



# CityLab Brussels

Increasing vehicle loading by utilizing spare transportation capacity

Lieven Deketele (P&G) & Bram Kin (MOBI-VUB)





# Small, independent retailers (nanostores) Vrije Universiteit Brussel

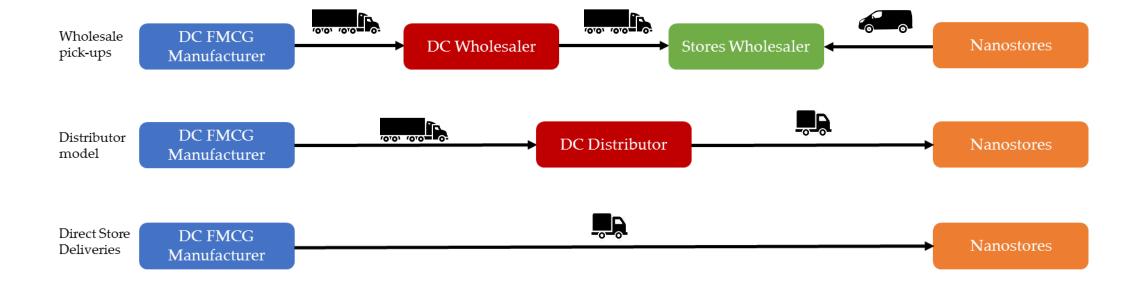






# Supply: Modern vs. Independent retail



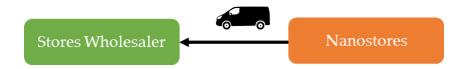






## Own-account pick-ups





- 30-40%: all daily delivery trips in cities as a result of independent retailing (Dablanc, 2011)
- >50%: independent storeowners in Brussels visiting the wholesaler at least twice per week (Citylab, 2017)
- <25%: vehicle fill rate of own-account vehicles (Buck, 2005)</li>



- Unnecessary presence of freight vehicles, mostly vans, on urban roads
- Own-account pick-ups are a cost but not considered as such by storeowners
- Very low vehicle utilization, occupying urban space most of the time
- No in-store visibility for manufacturers





# Vehicles of service-driven companies





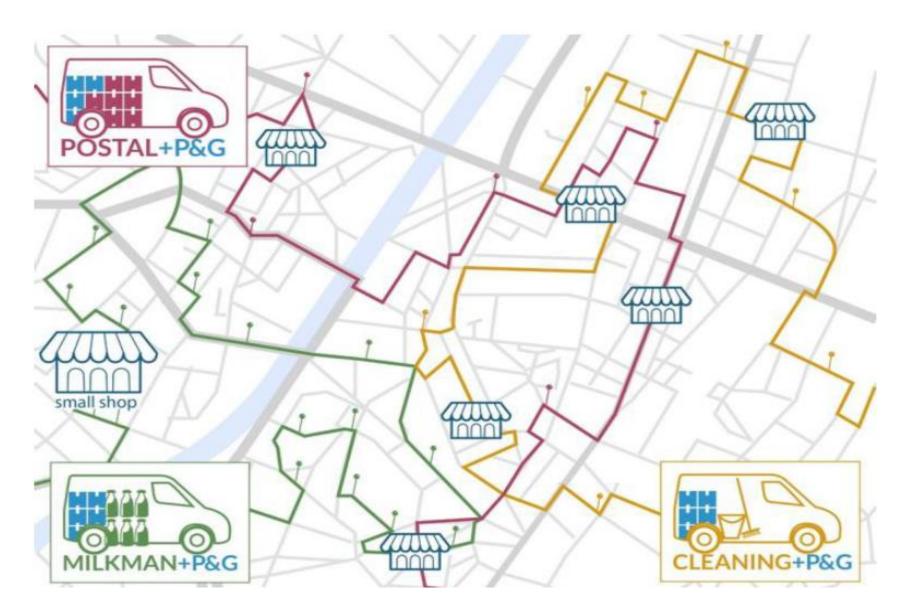






## Concept









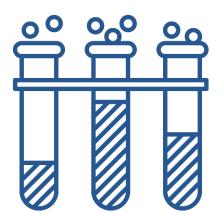
## Living Lab Experiment



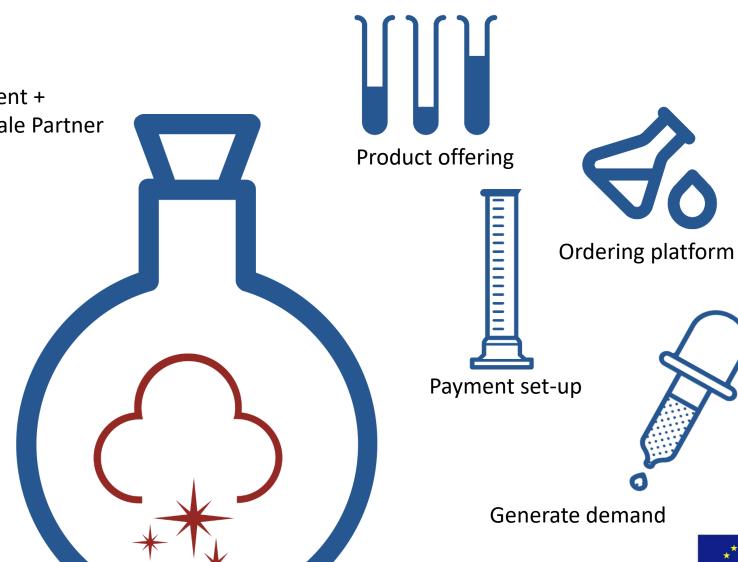


Fulfillment + Wholesale Partner

Service-driven companies



Storeowners









Discounter Retail

Wholesaler Retail

Distributor Rep (too expensive)

Webshop accessible only for Store Owner

#### Shipping

Collection by store owner

Delivery by Distributor (too expensive)

Using low cost shipping (free transport capacity)

#### Billing

Payment in Discounter / Wholesale

Online payment





### Implementation process





Distributor/wholesaler to sell products and fulfil orders

Commercial set up
Fulfillment
Assortment
Attract customers?
Spare service transport
capacity?



Company to develop webshop and payment module

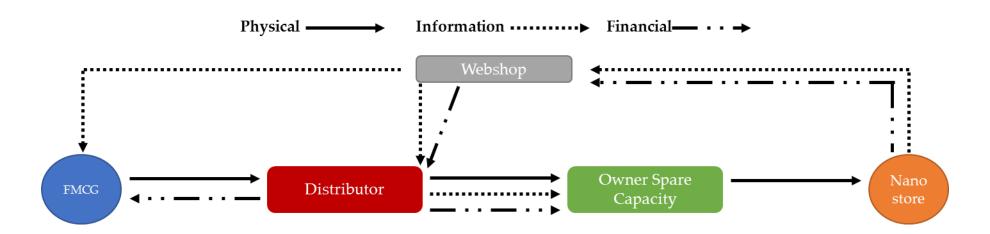
Sales company to approach and involve storeowners





## Supply chain set-up



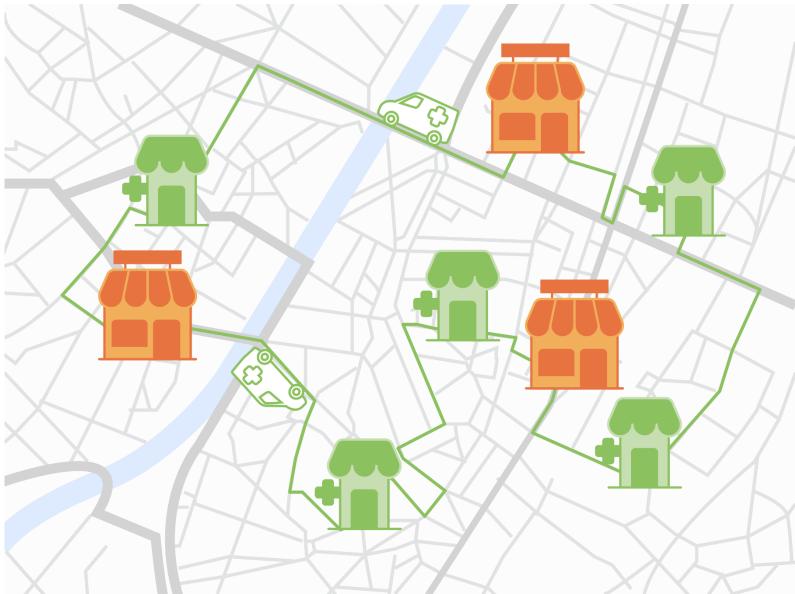








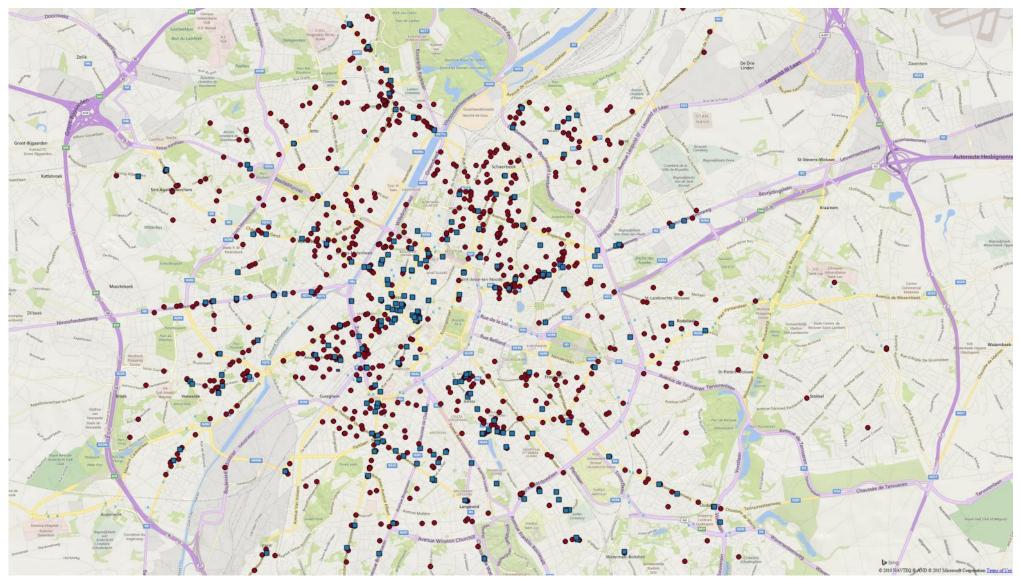








# Nanostores in the Brussels Capital Region Vrije Universiteit Brussel







#### Results





5 storeowners ordered and paid online Ingrained behaviour to visit a wholesaler



O additional vehicle kilometers by Febelco to deliver orders 19 avoided kilometres own-account pick-ups



Saved emissions: CO2, SO2, NOx, PM



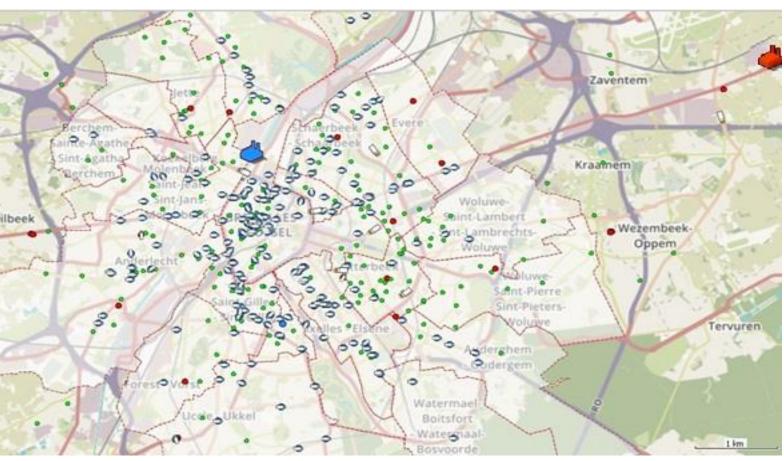
Supply chain worked, but # orders low
Simulations show that there is capacity to add more deliveries





#### Simulations: SYMBIT





#### **Scenarios**

- S1: 100% own-account, 0% website orders
- S2-3: 5/10% website orders
- S4-5: 5/10% website orders, centrally located DC for store deliveries
- S6-8: 0-10% website orders, centrally located DC

Kin, Ambra, Verlinde & Macharis, 2018





StoreCar

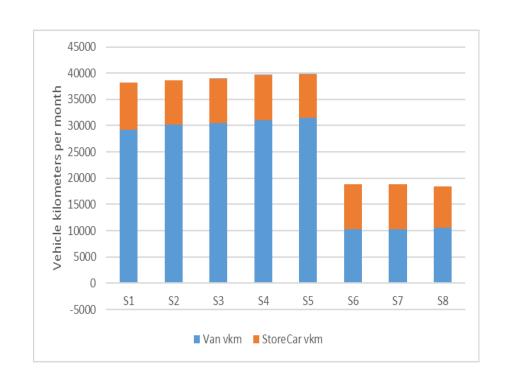


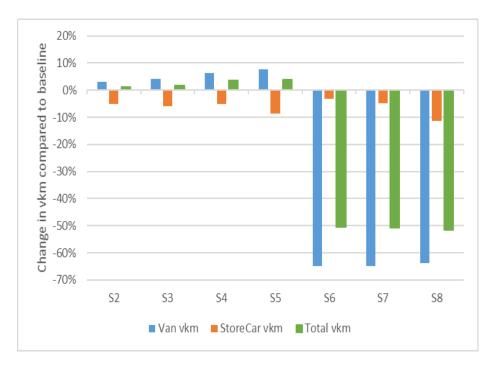




### Results simulations







Kin, Ambra, Verlinde & Macharis, 2018





## Conclusion: is there potential?



- Behaviour store owners
- Professional service-driven companies with a dense network:
  - To provide a decent service level
  - To limit additional vehicle kilometers to a minimum
- Network of service-driven companies and use of centrally located DC with bundled deliveries









**Dr. Sara Verlinde** sara.verlinde@vub.be



**Lieven Deketele** deketele.l@pg.com



**Bram Kin** bram.kin@vub.be



**Prof. Cathy Macharis** cathy.macharis@vub.be

www.citylab-project.eu/





