

The Forgotten Mile

Lakeside recognizes the value of the Last Mile. We understand what is required to deliver satisfaction to your customers. We deploy systems and web-based support services to provide the transportation service that each end-customer's business requires.

Think about the value of your Last Mile. It's worth a small investment of time to explore the opportunities.

Excerpt from the May 2006 issue of the Compass newsletter.

We are striving to focus on the customer, focus on the bottom line and run a leaner, smarter supply chain. Too often, we forget about one important component in that supply chain – the Last Mile.

The Last Mile of a company's supply chain is the final and the most critical link between a company and its customers. It gets your product to your customers' door and is a major influence on their perception of your company's reputation and brand. Some say it's your face to your customer. A bad experience can be damaging to your bottom line as well as your brand. It can make the difference between keeping and losing a customer.

There has been a flow of new technology developments and services to streamline the supply chain and optimize performance in transportation but again, the Last Mile is forgotten – few of the new solutions target this component.

Traditionally, the Last Mile has been about home delivery but it goes beyond that: it's fulfillment and sequencing at the assembly line, time-sensitive delivery of parts and fresh-dated food products or any number of other products or materials that customers need to conduct their business.

Not only is the Last Mile a critical customer service element but it has a major impact on the bottom line. CSCMP (Council of Supply Chain Management Professionals) says that 28% of all transportation costs occur in the last mile.

With the heavy investment that goes into product development, manufacturing and transportation, don't erode your ROI with poor service in the Last Mile.

The Last Mile is complex with differing geography and wide ranging customer needs. Planning and control is a challenge. Companies use different approaches, but few succeed in meeting the total requirements of that Last Mile:

1. Assign responsibility to local level: Risks inconsistencies in service and branding
2. Contract transportation by location: Risks inconsistencies in service and branding
3. Invest in a fleet: Adds unnecessary costs and management time

Outsourcing to an international transportation company surfaces as the ideal solution. However, selecting the right partner is the key to success. It takes commitment to your operating values, dedication to customer service and the systems to support tracking, control costs and measure performance.

There is some push back to outsourcing; it is seen as an added expense when companies are trying to take costs out of the system. This is seldom true when the details are objectively evaluated. What is the value of your brand? What is the life-time value of your customers? Do you want to discard these values for the sake of a potential increment in cost?