



# Managing Your Own Fleet

How transitioning to a managed fleet can reduce costs and enhance delivery experiences



# Managed Fleets

In logistics, a managed fleet refers to a group of vehicles, such as trucks or vans, that are owned or leased by a company and are used to transport goods or materials. The management of a fleet typically involves coordinating the scheduling and routing of vehicles, monitoring their performance, and ensuring their maintenance and repair.

A managed fleet may be operated by a company's in-house logistics department or by a third-party logistics (3PL) provider. In either case, the goal is to optimize the use of the fleet to minimize costs, maximize efficiency, and ensure timely delivery of goods.

A key aspect of managing a fleet is using technology to track and manage vehicle locations and performance in real-time. This allows for better visibility and control over the fleet, which can help to reduce costs and improve customer satisfaction. Other aspects of fleet management may include driver training and safety, fuel management, and compliance with regulations and environmental standards.

Nevertheless, many retailers do not manage their own fleets due to the capital investment, additional labor costs and logistics processes required of the model. Relying on outsourced delivery networks can negatively impact the business, oftentimes leading to increased cost per delivery and reduced delivery control, both of which can lead to poor and generic customer delivery experiences.





# The Benefits of a Managed Fleet

A managed fleet can improve a retailer's logistics operations, which can lead to cost savings, increased efficiency and improved customer satisfaction. By owning and managing its own fleet, a retailer gains greater control over the delivery process, which can allow them to customize their delivery options and create unique delivery experiences for their customers. We'll explore some of these benefits in further detail below:





## THE BENEFITS OF A MANAGED FLEET



### **Reduce delivery time and costs:**

A managed fleet allows a retailer to optimize delivery routes, reduce transit times, and avoid unnecessary delays or detours, which can lead to lower costs and faster delivery times.



### **Increase stops per hour:**

Optimized routing and enhanced logistics control can increase the number of stops a delivery driver makes per hour, which can improve efficiency and reduce costs.



### **Increase ETA accuracy:**

A managed fleet can provide more accurate and reliable estimated times of arrival (ETAs) to customers, which can improve customer satisfaction as well as logistics efficiency.



### **Expand delivery options and SLAs:**

With a managed fleet, a retailer can offer a wider range of delivery options and service level agreements (SLAs) to customers, which can improve customer satisfaction and loyalty.



## THE BENEFITS OF A MANAGED FLEET



### **Remove risk and reliance on outsourced networks:**

Retailers can reduce their reliance on third-party logistics providers and their networks, which can help to mitigate risks and ensure greater control over the delivery process.



### **Reduced carbon emissions and impact on environment:**

With greater control of their fleet, retailers can more easily implement environmentally friendly practices that reduce its carbon footprint, which can be a competitive advantage and appeal to environmentally conscious customers.



### **Unlock new revenue streams and cost savings:**

A managed fleet enables retailers to explore new delivery models and cost savings opportunities, such as direct-to-consumer deliveries and vendor direct deliveries.



### **Deliver unique, branded experiences:**

A delivery is an extension of a retailer's brand, and a managed fleet allows retailers to create unique, branded delivery experiences. This is simply not possible with most third party carriers.



## THE BENEFITS OF A MANAGED FLEET



### **Improve home installation and white glove services:**

For retailers of large items like furniture or appliances, a managed fleet can enable them to provide home installation processes and white glove services, which can create competitive advantages as well as revenue opportunities.



### **Improve reverse logistics and returns management:**

A managed fleet can help a retailer streamline and improve its reverse logistics and returns management processes, which can reduce costs and improve customer satisfaction.

Of course, owning and managing a fleet also comes with challenges, such as vehicle maintenance and repair, driver recruitment and training, and regulatory compliance. However, for some retailers, the benefits of a managed fleet may outweigh these challenges.



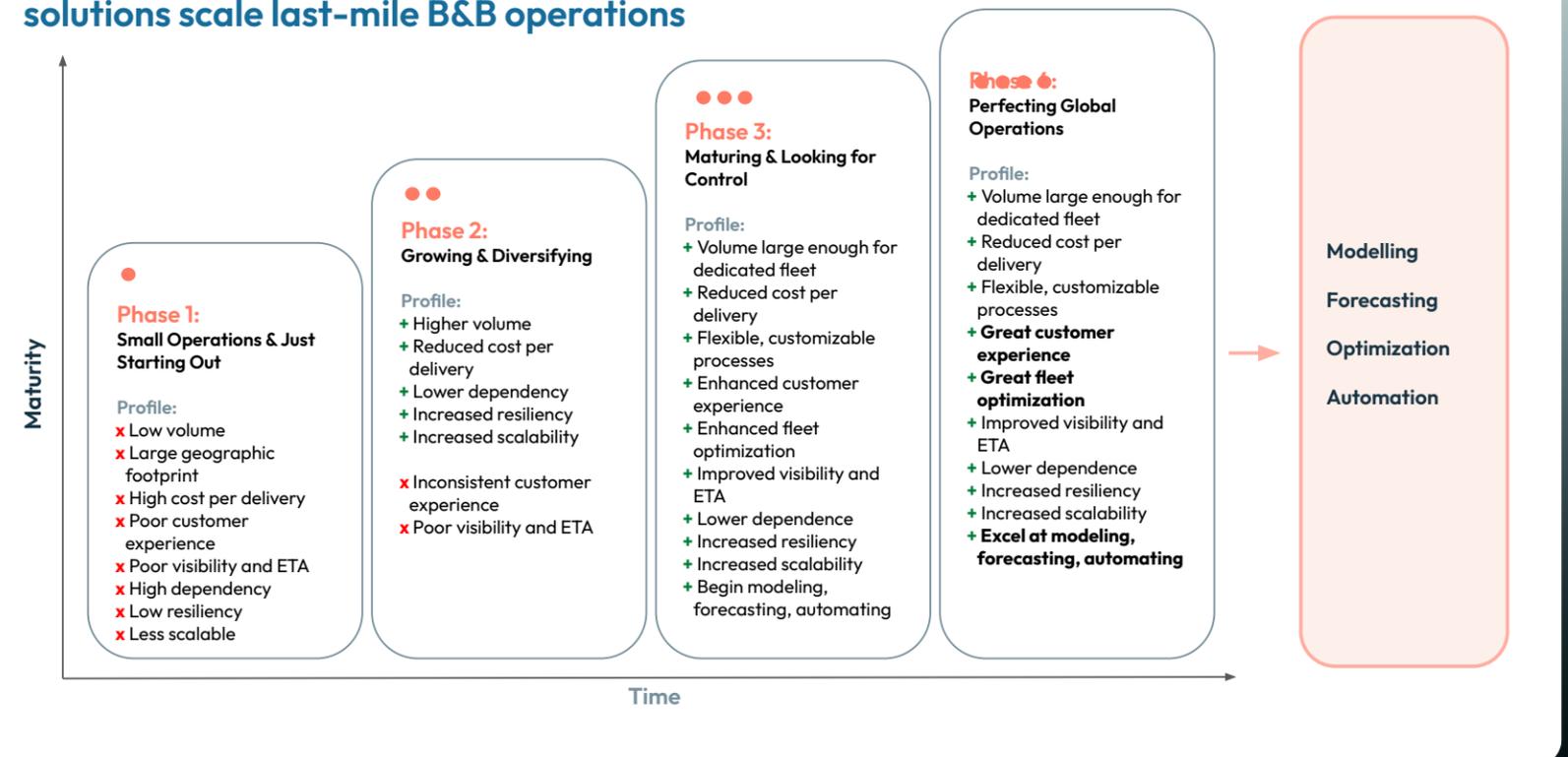
# When to Consider a Managed Fleet

The decision to manage its own fleet is a strategic one that depends on several factors, such as the size and maturity level of the retailer, its delivery volume and frequency, and the geographic footprint of its deliveries. Generally, larger retailers with high delivery volumes, complex delivery networks, and significant transportation costs are more likely to benefit from managing their own fleet.

Retailers should have a well-established logistics operation with a clear understanding of its delivery requirements, customer demands, and transportation constraints before considering managing its own fleet. This can help ensure that the retailer is ready to take on the additional responsibilities and risks associated with owning and managing a fleet.

## Big & Bulky Retailer Maturity Curve

From startups to global enterprises, FarEye solutions scale last-mile B&B operations





# Technology: Manage Your Own Fleet with Ease

Managing your own fleet may seem daunting, but with the right tools in place, you can reduce costs, risk and reliance on outsourced delivery networks by managing your own network, all on one platform. Let's take a look at some of the technology solutions you will need to launch a managed fleet:





# Technology:

## Manage Your Own Fleet with Ease

### Routing and optimization:

Software algorithms that determine the most efficient and cost-effective delivery routes. These account for factors such as distance, traffic, delivery windows, and order volume. Real-time dynamic routing allows for on-the-fly adjustments based on changing conditions, ensuring that deliveries are made on time.

### Delivery partner management:

A network of delivery partners, including carriers, drivers, and other service providers. Carrier allocation and rate card management solutions enable retailers to optimize their delivery partner mix based on factors such as geography, capacity, and pricing. This allows them to balance costs with service levels to provide the best delivery experience for their customers.

### Multi-option delivery:

Retailers must provide customers with a range of delivery options, including next-day, same-day, curbside, to the door, white glove, installations, and other services. This requires a system that can support multiple delivery options while providing real-time updates and tracking information to customers.

### Driver and asset management:

This involves managing driver and asset capacity planning, vehicle configuration, roster management, tracking, and communication. Effective driver and asset management ensures that delivery capacity is utilized efficiently, reducing the risk of delayed or missed deliveries. It also enables retailers to communicate with drivers and provide real-time updates to customers.

### Analytics and automation:

Advanced analytics and process automation that improve efficiency and service levels. Analytics and dashboards provide real-time visibility into delivery operations, enabling retailers to identify trends and optimize their delivery network. Automation reduces manual tasks, freeing up time for staff to focus on more value-added activities. This leads to greater operational efficiency, improved customer service, and ultimately, increased profitability.



# About FarEye

FarEye's Delivery Management platform turns deliveries into a competitive advantage. Retail, e-commerce and third-party logistics companies use FarEye's unique combination of orchestration, real-time visibility, and branded customer experiences to simplify complex last-mile delivery logistics. The FarEye platform allows businesses to increase consumer loyalty and satisfaction, reduce costs and improve operational efficiencies. FarEye has 150+ customers across 30 countries and five offices globally. **FarEye, First Choice for Last Mile.**