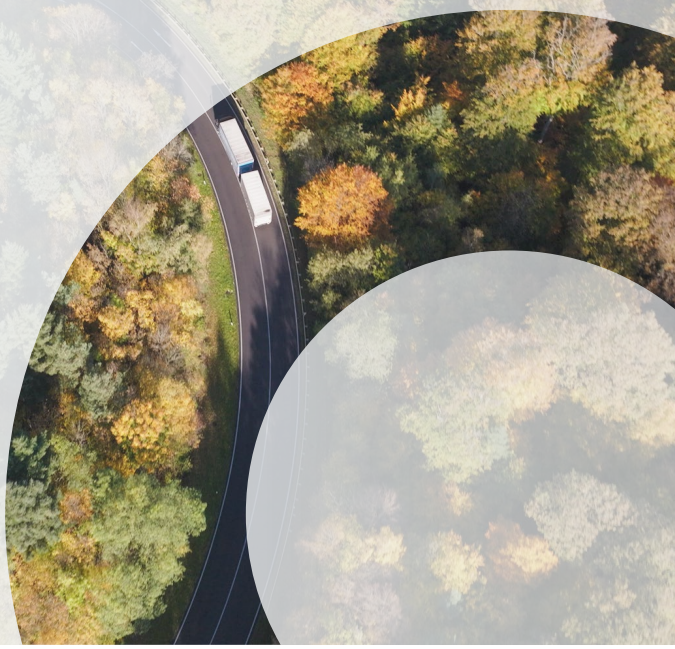
tomtom | GREENPLAN The best Way EPG Ehrhardt Partner Group



CASE STUDY

EPG

Save costs and delight customers with TomTom Traffic

Customer

> EPG > www.epg.com

Location

> Boppard, Germany

TomTom products

> TomTom Traffic

The Results

- Costs reduced by up to **35%**
- Increased on-time deliveries by **5%**
- Improved customer satisfaction by **10%**
- Grew repeat business, **5%** more orders per hour

The overview

Expertly planned routes and accurate to the minute ETAs are everything in fleet operations. Get these wrong and customers are dissatisfied, drivers are stressed, routes go incomplete, costs rack up and fleet effectiveness drops. The more drivers stick to pre-defined routes, and the better those routes are at negotiating everyday uncertainties like traffic, the more costs can be reduced, customers can be satisfied and deliveries made on time, every time.

Logistics software and solutions provider Greenplan, part of Erhardt Partner Group (EPG), has developed a unique route planning algorithm that considers traffic conditions from the outset to tackle this challenge. And in doing so, it's unlocked cost savings, improved ETAs and led to huge gains in fleet efficiency.

Through optimizing routes and using EPG's specialist route planning tool, fleet operational costs have been shown to fall by up to 35% and the number of on-time deliveries increased by 5%. With these improvements, customer satisfaction increases, which is proven to lead to more repeat business.

The challenge

While working at DHL's Research and Development department, Greenplan CEO Clemens Beckmann found that the fleet delivery routes devised by many enterprise solutions did not work as well as they should. The sub-optimally planned routes would often lead to increased idle and travel times, leaving fleet vehicles stuck in traffic. As a result, drivers would often abandon the plan and use third-party navigation applications to adjust their route on the fly as they attempt to avoid congestion.

This issue stemmed from the fact that delivery routing systems often don't consider traffic conditions when routes are being planned. This leads to scheduled delivery ETAs that can't be met with consistency and exposes delivery drivers to their main vulnerability: unforeseen hold ups due to adverse traffic, road incidents or road closures.

When delivery drivers break from their planned route, customer satisfaction, ETAs and the optimization of vehicle use fall by the wayside as packages are delivered too early, too late or not at all.

Greenplan was born from the attempt to address this fundamental flaw in fleet route planning and streamline the driver and customer experience. Its goal was to develop a route planning algorithm for fleets that considered traffic conditions at the planning stage, to create routes that drivers could trust and stick to. Beckmann knew achieving this would lead to improvements in a number of areas: fleet efficiency, ETA accuracy, and in turn, customer satisfaction (net promoter score) and repeat business.

The solution

Greenplan turned to the Institute of Discrete Mathematics at the University of Bonn as mathematics partner and to TomTom for its market-leading traffic data. And Beckmann set out to create an algorithm that includes the expected, time-of-day dependent “time distance” between stops.

As one of the most complete features on the market, the resulting algorithm incorporates information about historic and predicted traffic trends. It also factors in details that many of TomTom’s competitors do not have, including road restrictions for trucks and information on the maximum height and weight for bridges. In Greenplan’s experience, speed profiles on TomTom’s data are also more accurate than many other sources, being updated every five minutes instead of every 20 as some competitors do. Altogether, this allows Greenplan to compute routes with a holistic view of real-world road conditions at the planning stage.

“Our newly developed frontend, called Execution, is using TomTom traffic data to give updates on ETA every 30 seconds,” Beckmann adds. “With this, the dispatcher in front of the screen can manage their routes, adjust where necessary and inform drivers and recipients of any changes. The close to real-time traffic data from TomTom enables our dispatchers to act fast to real-life events, adding another advantage to our offering.”

Drivers that use this solution say it’s as if someone with local knowledge of their district and all its traffic quirks has planned the route — making them trust the plan and stick to it.

The takeaway

> **In the case of one large Dutch retailer, switching to Greenplan’s solution increased its number of on-time deliveries by 5%. On top of this, its Net Promoter Score, a measure of customer satisfaction, increased by 10%. And increased satisfaction leads to repeat business, in this instance, the number of orders per hour increased by 5% after improving the punctuality of deliveries.**

With more and more logistics providers selling ETA as value and customers building their lives around trusting that their allocated delivery time is accurate, computing routes that drivers stick to and providing accurate ETAs has never been more important. Indeed, when drivers stick to the plan, the result is higher cost savings, a greater on-time ratio and increased customer satisfaction.

EPG/Greenplan say that their customers make such significant cost savings that they get a return on their investment within six months.

TomTom’s traffic data plays a vital role in unlocking these efficiency gains and cost savings for fleet operators. Updating every 30 seconds, TomTom’s up-to-the-minute traffic data sets the standard for real-time congestion insights. And updating every 5 minutes, compared to the 20 minutes of competitors, TomTom’s Speed Profiles give accurate insights for real-world expected travel times.

EPG/Greenplan has made such an impact that its achievement has won several awards. Thanks to TomTom’s Speed Profiles and the unique way EPG processes them, the company’s lead researcher and his team won the Amazon Last Mile Challenge in 2021, Beckmann says. In 2023, the solution also won the WSA prize from the United Nations and best product at the LogiMAT tradeshow.

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