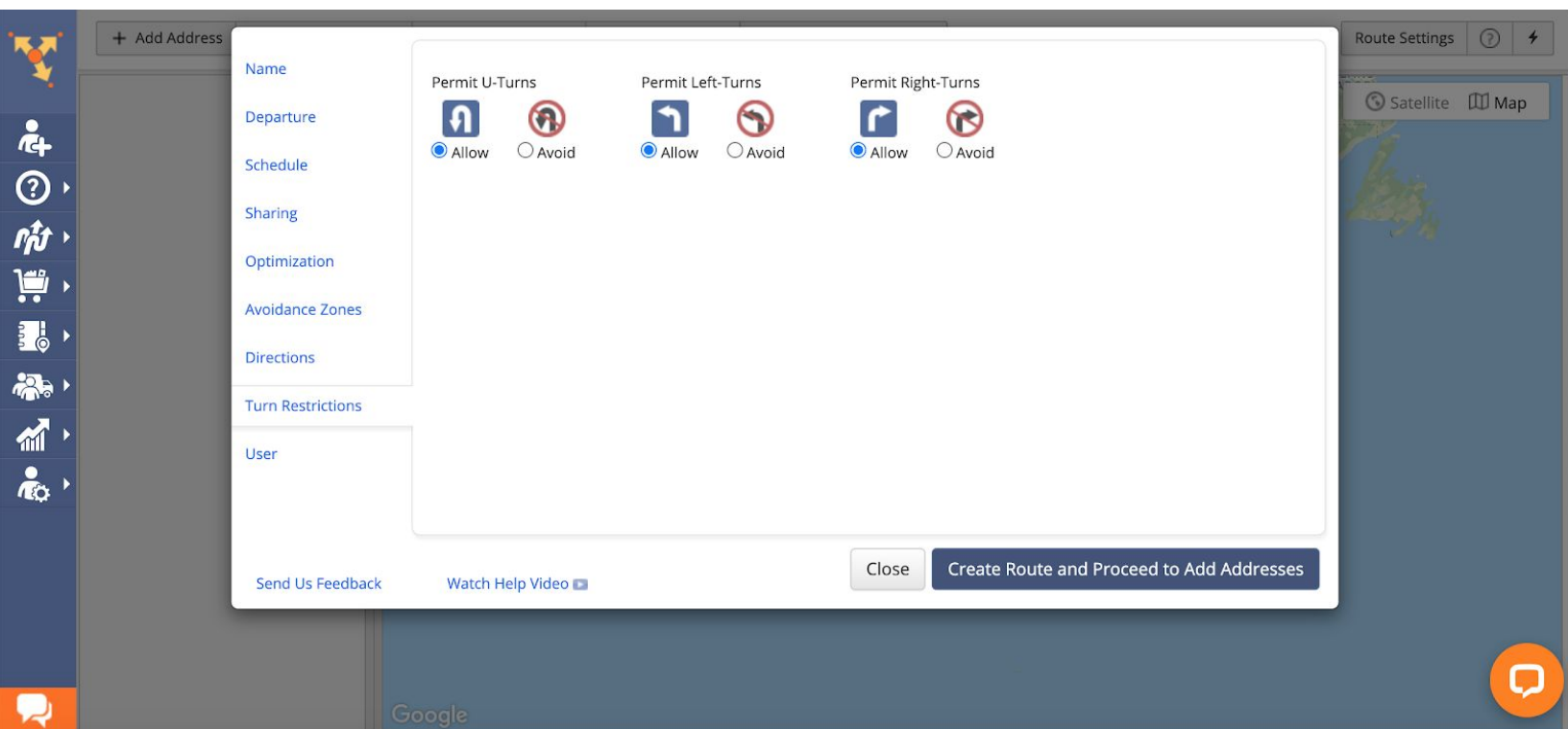
When you plan routes by hand, that's easier said than done. You have to go through and pick out every U-turn manually, and for every U-turn you pick out, you have to plan an alternate route.

But, if you use Route4Me, it's about as easy to do this as it is to say it. All you have to do is go to the 'Turn Restrictions' tab and select the "Avoid" option under "Permit U-Turns."

Time-Saving Tip #3: No Left Turns

U-turns aren't the only turns worth avoiding in last mile delivery.

If you were to follow around a UPS truck all day, you'd notice that it goes out of its way to avoid left turns. They'll ignore a shorter route with left turns if there's a slightly longer alternate route that doesn't make them turn left.



There are two reasons why UPS does this. For one, it saves them time. Left turns get the lowest priority at intersections, which means drivers can find themselves waiting a *long* time for that green arrow to pop up on the traffic light. UPS claims that it saves its drivers

(and its bottom line) from 90 million hours of idling every year by simply avoiding left turns.

The other reason UPS avoids left turns is that they're dangerous. According to The Atlantic, [over 60% of all crashes are caused by left turns](#) at intersections. According to a New York Times report, left turns are three times more likely to kill pedestrians than right turns. If you want to avoid accidents, avoid left turns.

Note: Since Summer 2015, Route4Me allows courier companies to [avoid all left turns with the press of a single button](#). Only UPS had this [feature](#) before Route4Me introduced it to the general marketplace.

Time-Saving Tip #4: Know Exactly Where You Need to Go



Sometimes, [knowing the address of a customer](#) isn't enough information to know exactly where a delivery needs to be made.

Consider a hospital, for example. The main entrance is probably for patients, not packages. Then there's another entrance for staff. And then there's another entrance for ambulances, and maybe even yet another entry for unloading supplies.

If all your driver has is a street address, how are they going to know where they're supposed to go?

Your driver would have to circle the building and investigate to find the right entrance, which is a waste of time and money. It might make your driver late for all the other deliveries they're scheduled to make that day.

This is a common problem for courier companies that rely on [free mapping tools](#), which give you an address but not much more information than that.

Route4Me has a feature that lets you [add notes to routes](#). In the hospital scenario, you could use this feature to explain exactly where drivers need to go and save them from all the circling around.

Time-Saving Tip #5: Use Route Optimization Software to Manage Multiple Drivers



If you're a small last mile delivery operation with only a couple of drivers, then you can probably [use GPS devices and nothing more to keep track of your team](#). These devices will send you updates on your fleet's whereabouts that you can review in real-time.

But if you have ten, twenty, or a hundred drivers, then there is just too much information to process. Let's say you have a hundred drivers, and you receive an update every 3 minutes for each driver. In that case, over the course of an 8-hour workday, you'd receive 16,000 updates. Piecing together thousands of updates manually every day is just impossible.

GPS technology isn't enough. You need to pair it with route optimization software that has analytic capabilities so that you can actually [make sense of all the numbers](#).

9. Increasing Sales

"Pretend that every single person you meet has a sign around his or her neck that says, 'Make me feel important.' Not only will you succeed in sales, you will succeed in life."

— Mary Kay Ash, founder of Mary Kay Cosmetics



Every last mile delivery company faces the same challenge when they strategize for growth.

Should you acquire new customers first and then invest in all the extra delivery vehicles and other infrastructure you need to service those customers?

Or should you invest in infrastructure first and then make an effort to win over new customers?

Each option has its advantages and disadvantages. Acquire customers first, and you risk letting them down with sloppy service as you scramble to get your infrastructure set up. But if you invest in infrastructure first, you'll end up wasting a lot of money if you're not able to attract as many customers as you hoped.

A good guideline for balancing your resources is the 80/20 rule, also known as the Pareto Principle: to remain a healthy business, 20% or less of your resources need to generate 80% or more of your revenue.

If you're struggling to grow as a courier company, take some time to crunch the numbers. You'll likely find that your company isn't following the Pareto Principle.

To Make More Money, Hire Only Skilled Drivers



Drivers are the cornerstone of every courier business.

Good drivers who know how to hit their stops on time will impress customers, improve your reputation, and make you a lot of money.

Bad drivers will upset your current customers, damage your reputation, and drive prospects away.

This is why the hiring process has such a huge impact on your bottom line. The salaries you pay your employees are likely your biggest operating expense, and if those investments don't pay off in the form of premium profit-making production, it's going to be all but impossible for you to win the last mile.

- Knowledge of local driving regulations and geographical area
- More than one year of driving experience
- Clean driving record without driving under the influence (DUI) convictions
- Ability to work well both independently and as part of a team
- Being tech-savvy and working with mobile gadgets like smartphones, apps, GPS devices, etc.
- Safe lifting and loading techniques
- Customer service and time management skills
- Basic mechanical skills to be able to fix unexpected technical problems

The Importance of Proper Training

"The only thing worse than training your employees and having them leave is not training them and having them stay."

— Henry Ford



Many last mile delivery companies treat their employees the same way birds treat their babies.

Instead of thoroughly reviewing all the tasks employees will be expected to do, they push new hires out of the nest and into the world with minimal training, perhaps because they believe there's no better teacher than the real world.

This is the wrong approach in last mile delivery. Training your employees well will cost you, but that cost will be offset by all the revenue that well-trained employees bring in compared to their less-trained counterparts.

Orientation and Continuous Training

Before a new driver makes their first delivery, you should go over the following areas with them:

- **Vehicle Operation:** Every truck has its unique quirks - make sure your new drivers are familiar with your equipment. You don't want them to pull into a gas station on their first day and waste ten minutes trying to find the little lever or button that opens the gas tank door.
- **Fueling Policies:** There are different kinds of fuel cards. Your new driver needs to know how to use yours. And remember, you're the one paying for gas, so you'll want to show them which filling stations in town tend to have the best deals.
- **Reward Policies:** Do you use rewards to give your drivers more incentive to perform well? If so, your new drivers must be informed of these rewards, or else they won't have any of that extra motivation.

After orientation training is complete, you should continue to train your employees as needed. No matter how much experience a driver has, you might start using a new piece of technology (like last mile optimization software, for instance) that's completely foreign to them. They'll need training for that.

Also, you may need to hold a training session for something other than the technical aspects of your business. Maybe all your deliveries are being made on time, but some customers have complaints about your staff being unfriendly or even downright rude. In this case, obviously, some training on how to interact with customers is needed.

Never stop looking for ways to improve your last mile deliveries. You'll never be perfect, but if you aim for perfection, you'll end up with a better business than if you just shrugged your shoulders and resigned yourself to being flawed.

Develop Great Relationships With Customers to Inspire Word-of-Mouth Marketing

“Companies and their brands need to reach out and speak directly to consumers, to honor their values, and to form meaningful relationships with them. They must become architects of community, consistently demonstrating the values that their customer community expects in exchange for their loyalty and purchases.”

— Simon Mainwaring, award-winning branding consultant



There are many different ways to market your last mile delivery business.

You can buy a bunch of promotional products like pens and mini-footballs and slap your logo on them. You can place an ad in the local paper. You can even buy airtime on the radio or TV.

The simplest thing you can do to market your business doesn't involve any of those standard advertising practices, though.

No, the best marketing technique available to you is to simply provide excellent service. That's it. It's one of the best strategies for retaining your current customers or attracting new ones.

The concept is simple: do a good job and impress your customers, and your customers will naturally recommend your business to their friends and family whenever the subject of local last mile delivery services comes up in conversation.

These organic, personal recommendations are the absolute most effective form of advertising.

Think about it: in your own life, you've seen countless ads on TV. You've probably also been in a situation where someone you know and trust recommended a product to you.

What was more effective - the TV ad produced by a company to sell its product or the personal recommendation from someone who has no financial stake in whether you buy the product or not? Surely, as a consumer, you found the latter scenario to be more compelling.

You don't have to take our word for it. The University of Pennsylvania's Wharton School of Business (the same Ivy League institution that educated the iconic business minds of Warren Buffet, Elon Musk, and Donald Trump) once participated in a [study](#) looking into the effects of personal references.

They found that customers earned with a personal reference are 18% more loyal than customers earned by other means. Also, the lifetime value of referred clients is 16% higher than the lifetime value of the average customer.

But what can you do, exactly, to inspire these recommendations?

Beyond just doing your job and making deliveries on time, the following tips will help endear your company to your customers:

- **Foster Open Communication:** A business relationship is much like a personal relationship. You need to be open and honest for it to work. Welcome any feedback customers have about your last mile delivery service, even negative feedback - especially negative feedback. It's always nice to hear a compliment, but it's not very useful. Negative feedback informs you of what you need to change to improve your service. It's a valuable resource.

- **Deliver on Expectations:** Consistency is key, as a customer is unlikely to recommend you to others immediately. It takes some time to develop that kind of trust. If you can make deliveries on time and do everything else the customer wants you to do again and again and again, you'll be able to build that trust.
- **Don't Overpromise:** Delivering on expectations doesn't mean you have to do everything. Another way to meet expectations is to make sure you don't set them too high in the first place. Being honest with a customer and letting them know you're not able to do something is much better for your reputation than making a promise you won't be able to keep.

Don't Forget About Your Existing Customers



A common trap managers fall into when they look to increase sales is that they focus too much on earning more customers and too little on selling to the customers they already have.

Your existing customers don't have to be won over. They've already decided that your service is worth their money. If there's an option for a current customer to upgrade their service and give you more money, reach out and encourage them to do so. That's much easier than convincing someone who's never heard of you before to start using your service.

Cut Costs

“Look everywhere you can to cut a little bit from your expenses. It will all add up to a meaningful sum.”

— Suze Orman, financial advisor

Increasing sales isn't the only way to improve your profit margin and last mile operation.

You can also [make more profit by reducing your expenses](#). Last mile delivery optimization software has many cost-cutting benefits, such as:

Fuel Savings

[Studies show](#) that optimized routes can lead to a 20% reduction in fuel costs. When your drivers progress through their routes more efficiently, you don't have to pay for as much gas.

Payroll

Having more efficient drivers means you don't need as many drivers. Cutting down on the number of salaries you're responsible for will [save you a lot of money](#). In addition to raw payroll costs, you also save on benefits and training.

Geofencing

Instead of having your drivers manually check in and check out of every stop they make on their route, you can use Route4Me's [geofencing feature](#) to automate this task. This will save your driver about 10 seconds for each check-in and check-out, 20 seconds total for each stop.

20 seconds doesn't sound like a lot, but it adds up over time. If a driver makes 50 stops in a day, and they waste 20 seconds at each stop, that's 17 minutes of waste every day.

If this driver works 22 days a month, they waste about 6.2 hours per month and over 74 hours per year by manually checking in and out of stops.

Now let's put this in terms of cash: if you pay this driver \$25 an hour, these manual check-ins and check-outs are costing you \$150 a month and \$1,800 a year. And that's just for one driver.

Every month you spend without route optimization software is a month where you've wasted a lot of time and money.

Traffic Tickets and Accidents

Without route optimization and GPS tracking, it's easy for your drivers to get lost.

We've talked a lot about the financial benefits of optimized routes, but it's important to know that there are also legal consequences for inaccurate route planning. Bad routes will get your drivers stuck in traffic or lost. To compensate for lost time and stay on schedule, drivers will often speed up and drive recklessly.

This behavior can lead to your driver getting into an accident or pulled over by the police. Then you'll be on the hook for a pricey repair bill or traffic ticket.

When you use last mile optimization software, [your drivers won't get lost](#), so they won't have to drive recklessly to make up for the lost time. You won't have to deal with those repair bills or traffic tickets.

10. Marketing Your Business on a Budget

"Half the money I spend on advertising is wasted; the trouble is I don't know which half."

— John Wanamaker, marketing pioneer and former US Postmaster General



Word-of-mouth marketing is great, but you need more than that. There's a reason why billions of dollars are invested in advertising every year.

You just don't have enough runway to wait for news of your business to spread organically, one genuine conversation at a time. You need to amplify your message and make an effort to [reach more people to get your sales numbers where they need to be.](#)

Blatant advertisements may never be as effective as personal recommendations, but they do work.

Traditional ads can be quite expensive, though. Local television, radio, and print spots cost hundreds or even thousands of dollars for the ad space alone, and then you still have to pay for production costs on top of that. Is this something you can afford?

Even if you can afford it, traditional advertising is on the decline. People have DVRs now - they skip right through commercials. When an ad plays on the radio, people switch to the next station. And the number of people that actually reads print publications has been dwindling for decades.

The internet is the future of advertising. It's affordable, it's effective, and it gives you the creative freedom to really set yourself apart from the competition.

Create a Website

There's an ancient Chinese proverb that goes something like this: *"The best time to plant a tree was 20 years ago. The second best time is now."*

The same philosophy applies to company websites. It's the 21st century. It would have been strange if your company didn't have a website a few years ago, and it's especially strange nowadays.

You need a website. No one uses the phone book anymore. When someone needs something, they look it up online. Having a company website gives people a chance to discover your business. Without a website, you're missing out on many opportunities.

Don't skimp on your site. Many business owners hire high school students with basic computer skills to design their site. That's the cheapest way to do it - but the results usually look cheap, too. You get what you pay for.

It's in your best interest to shell out a few more bucks and hire an experienced web designer.

An amateur-looking website makes you look like an amateur. Protect your reputation by investing in a designer who actually knows what they're doing.

Blogging



Got a website now? Now, you need a blog.

Your website can be so much more than just an online reference with your contact info. By maintaining a blog on your site, you will:

- Make your business more memorable
- Add personality to your brand
- Establish yourself as an authority
- Improve SEO

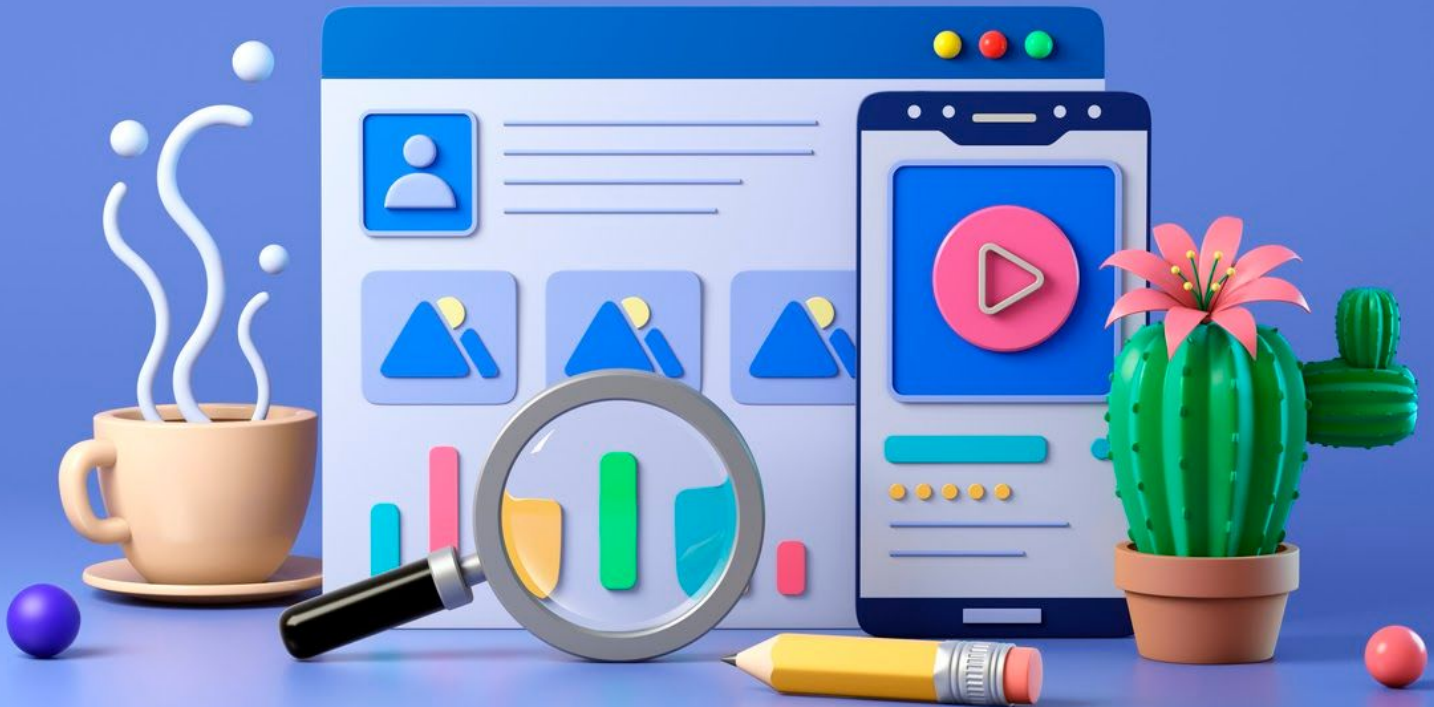
SEO stands for search engine optimization. No one knows exactly how the algorithms used by search engines work, but there are ways to game the system and get your site listed above your competitor's sites in search results.

That's all SEO is, basically - making design decisions and writing content for the purpose of being listed higher in search results, rather than designing and writing just for the sake of good aesthetics and content.

It helps your SEO efforts to publish content that includes many keywords related to what you do, and a blog gives you a non-spammy way (search engines penalize sites for obvious spam) to get keywords on your site.

[Research shows](#) that most people searching for something on the internet will click on the first link that comes up in search results. So if you can manage to leapfrog your competitors and be the first result for a query like "*last mile delivery services in Albuquerque (or wherever you're based),*" you'll attract many new customers.

Social Media Marketing



According to [Emarsys](#), in 2019, 45% of the global population was using some kind of online socializing website.

There are a lot of opportunities to find new customers on social media platforms.

Creating social media accounts for your business on different platforms will help you start conversations with new customers, increase brand awareness, and boost engagement.

Having a social media presence will enhance your business's credibility. According to the [Edelman Trust Barometer Global Report](#), *"four in 10 consumers say they are unlikely to become emotionally attached to a brand unless they are interacting via social media."*

Social media is a good place to post paid advertisements, too. Also, you can use groups to network with your industry peers and connect with customers. This allows you to collect a boatload of email addresses for future marketing efforts.

The key to building a substantial online presence is knowing your customer base as well as possible. Gather as much information about your customers as you can and put it

together into a profile that defines the average age, gender, budget range, and other parameters of your audience.

After creating your customer profile, you can compare your stats with the demographics of different social media platforms and see which one suits you better.

When choosing which platform to use, you need to take into account several criteria, including:

- Users' average **age**: If the platform is more prevalent among teens, the chances are that it is not suitable for your delivery business.
- The **purpose** for which the platform was built: Is it for business and networking? Or is it for personal and recreational use?
- **Other brands'** profiles: Take a look at other businesses that have active and successful accounts on different platforms. What target audience do they have? Is it similar to yours? If not, maybe you should reconsider your choice.

As a courier company, you can opt for a business-oriented platform that has an audience of professionals. This is a niche you definitely want to target and maybe start offering business to business (B2B) services - if you haven't done that already.

In addition to seeking out customers by joining platforms, you can create a page just for your business. This gives you a chance to create links that send people back to your site from another site, which is good for SEO (this is called 'backlinking').

Referral Bonus Program



While we're on the subject of backlinking, it's important to note that referral sites are a great way to get backlinks for your last mile delivery website.

These sites usually charge a small fee to post your listing, but that fee pays for itself and then some in the form of sweet, sweet SEO-boosting backlinks. It also gives you another place where people might discover your business.

Social Media and Search Engine Advertising

Engaging with potential customers on social media platforms and boosting brand recognition is a great first step in creating an online presence.

Next, you can dip your toes into different types of internet advertising - on social media or on popular search engines.

The average cost for search engine advertising is \$1 to \$2 per click - and this service is well worth the price.

According to the Delhi School of Internet Marketing, businesses [earn \\$2 for every \\$1 they spend](#) on search engine ads, which makes for a 100% return on investment (ROI).

Your ads will show up when customers are searching for products or services similar to yours. This is an advantage since you'll make yourself known among people who are actively interested in your business. With this type of advertising, you can increase your sales and customer base.

On the other hand, social media ads are better for raising brand awareness and keeping your existing audience engaged.

Direct Mail Marketing



Internet advertising does offer many unique benefits, but there's still some value to good old-fashioned direct mail marketing.

The best thing about direct mail is that it's hard to ignore.

Sure, people can take them directly from the mailbox to the trash if they want. Plenty will. But before they do, they'll see the ad in their mailbox. They'll hold it in their hand. That's a connection. That means something.

Indeed, the tangible nature of direct mail has made it very effective. [One study](#) found that 73% of US consumers prefer direct mail over other marketing communications. With results like that, who cares if direct mail is old or not. It certainly isn't obsolete.

As a courier business, you wouldn't even need to pay for postage for these mailers, which could be quite expensive, depending on how many ads you want to send out. You can just have your drivers drop them off in mailboxes as they go through their routes.

Branded Uniforms and Vehicles

Do your drivers wear uniforms? Do your delivery vehicles have your logo on them?

If not, they should. You might think it looks a little tacky, but it will help you get the attention you need to earn new customers. It puts your business branding on people's minds at very little cost.

Who needs to pay for a billboard when you could slap your logo on a car and drive it around town? You already have a fleet of cars driving around. Take advantage of this opportunity.

Everything but the Kitchen Sink

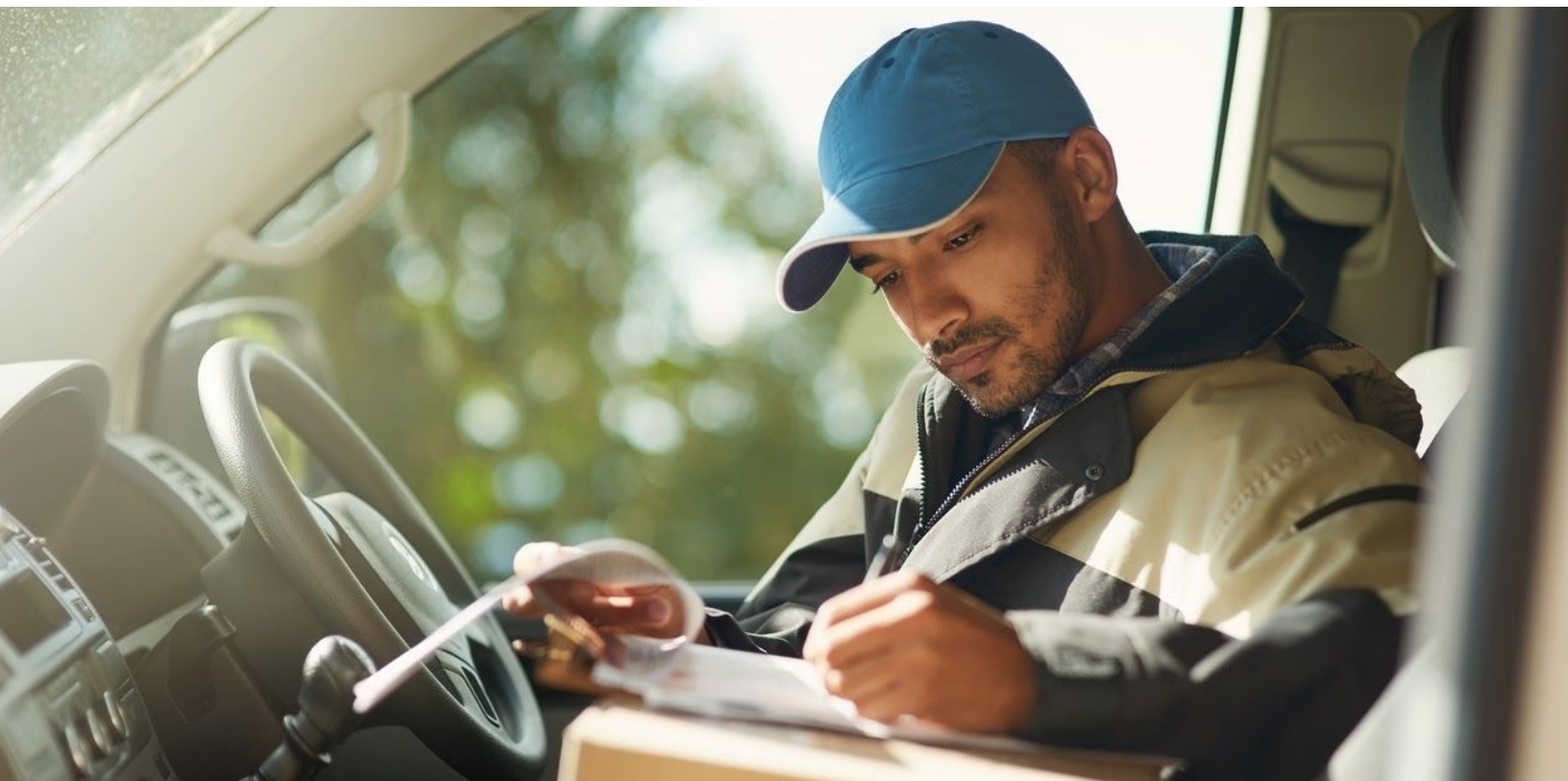
Some marketing methods will work better for your last mile delivery business than others. You should never just try one thing at a time - you don't have time for that.

Instead, roll out multiple advertising methods simultaneously, and then compare the effectiveness of each method and decide what's worth your time and money.

11. Hiring the Right People for the Job

"Recently, I was asked if I was going to fire an employee who made a mistake that cost the company \$600,000. No, I replied, I just spent \$600,000 training him. Why would I want somebody to hire his experience?"

— Thomas J. Watson, former IBM CEO



You like to think you know your drivers well. These are people you see at work constantly, people you took the time to carefully evaluate when you decided to hire them in the first place. Surely you can trust them not to commit fraud, right?

The truth is that you can never know someone 100%. People are complicated. Sometimes, they surprise you. That's what makes life interesting.

Even drivers who seem hard-working and honest may end up ripping you off.

According to CBS News, employee fraud costs US businesses an [average 5% loss of annual revenue](#). A Statistic Brain [study](#) shows that 37.5% of employees have stolen at least twice from their employers, and of all business bankruptcies, 33% are caused by employee theft.

What can you do to prevent your drivers from engaging in such behavior?

[Route optimization software](#) can help you out in a few different ways here.

According to Forbes, [payroll fraud occurs in 27% of all businesses](#). Employees are less likely to commit payroll fraud when they're being watched through GPS tracking. If you know where they are at all times, why would drivers try to make a personal stop and claim they were working? It's too easy to get caught.

Another form of fraud to watch out for is employees using the company fuel card for personal use. Route4Me's route optimization software [automatically tracks fuel expenses](#), so it's easy to tell when something looks fishy.

External vs. Internal Hiring for Management Positions

"The best executive is the one who has sense enough to pick good men to do what he wants done, and self-restraint enough to keep from meddling with them while they do it."

— Teddy Roosevelt



If you catch an employee stealing from you, you'll have to hire someone new. When you do that, you'll be faced with a decision: do you promote someone who already works for you or bring someone in from the outside?

There are some upsides to hiring people from outside the company.

With external hires, you have a much larger pool of candidates to choose from. External hires tend to have higher education levels. They can bring in ideas from their previous experiences that you've never thought of before.

But there are some serious downsides to external hiring as well.

According to a [Cornell University study](#) on the effects of external hiring vs. internal mobility, external hires cost 18% more in wages than internal hires, and that figure doesn't even include the costs of background checks and recruiting fees.

External hires are 61% more likely to be fired within two years of assuming a management position than an internal hire. They're also 21% more likely to quit.

The performance of the whole team tends to suffer when you hire externally. Team members have to compensate for their new manager being unaware of company procedures. They have to take time away from their own tasks to teach the external hire about the organization's methods.

When you promote from within, there's less of a learning curve than there is with external hires. They know your company's routine, procedures, and culture already.

Also, you'll be able to evaluate the candidate based on your own records and personal experience. The applicant, ideally, would even have the respect of their coworkers already. That's a hard reference to beat.

When you hire externally, you face the opposite situation. You don't know the person you're hiring. When it comes to how professional and skilled they are, you have to trust the opinion of their previous employers... who you also don't know.

Considering that it's not unheard of for a prospective hire to [lie about their experience](#) or even [impersonate their listed references](#), it's difficult to trust a candidate you don't know personally.

You run a business; you know how important it is to *really* know something rather than *maybe* know something.

So, maybe you know what you're getting with an external hire based on their resume and a sit-down interview. But maybe you don't. There's only so much you can learn about a person in the short time frame of an interview process.

With an in-house hire, you know what you're getting. There's no substitute for that.

How Internal Hiring Improves Overall Company Performance



Establishing a promotion program shows your top performers that there are opportunities for advancement in the company they already know.

This makes drivers feel valued, and it gives them an incentive to improve their performance. It also creates a sense of competition that motivates employees to volunteer for additional deliveries and difficult jobs.

The downside to hiring internally is that it can create resentment among your employees when one is selected over the others.

That's why it's important to announce your promotion program publicly and clearly outline which factors will be considered for a driver's advancement.

These factors can include:

- Total miles driven (experience counts)

- Customer comments (you want more compliments than complaints, of course)
- Overall intelligence and problem-solving skills (intelligence directly impacts performance)
- Ability to communicate well with management and co-workers (many intelligent people don't have great interpersonal skills - you want someone who's both smart and good with people)
- Ability to stay calm under pressure (more pay = more responsibility = more stress)

If you can convince your employees that you're making a fair, objective decision when you pick one over the others, you can see the benefits of hiring internally without alienating all the employees who don't get promoted.

12. Skills to Look for When Hiring a Logistics Manager

"When I hire somebody really senior, competence is the ante. They have to be really smart. But the real issue for me is, Are they going to fall in love with Apple? Because if they fall in love with Apple, everything else will take care of itself. They'll want to do what's best for Apple, not what's best for them, what's best for Steve, or anybody else."

— Steve Jobs



You may want to fill an open position quickly. You may put some proposals out there and find that there aren't many qualified candidates available. You may like the first person you interview and think, *"Hey, I like this guy. Why don't I save some time and just hire him."*

Whatever your situation is, don't give in to the temptation to rush the hiring process. That mistake could end up costing you a lot of money.

According to the US Department of Labor, the average cost of a [bad hire equals 30%](#) of that bad hire's first-year potential earnings.

Hiring a bad logistics manager would be especially costly, as they have an enormous amount of influence over the effectiveness of your last mile operation. Even if they only make it a few weeks before getting fired, an incompetent logistics manager can mess up many last mile deliveries and cost you a few customers.

To avoid that situation, make sure that any logistics manager you hire has the following qualities:

People Management Skills

Even if a candidate for a managerial position is the smartest guy in the world, it won't matter if they don't know how to communicate with people. That's a huge part of the job.

Strong Work Ethic

Also, a combination of intelligence and strong people skills won't do much good if the candidate is lazy. They need to be willing to work hard. Ask references about the candidate's work ethic.

Responsibility

Ask the candidate about a time when they had to respond to a mistake they made at work. A manager should be quick to admit when they make a mistake and just as quick to correct it.

Creative Problem-Solving Skills

Sometimes the unexpected will happen. That's life. Will your new logistics manager be able to think fast and find solutions to sudden problems?

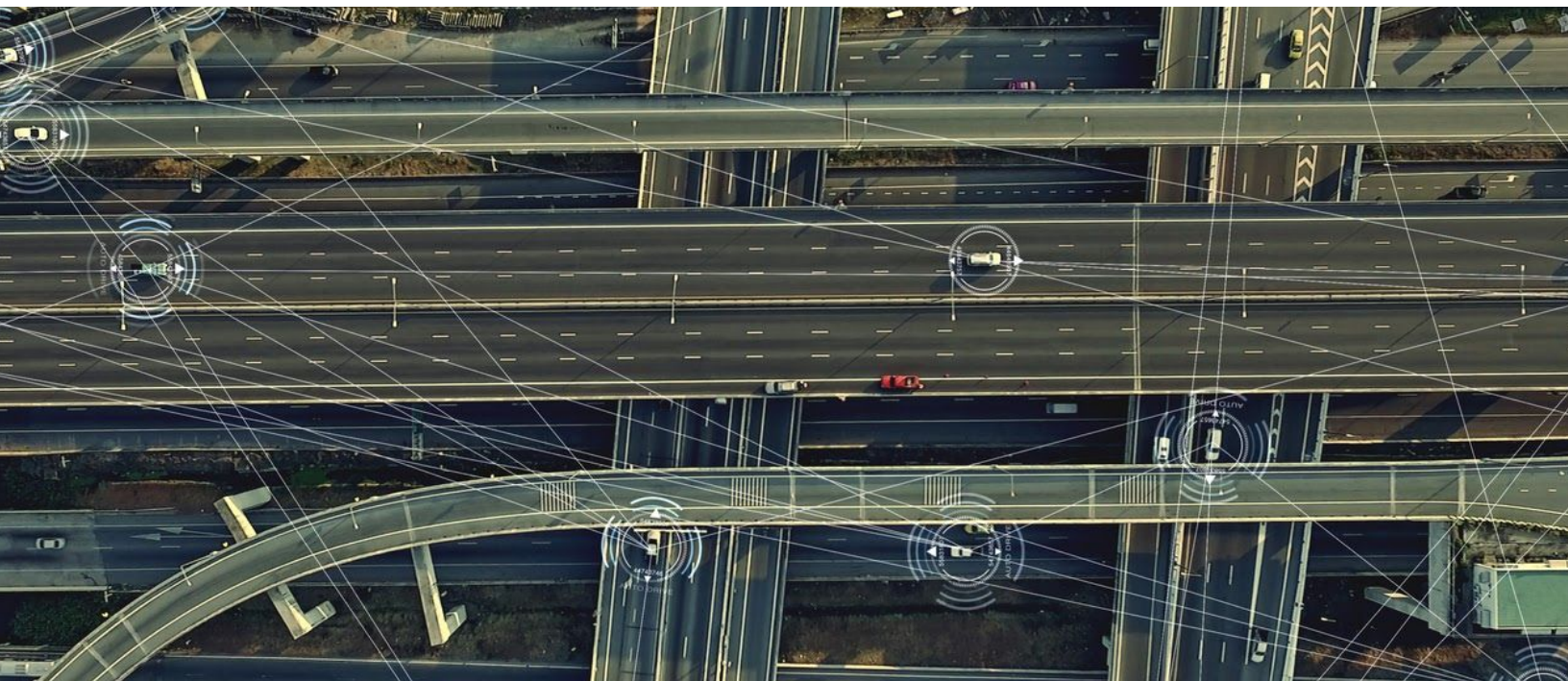
Technical Skills

Your logistics manager should be proficient with basic computer programs like web browsers and word processors.

GPS Tracking Attracts the Best Drivers to Your Business

"If you pick the right people and give them the opportunity to spread their wings and put compensation as a carrier behind it, you almost don't have to manage them."

— Jack Welch, former General Electric CEO



Do you want hard-working drivers?

You're not the only one - everyone does. And that right there is your problem: everyone - from UPS and FedEx down to your local last mile delivery service competitors - wants the best, most hard-working drivers.

If you can't convince high-quality drivers that your business is a better place for them than their other options, you're going to miss out and get stuck with drivers who, well... aren't the best.

The Benefits of Using GPS Tracking



Using [GPS tracking technology](#) will help you attract the best drivers. Here's how:

#1: Improved Driver Safety

Drivers have a dangerous job. In the United States, [30,000 people die from car crashes every year](#), and most of those crashes don't involve people who drive full-time for a living.

By devoting most of their waking hours to the road, your drivers are putting themselves in harm's way. Another factor endangering your drivers is that they are under pressure to

make all their stops on time, so if an obstacle slows them down at some point in their route, they might drive recklessly in order to get back on schedule.

Protect your drivers! By using GPS tracking devices, you'll be able to [see in near real-time when your drivers are speeding](#), which means you'll be able to give them a call immediately and tell them to slow down.

It may be bad for your last mile delivery business to be late for a delivery and upset a customer. Still, it'd be much worse for you financially if one of your drivers wrecks their vehicle (and there's also your moral obligation to do what you can to keep your employees safe, of course).

If one of your vehicles breaks down in the middle of nowhere, that can be dangerous, too. GPS tracking ensures that you'll know about situations like this immediately, so you'll be able to quickly send over a tow truck, fuel, or whatever else your driver might need to get back on the road again.

#2: GPS Tracking Helps Drivers Earn More Incentives

Everyone wants to be employed in an environment where, if they work hard, they're compensated and rewarded fairly.

It's difficult for many last mile delivery companies to do this. Drivers are out of sight most of the day, so supervisors have to judge their performance based on simple stats and customer comments. They don't get to see how drivers perform with their own eyes.

Ideally, you'd be able to notice an employee performing poorly before a customer complains about it. But it's easy for something like that to slip through the cracks. An employee might upset many different customers before you even realize you have a problem.

GPS tracking makes it easier to see when your employees aren't doing their job the way they should. It makes it easy to see when your employees are doing everything exactly right as well. It gives you the necessary information to identify which drivers are truly worthy of rewards.

#3: Protects Driver Reputation

It's not easy to find great employees, so you'll want to hold on to all the ones you do find.

Remember that scam we mentioned earlier? The one where a customer orders a package, receives it, claims they never got it so that they can keep the package and collect a refund?

Without GPS tracking software, you won't know whether to trust the driver or the customer in this situation. Even after the incident has been resolved, in the back of your mind, you'll always think that maybe the driver stole the package. And the driver may be offended by that suspicion and feel like they'd rather work somewhere else, where they have a clean slate.

But if you do have GPS tracking software, you'll be able to see if a driver was actually at the customer's address when they reportedly made the *lost* delivery. You'll know the truth. There'll be no suspicion, so your driver won't feel offended, and there'll be no reason for them to leave.

How to Interview Drivers for Your Last Mile Delivery Business

According to the [Harvard Business Review](#), 80% of employee turnover is due to hiring the wrong person in the first place.

Turnover is expensive, as [research shows](#) it can cost up to \$2,000 to hire a new employee. These costs include:

- Advertising the open position
- Drug tests
- Road tests
- Administration expenses
- Reduced productivity while the driver is being trained

Thankfully, there are many methods you can use to [cut down driver turnover](#):

#1 Create a Hiring Policy



Before you start interviewing, before you post an ad, before you even tell anybody about the open position, you need to [create a hiring policy and process](#).

People are complex. Sometimes it's obvious which candidate is best for the job, but often it's not so clear. You need to have a guide in place that will help you compare different candidates and determine which one is the best fit for your last mile delivery company.

What qualities do you value most in a driver? What are the regulations regarding professional drivers in your state? Use this information to design your hiring policy.

#2 Ask Open-Ended Questions

You want to know a driver as well as you can before you hire them, but a sit-down interview doesn't give you enough time to really get to know someone.

To make the most of it, ask open-ended questions during your interviews. You'll be able to learn a lot about a prospect's experience and personality based on how they answer open-ended questions.

Ask candidates about:

- Accidents they've been in, especially in the past five years
- Traffic violations
- Suspensions

Also, ask about what the driver has done to improve their driving skills. This gives you an understanding of whether the driver is serious about their career as a courier. You don't want someone who only does the bare minimum they need to do to get paid.

#3 Ask Safety-Related Questions

It's important that your new driver is a safe driver, as any accident would cost you a small fortune in insurance penalties and repair bills.

Have they ever taken a [defensive driving course](#)?

If so, why? Were they forced to (that's a red flag), or were they just looking to improve the skills they use on the job?

#4 Make Sure the Driver Is in Good Shape



Some packages are heavy. Employees should be able to lift up to 50 pounds. Ideally, they'd be able to move around 50 pounds with ease.

Also, someone who exercises regularly probably has a better work ethic. This isn't always the case, but if a candidate is physically fit, it's a good sign.

#5 Don't Just Rehash the Driver's Resume

As we've already noted, a sit-down interview doesn't give you enough time to get to know someone. So you can't afford to waste any time by asking questions that were already answered by the candidate's resume. Be more creative.

#6 Make Sure the Driver Has Great Customer Service Skills



It's important for drivers to make their deliveries on time, but it's just as important that they are friendly to customers. Otherwise, no one will remember that your driver was punctual - they'll just remember that they were rude, and that's terrible for your reputation.

Gauge the candidates personally while you talk with them about their driving experience. Are they angry and arrogant? Bitter and sarcastic? Or do they possess the politeness you need to [make a good impression on customers](#)?

#7 Check Their Driving History



The interviewees will try to convince you that they're safe drivers, whether that's actually true or not. They have an incentive to play down their flaws as much as possible. You can't blame them for lying a little. They're just trying to get a job and put food on the table.

But because of this natural bias, you need to take everything they say with a golf ball-sized grain of salt. Instead of trusting their word on how safe a driver they are, turn to an objective source instead.

The best way to verify a driver's safety record is to get [a Motor Vehicle Report \(MVR\)](#) from the DMV. You should also contact the driver's previous employers to see if there were any incidents that didn't make it to the MVR.

#8 Test Before Hiring

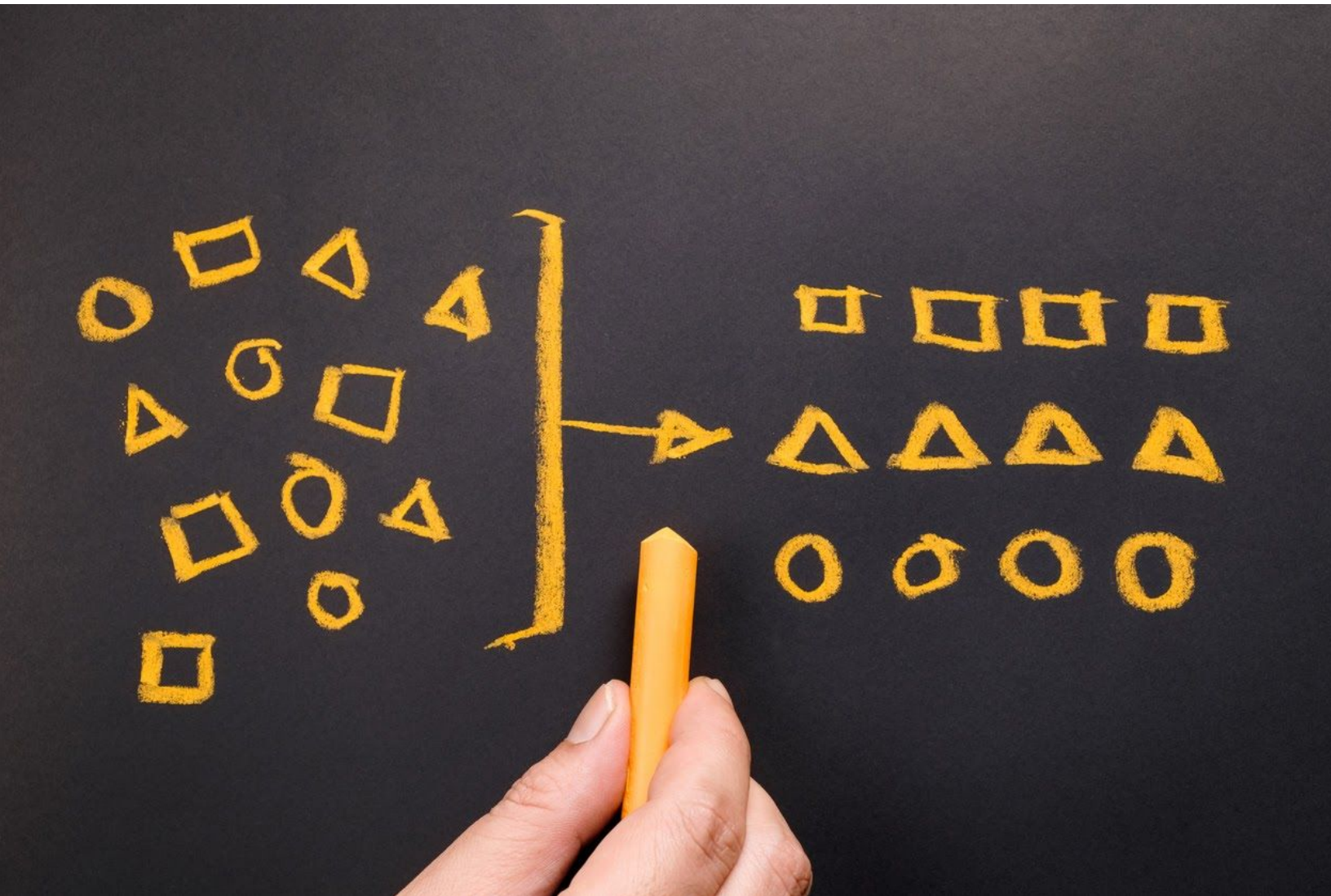
Before you commit to a driver, you should [make up a route and send them out on a test run with a GPS-equipped car](#).

Then, you can sit in your office and watch them progress through the route on your route optimization software. Did they follow your instructions correctly? Did they speed or drive recklessly? Did they stop by McDonald's for a snack halfway through the route? If a driver can't even perform well when they know a job is on the line, they certainly aren't worth hiring full-time.

13. Managing Your Fleet of Vehicles

"When Henry Ford made cheap, reliable cars people said, 'Nah, what's wrong with a horse?' That was a huge bet he made, and it worked."

— Elon Musk



Used vehicles are obviously more affordable than new vehicles, but [used vehicles are also much more likely to have something wrong with them.](#)

Thoroughly inspect a used car before you buy it. Otherwise, expensive and inconvenient mechanical issues may pop up and make you regret your purchase.

Complete This Checklist Before You Buy a Pre-Owned Vehicle:



#1 Choose the Right Engine

The most widely used engines for commercial fleets are:

- Diesel engines
- Gasoline engines

Which one should you go for?

Diesel engines have significantly higher initial costs than gas ones. However, if you plan to use your diesel engine for more than 2100 miles per month, your investment might pay off.

Generally, the operating cost per mile for a diesel engine is lower than for gas. In fact, according to [Flex Fleet Rental](#), the *"cost in operations per mile is about 8% higher for gas than diesel."*

#2 Check the Transmission

There are three types of transmissions:

- Manual transmission
- Automated manual transmission (AMT)
- Fully automatic transmission

Most drivers prefer fully automatic transmissions. They're easier to use. Low maintenance costs and availability of aftermarket replacement parts are additional advantages to automatic transmissions.

However, many drivers prefer either manual transmission or AMT.

There are indeed some advantages that these types of transmissions hold over automatic transmissions, such as:

- Longer transmission life
- Increased fuel efficiency

- Low cost compared to the newer generation of fully automatic transmissions
- Less expensive to replace than fully automatic transmissions

There's no one-size-fits-all solution to transmissions. The right transmission for you depends on the experience and personal preferences of your drivers.

#3 Don't Forget the Brakes



Brake systems need to be well-maintained, as they sustain a lot of stress on a daily basis, especially in heavy cars loaded with packages. And brakes, of course, are the last thing you want to have a problem with when you're barreling down the interstate at 70 MPH.

A well-maintained brake system offers many advantages over a poorly-maintained brake system, including:

- Low to no noise
- More stopping power
- Reliable performance
- Increased resistance to wear
- Low maintenance costs

Never make the mistake of not checking out the brake system.

#4 Check the Electronic System

The National Institute for Automotive Service Excellence says you should regularly inspect the following components of your brake lights:

- Circuit switches
- Connectors
- Wiring

The exterior lighting circuits should also be carefully evaluated for operating conditions, as they sustain considerable wear and tear. These evaluations should be performed both while moving and while parked.

#4 Other Factors to Consider



Transmission, brakes, and lights are the three major areas to evaluate when buying a pre-owned vehicle, but there are other things worth considering as well:

- Look underneath the car for active leaks
- If the car is newly painted, find out why this was done, as the new paint could be hiding rust or bodywork
- Sellers aren't going to be completely objective, so get a CARFAX report for an unbiased assessment

- Check each opening and body panel joint for fit - if the panels along the body seem wavy, check them with a magnet (plastic body repairs won't attract a magnet)
- Make sure there are no thuds or knocks when you start the engine
- Test drive it on a rough road to see if the shocks control after bouncing

If the seller is unwilling to let you closely evaluate their car and complete this checklist, don't bother with them, no matter how good the deal seems. They're probably trying to rip you off.

It will take a bit of time and effort to complete this checklist, but not doing so could cost your last mile delivery operation thousands of dollars.

Top 6 Vehicle Maintenance Tips



A broken-down vehicle is a disaster in the last mile delivery industry. Without your vehicles, you can't do anything.

Here are [a few vehicle maintenance tips](#) that will keep your cars running smoothly:

#1 Change the Air Filters



Air filters stop dirt, dust, and debris from getting into your engine. An old air filter is an ineffective air filter, and letting junk build up in your engine will take a few years off your vehicle's lifespan.

You should change the air filter every 12,000 miles or 12 months, whichever comes first. It's a pretty simple process - you can probably do it on your own instead of hiring a mechanic.

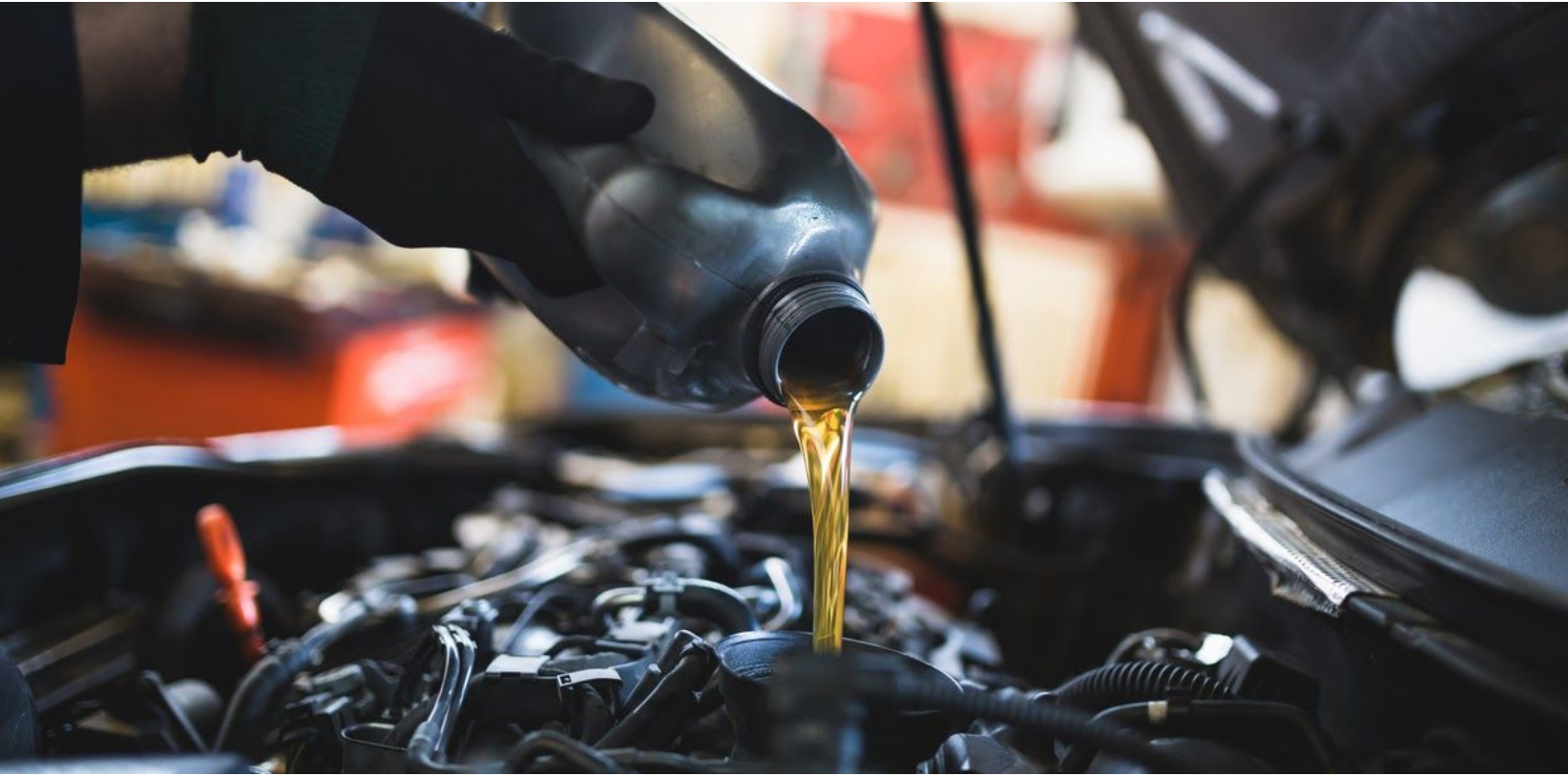
#2 Replace the Spark Plugs



Most people think it's a battery issue when a car has trouble starting, but that's not always the case. Sometimes, it's the spark plugs.

An engine misfiring or surging is also a sign that your spark plugs are shot. Consult your vehicle manual, but usually, they should be replaced every 30,000 miles.

#3 Change the Oil



Engines create a lot of heat when they get moving, and if they create too much heat, you're in trouble. You need oil to keep the engine's components cool enough to function.

With newer, more efficient vehicles, you can get away with changing your oil every 5,000 miles. But with older vehicles - or any kind of vehicle if you're in a climate that's particularly dry - you'll want to change the oil every 3,000 miles. Be sure to change the oil filter as well.

#4 Replace the Radiator Fluid



The radiator fluid is the most vital part of a vehicle's cooling system. It's a liquid mixture of water and antifreeze that helps keep the engine cool while it's running. It also stops the engine from getting blocked when it's cold out.

Change your radiator fluid every 24,000 miles or 24 months - whichever comes first.

#5 Change the Brake Pads



Making sure your vehicles have functioning brake pads is perhaps the most important thing you can do to improve driver safety. It may be time to change your brake pads if:

- The vehicle is taking longer to stop than it usually does
- The vehicle drifts right or left when you're trying to drive straight
- There's an unusual sound when you apply the brakes
- You notice drops of brake fluid near the wheel when you're parked

Even if you don't see any warning signs, you must replace brake pads every 20,000 miles.

14. Winning the Last Mile

"The first rule of any technology used in a business is that automation applied to an efficient operation will magnify the efficiency. The second is the automation applied to an inefficient operation will magnify the inefficiency."

— Bill Gates



In 2012, Voxware conducted a [survey](#) that found 55% of consumers would stop shopping from a retailer after two or three late deliveries.

[Supply chain management solutions have evolved](#) over the past few years to ensure more timely deliveries. However, the 'last mile' of the supply chain remains inefficient in many cases and is often a major barrier to making deliveries on time. As a courier company, you're that last mile!

Being the least efficient leg of the supply chain, last mile deliveries [contribute to 28%](#) of transportation costs. This is known as the last mile problem.

Plan Accurate Routes



When you plan your routes with pen and paper, it's impossible to give your drivers 100% optimized routes. There are just too many moving parts involved for you to do this by yourself.

Non-optimized routes often slow your drivers down. They get lost; they get stuck in traffic. Your customers waiting on their deliveries won't be too happy about that.

You might even get one of your drivers pulled over by the police if you accidentally send them the wrong way down a one-way street. GPS devices can help, but the problem with those devices is that they don't account for factors like traffic and weather.

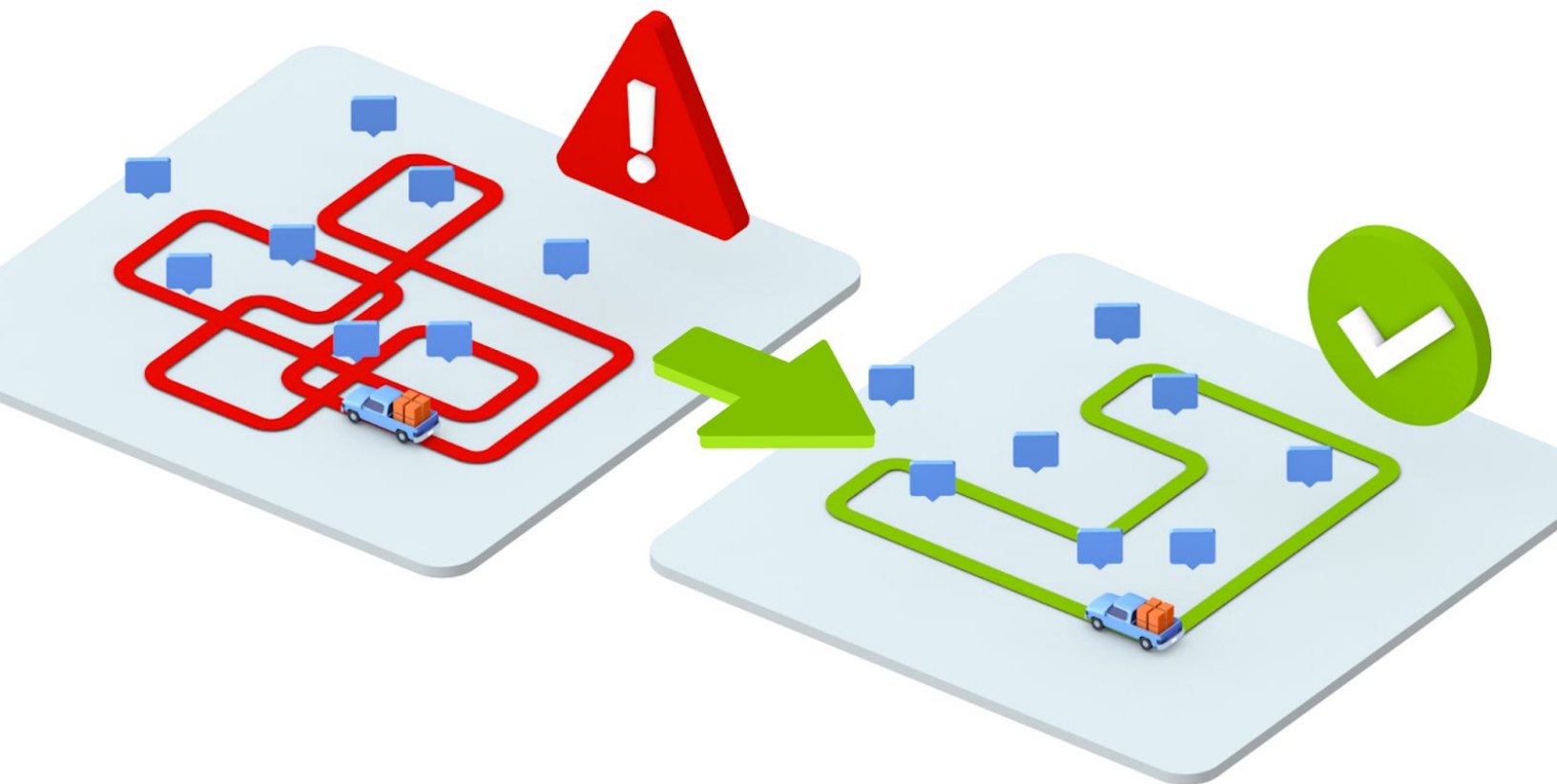
Route optimization software does account for [traffic](#) and [weather](#) and all the [other factors](#) that need to be considered to produce the best routes possible.

With route optimization software, routes can also be adjusted to accommodate the [weight](#) and [hazardous material restrictions](#) that apply to your specific city and state.

15. Route Optimization

“Modern technology has become a total phenomenon for civilization, the defining force of a new social order in which efficiency is no longer an option but a necessity imposed on all human activity.”

— Jacques Ellul, French philosopher



Routes change more frequently than you might expect. Let's say you have 100 customers, and you make one delivery to each of them every week. That's 100 stops a week, 400 stops a month, and 1,200 stops a quarter.

Let's also say that you gain one customer and lose one customer every week. That's the kind of customer turnover most last mile delivery companies deal with, and it doesn't sound like much, does it?

It might not sound like much when you only look at the two route changes per week, but at that rate, you have eight route changes per month and 24 per quarter.

In other words, every quarter you have to completely redo 25% of your routes. You also have to find a way to integrate those route changes as good as you can with the other 75% of your routes. All this planning takes a long, long time if you design your routes manually, even if you only have to do it every quarter.

[Routing optimization software](#) automates this process, so it won't take you any time at all (well, it does take *some* time - a minute, at most).

That's not the only advantage that route scheduling software provides. The problem with manual route planning, other than the enormous amount of time it takes, is that it's prone to human error.

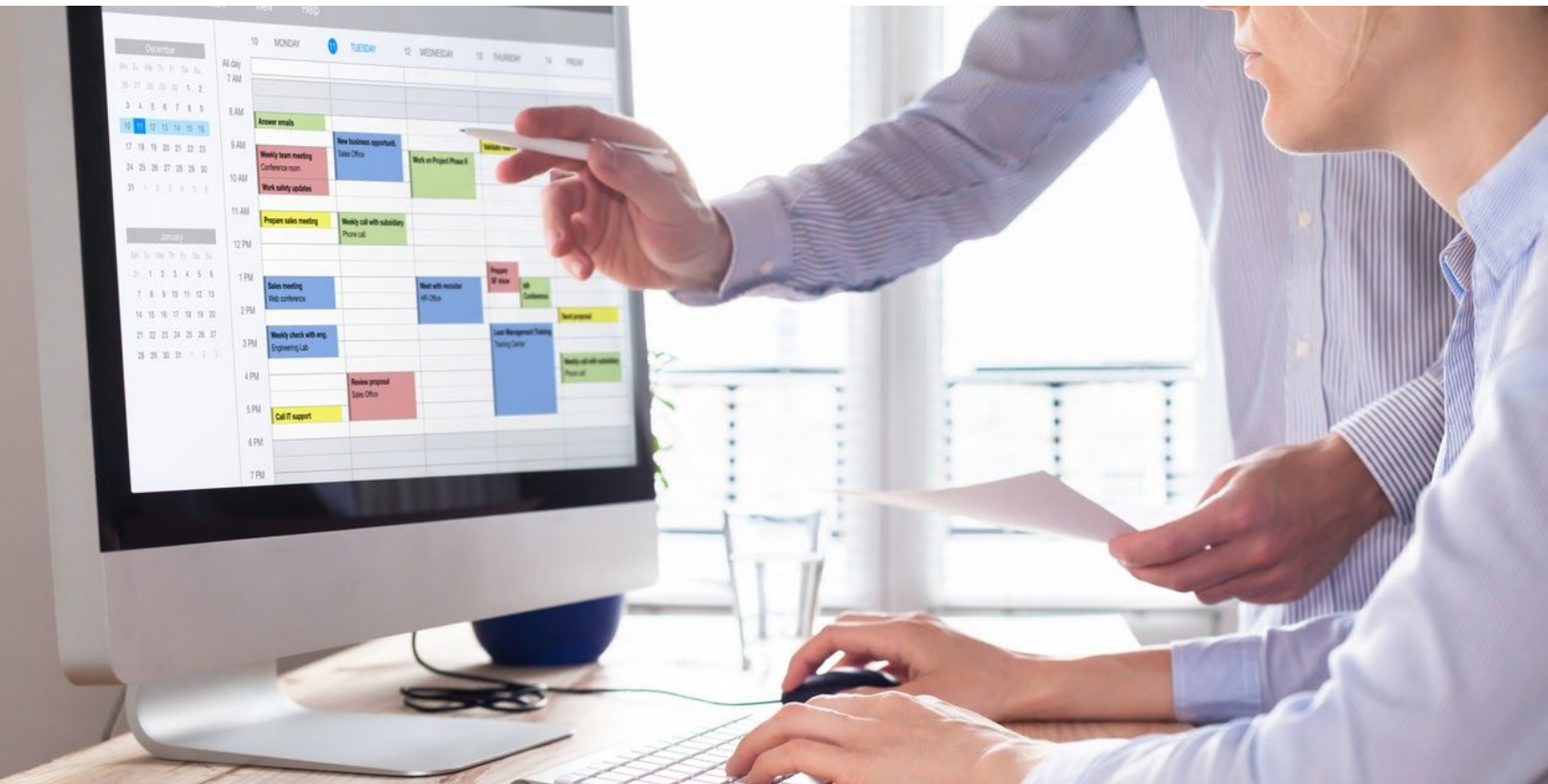
When routes are planned manually, you have to ensure that each new planned route is accurate, one by one. Then, you have to make sure your drivers are aware of all the changes. Drivers will need to learn every new route, and they'll also have to figure out how to adapt to traffic and construction delays.

From the complexity of route planning to the confusion of communicating instructions to drivers, it's easy for mistakes to be made and for drivers to be sent to the wrong locations.

Why waste time and lose money with manual route planning? With vehicle route planning software, you can plan routes with 100% accuracy every time.

The Federal Motor Carrier Safety Administration (FMCSA) [limits how many hours professional drivers can be on the road](#).

They can drive for a maximum of 11 hours a day, and they're only allowed to hit that 11-hour mark if they've had a minimum of 10 consecutive hours off-duty before their shift. Breaking these rules can lead to a hefty fine.



When you plan routes manually, it's easy to mess up and accidentally schedule a driver for 11 hours when you're not supposed to. Route optimization software helps you to keep track of your hours and stay on the right side of the law.

16. How to Choose the Right Route Optimization Software

"Making good decisions is a crucial skill at every level."

— Peter Drucker, Presidential Medal of Freedom-Winning Management Consultant



So far, in this eBook, we've gone on and on about the benefits of route optimization software. Surely you've been convinced by now that this is something your last mile delivery business needs.

But which specific route optimization program should you invest in? There are a few different options to choose from. The following tips will help you [pick the right last mile optimization solution](#):

#1 Do They Offer a Trial Period?

If a company isn't confident enough in their product to let you [try before you buy](#), that's a red flag. Stay away.

Being able to thoroughly examine the service or product you are planning to purchase removes the uncertainty and risk barrier.

At the end of your free trial, you'll know exactly if the solution you're buying is a good fit for your business, and if not, why.

#2 Is It Easy to Use?



The main purpose of buying [routing optimization software](#) is making more money by making your drivers more productive.

If your drivers can't figure out how to use the new solution, then you won't see any of those productivity-boosting benefits. User-friendliness is a must.

You should look for a solution with an intuitive interface and a close-to-zero learning curve that allows your team to start using it without training.

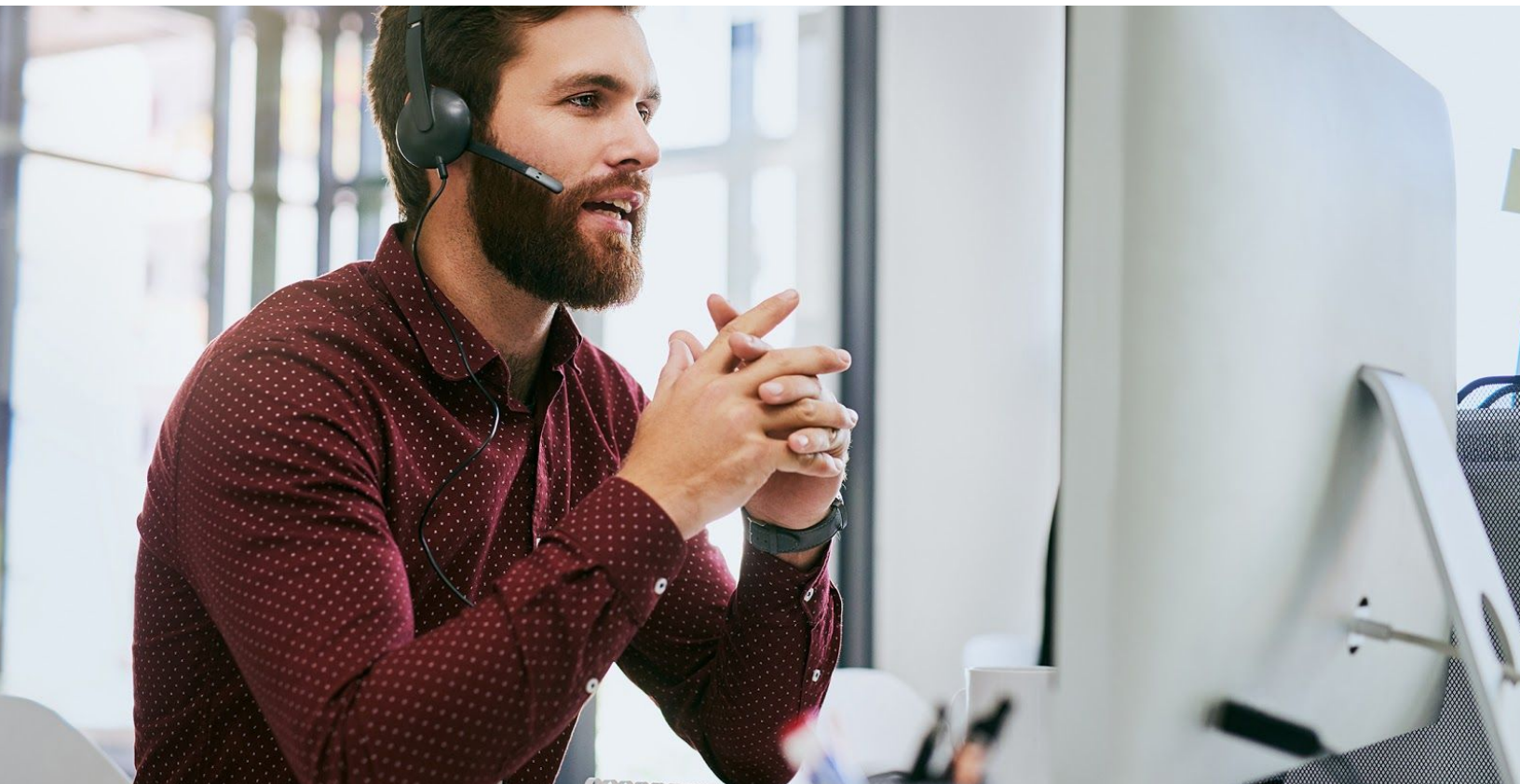
#3 Can You Integrate It with Your Other Tools?

In the era when data is king, having disparate systems will put a toll on the accuracy of your reports.

You need digital tools that can be [integrated with your existing systems](#) to avoid siloed data and improve decision-making.

Does the route optimization solution you're considering to buy offer CRM integration? What about telematics and eCommerce platforms?

#4 How Helpful Is Their Support?



Even if you don't run across any problems during your trial, give their support staff a call anyway. Did they pick up, or did you have to leave a message? Were they helpful or rude? Did they speak the same language as your customers? Was it hard to understand them?

You don't want to commit to a company that won't be able to quickly help you solve issues.

#5 Do They Provide Training During the Trial Period?

Most of the time, you need to learn the product on your own during the trial period. You can expect in-house training only after you pay.

Any company that is willing to provide training during the trial period is likely a company that cares very deeply about keeping their customers happy.

Hidden Costs to Look Out For

NO HIDDEN FEES



Some companies will lure you in with a low rate, only to surprise you with some hidden fees once you've committed to a long-term contract. Want to get out of the contract? Well, that's an even bigger fee.

Before committing to a solution, make sure you check if the features you need are included in the initial pricing model or if you need to pay for them separately. As absurd as this sounds, it's not unheard of for extra fees to keep piling up after agreeing on a price quote with the vendor. Look for transparency.

Can you imagine having to plan routes with hundreds of thousands of addresses and paying 10 cents for optimizing each and every one of them? That's outrageous. Pay-per-stop pricing models should be avoided at all costs.

So, before you sign on the dotted line, look out for these hidden costs:

#1 Setup Fee

There shouldn't be any setup fee for creating an account. This service should be covered by the base price - the company isn't doing you any favors by *setting up* the program that you're paying them to use.

Any vendor's initial goal should be to set their customers for success. The faster you're going to get value from your purchased solution, the bigger the odds to stick with the same vendor in the future. Sure, setup fees increase revenue. But in the long run, how does this help the customer?

#2 Maintenance and Update Fees



This is route optimization software, not a vehicle. Don't pay for *maintenance*.

If you've ever used a GPS device, you know that it needs frequent updates to keep its maps relevant. Imagine being charged for every single update. It sounds ridiculous, but some companies try to pull this off.

Maintenance and updates are vital for improving a software product. But the costs associated with these processes should be supported by the vendor, not the customer.

#3 Training

Are they really going to charge you for showing you how to use their software? Training should be offered free of charge. The faster you can make use of the solution, the more likely you'll be to renew your license or subscription.

So, offering free training is beneficial for both the customer and the vendor. But some companies are focused solely on the short-term gains, not seeing the bigger picture and an opportunity for future growth. Look for a vendor that wants to keep their customers happy and prioritize long-term benefits.

#5 Route Limitations

Once a route optimization software is built, the difference between creating one or two routes and creating one or two hundred routes is negligible. Unlimited routes should be a free feature.

For example, let's say you have 100 customers you need to service per day. If you purchase route optimization software that charges for each optimized stop, you're in trouble. You just got yourself into paying \$3000 each month for a solution that should help you cut costs.

2+ Million Users Can't Be Wrong



Route4Me

2.000.000 Millions Downloads\Users



Every route planning software will allow you to save time, reduce fuel expenses, and make more money.

Route4Me stands out as the best route optimization option for last mile delivery companies. Our software has been fine-tuned for years to make it as powerful and fast as possible, and our customer service is second to none.

We're proud to tell our customers that Route4Me has been downloaded over a million times, making Route4Me one of the most popular route optimization programs in the world.

Route4Me's proprietary route optimization algorithm can compute through hundreds of thousands of addresses and find the most optimal number of routes, drivers, and vehicles necessary to service them all. Route4Me will find the fastest and most cost-efficient sequence of destinations so you can deliver to more customers in less time with the same or fewer fleet resources.

How much do you have to pay for each optimized stop?

Nothing. You can create and optimize an unlimited number of addresses free of charge.

When becoming a Route4Me customer, you should expect free training, no hidden costs, and transparency. You will not be forced to pay for features you don't need. Instead, you

can build your own [customized package of add-on capabilities](#) and features that address your business needs.

Take the First Step Towards Faster and More Cost-Efficient Routes Today!



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