



CityLab Brussels

Increasing Load Factors by Utilizing Free Van Capacity to Supply Small Format City Stores





Agenda

- Introduction of SNIC and MOBI
- Research last mile (mega)cities – Innovative concepts
- Citylab Brussels
- Set-up project
- Dissemination findings
- Q&A





66%
-2050-

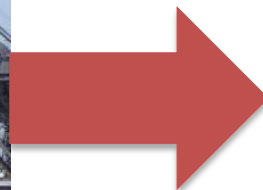


“I find this new road layout a little confusing.”





Massification



Atomization





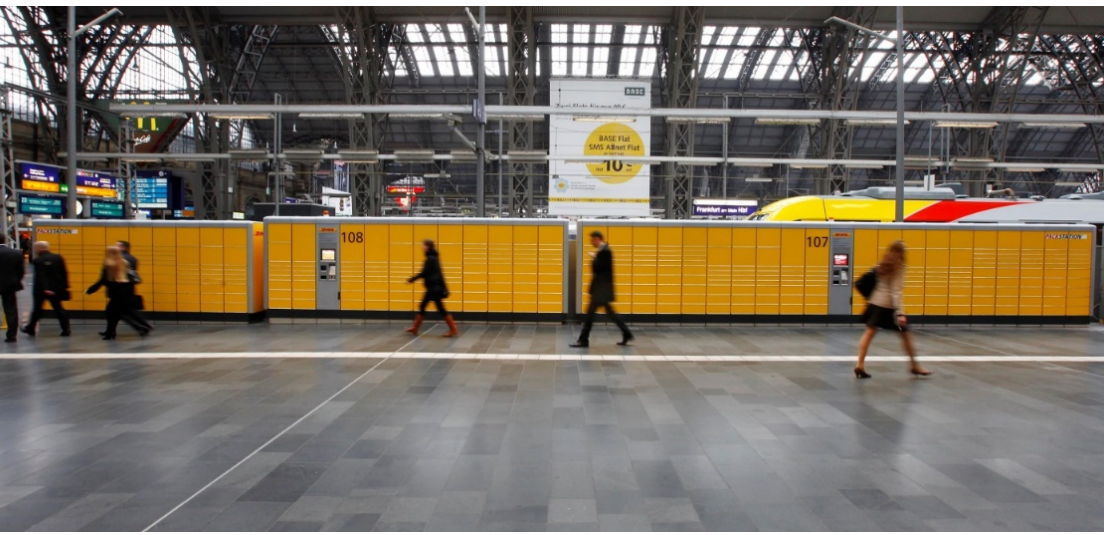
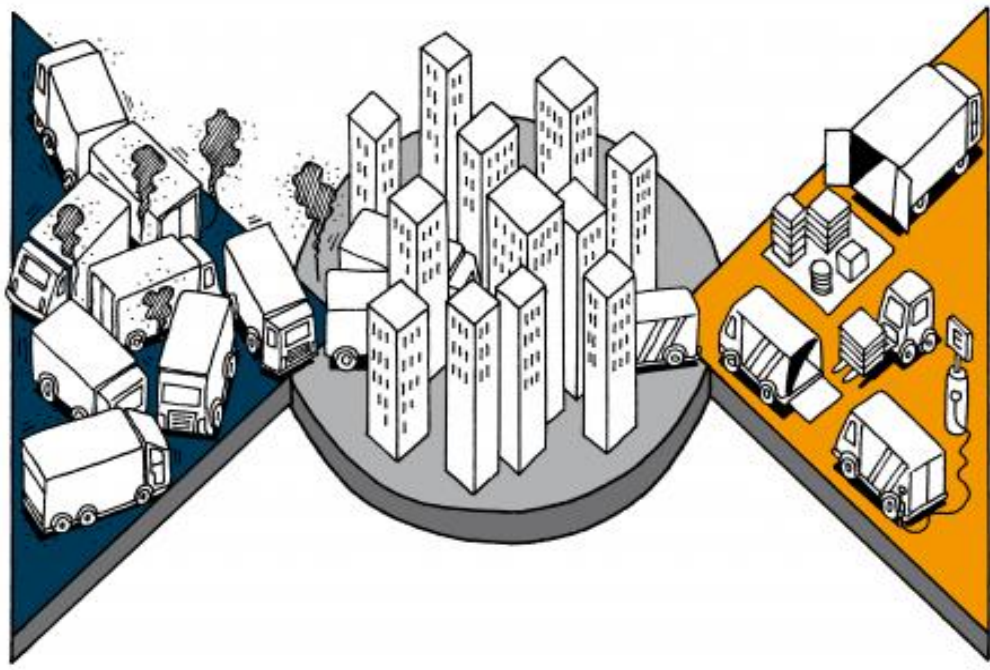
Summary

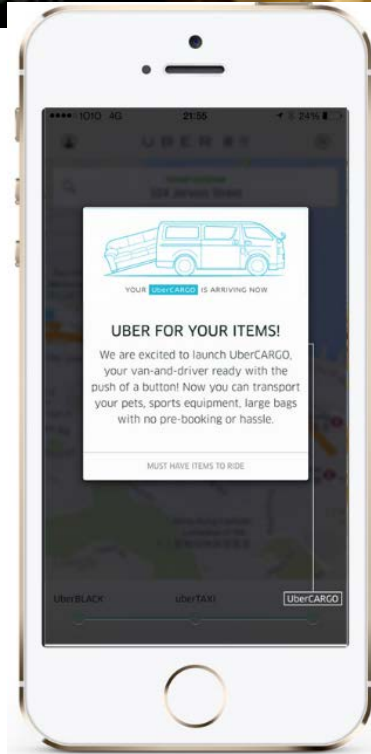
- Fragmentation freight flows
- Growing urbanization (i.e., megacities)
- Congestion increases
- Negative side-effects (e.g., air pollution)
- Restrictive traffic measures
- High density and logistics sprawl leading to longer distances

Are there more cost/service-effective concepts to deliver fragmented freight flows more efficiently?



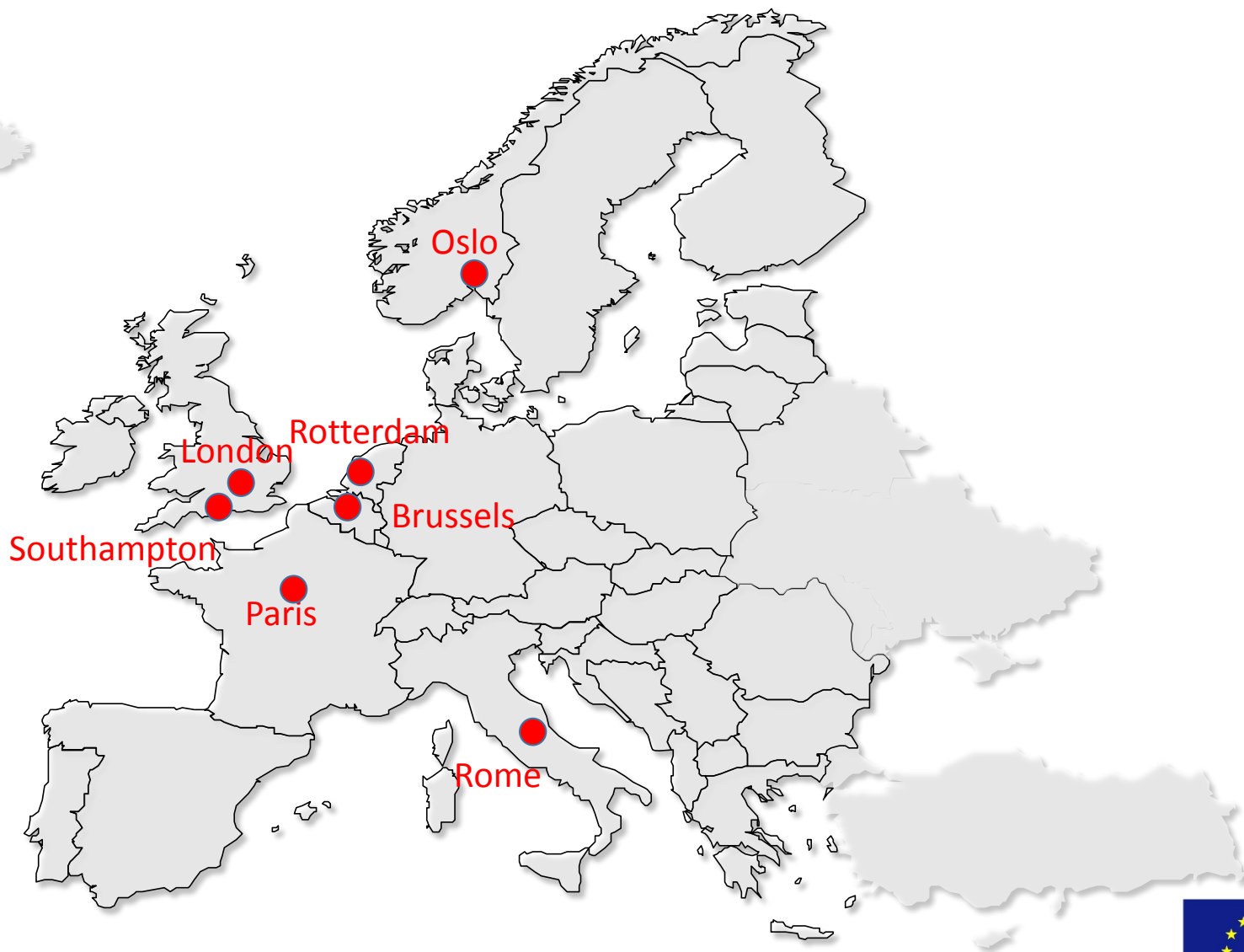






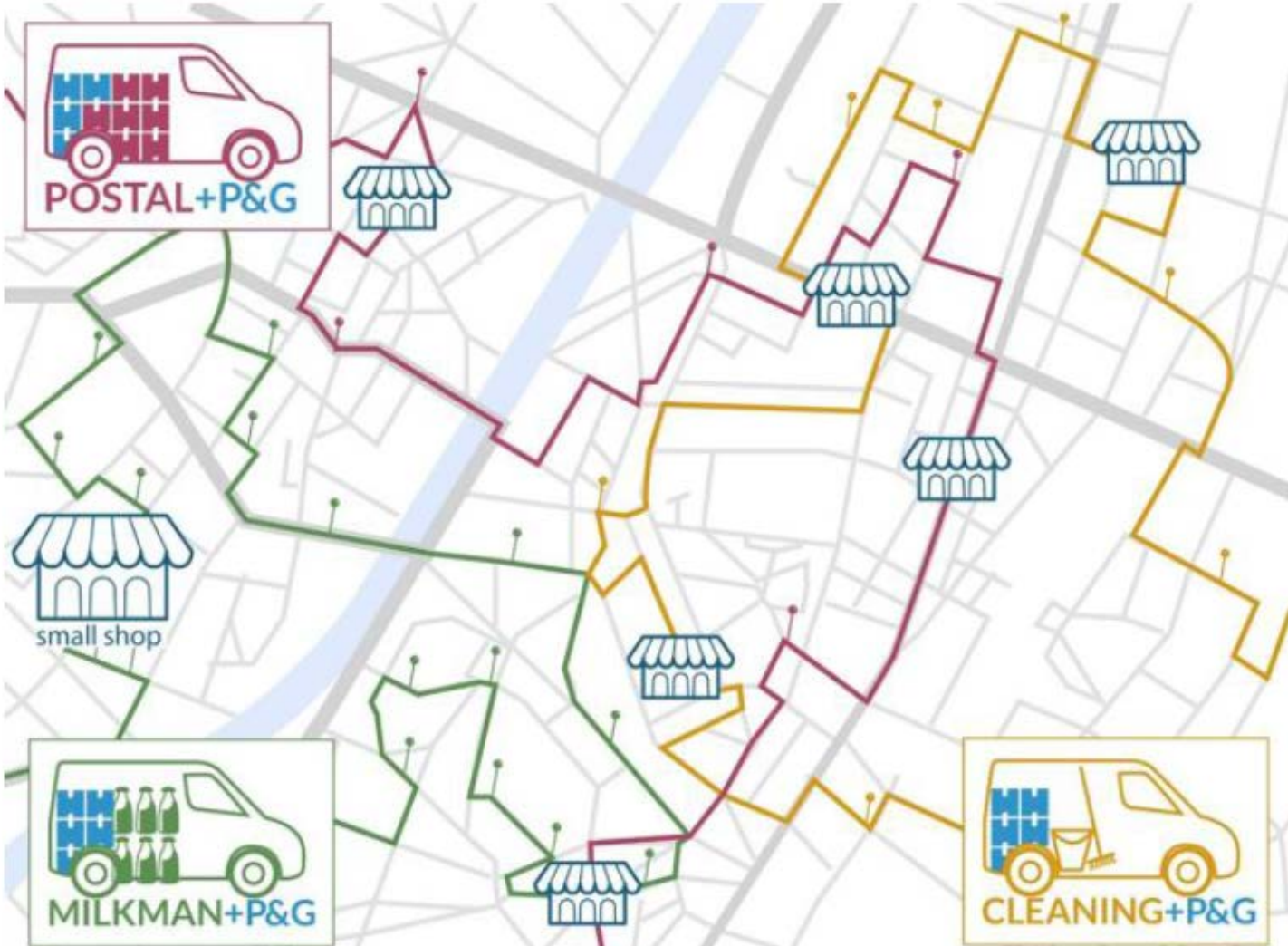


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Small format city stores





Characteristics stores

limited Shelf Space
low Cash
no back room
high Product rotation
not on shelf = lost sales

Small order sizes

Less View on Shelf availability
Less Personal contact with store
owner

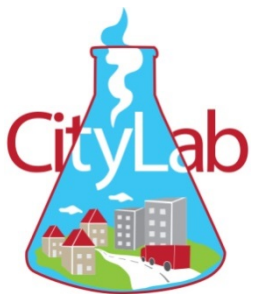
Distributors
Wholesalers
Super/Hypermarket



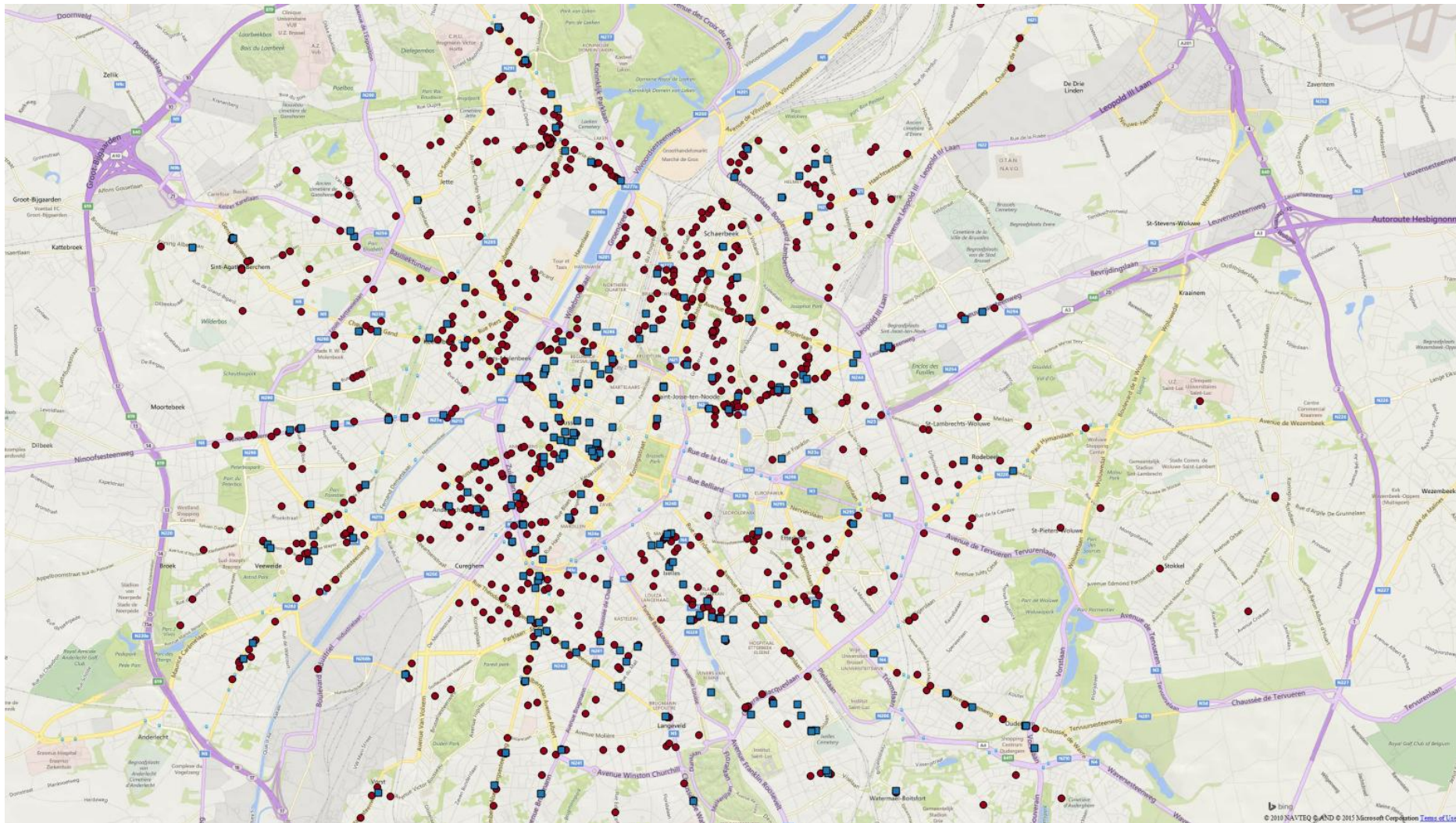


Brussels





Stores in Brussels



Stakeholders





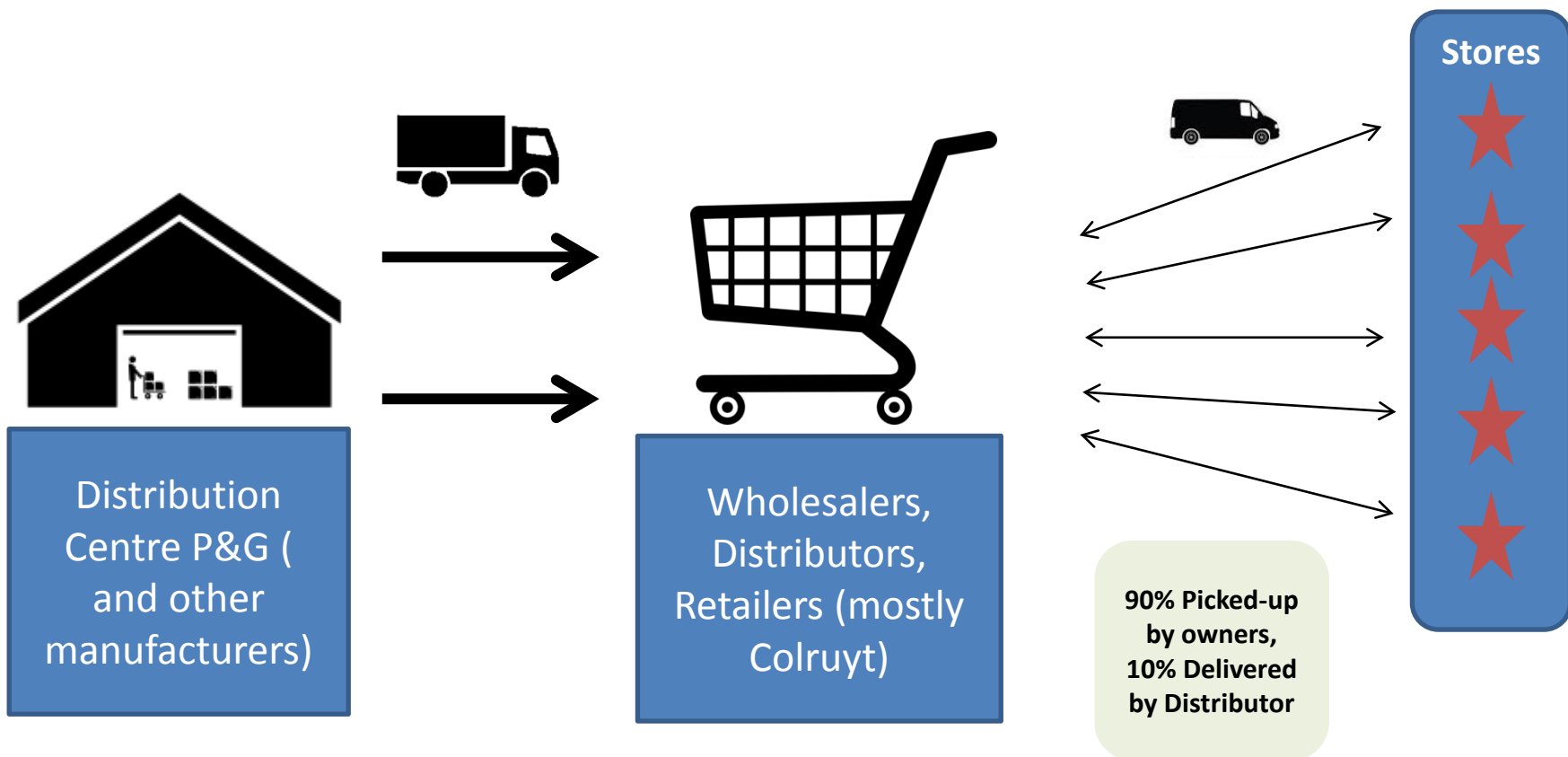
Expected impact

- Increase load factor by filling free capacity
- Less in-city Traffic
- Shorter vehicle dwell times
- Multiple drops/destination
- Reduce or eliminate store owner pick-ups
- Fewer vehicle kilometers
- Better Service towards stores





Current supply chain set-up



New supply chain set-up

Previously



New set-up





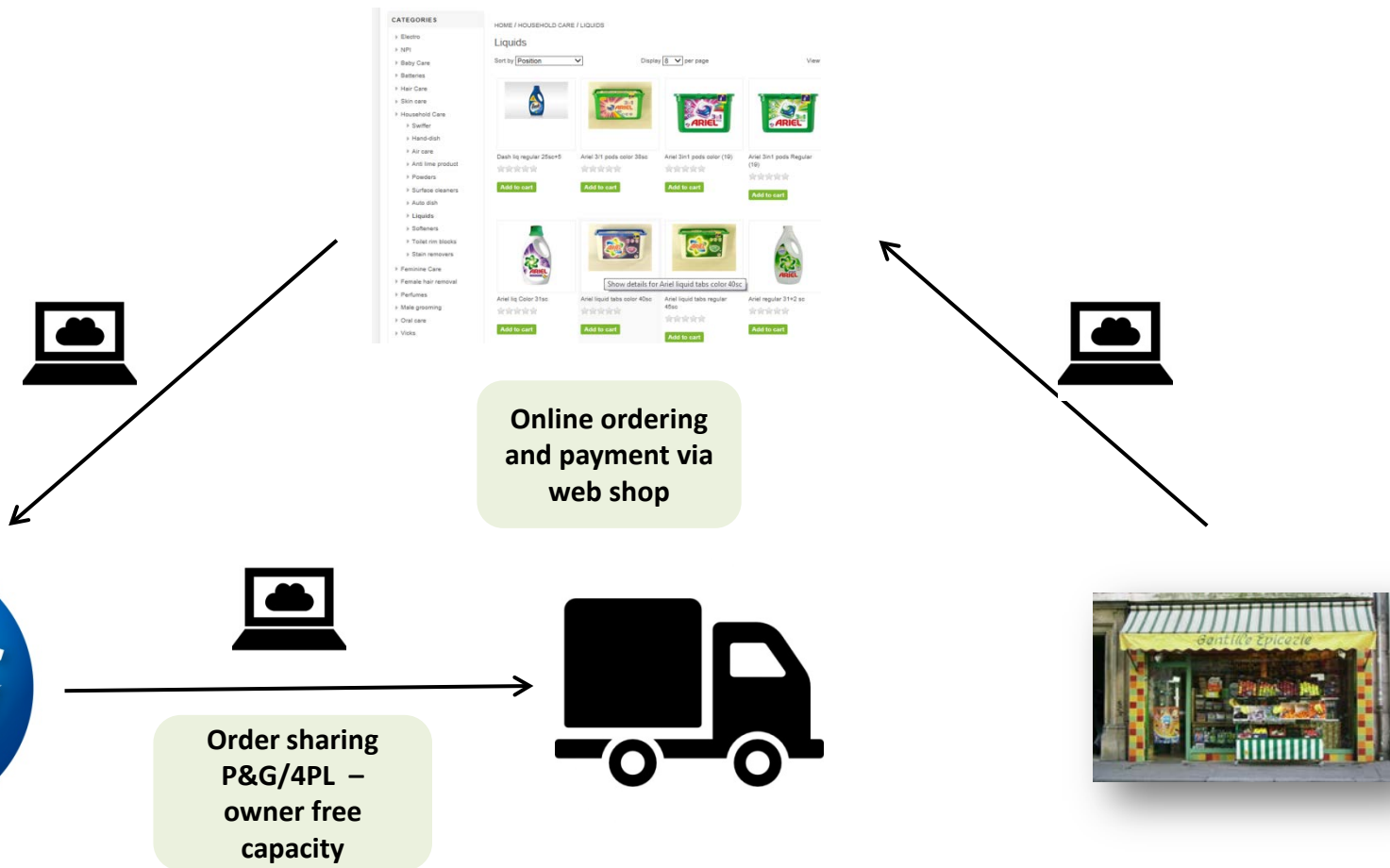
New set-up

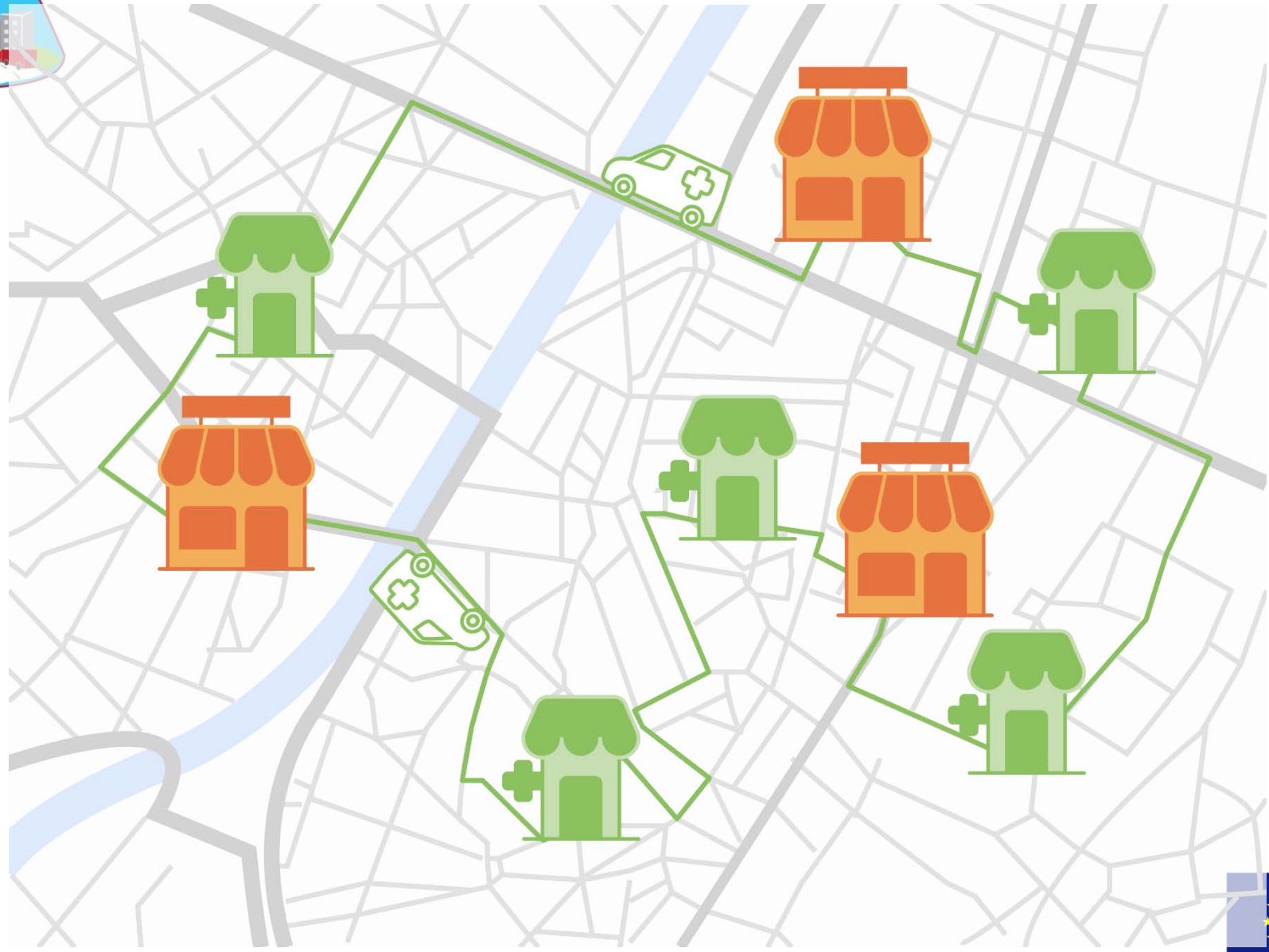
- Involve 20-40 stores
- +/- 30 products can be ordered online at a newly created webshop
- Webshop, inventory and picking managed by 4PL
- Products are either picked-up at 4PL DC by owner of free capacity or delivery to the DC of the owner of free capacity





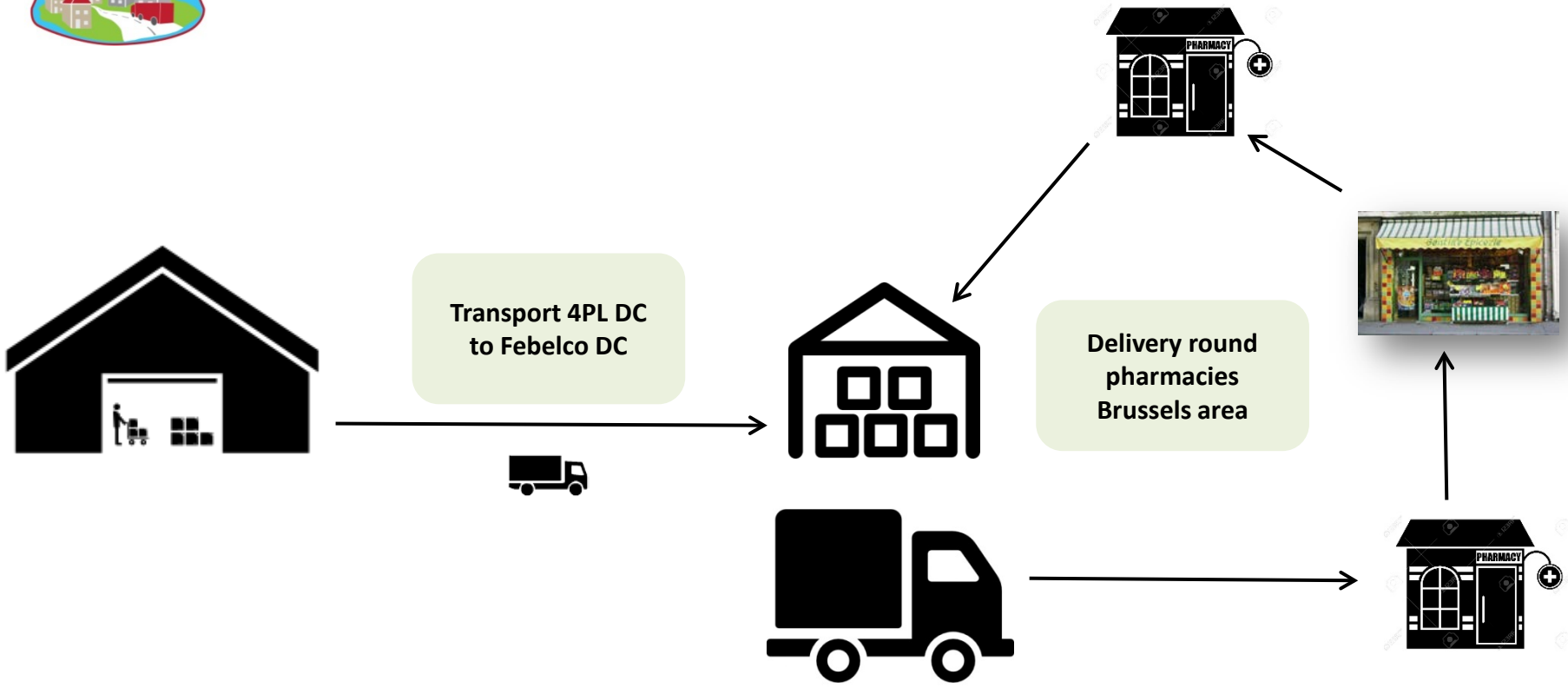
Information/Cash flow

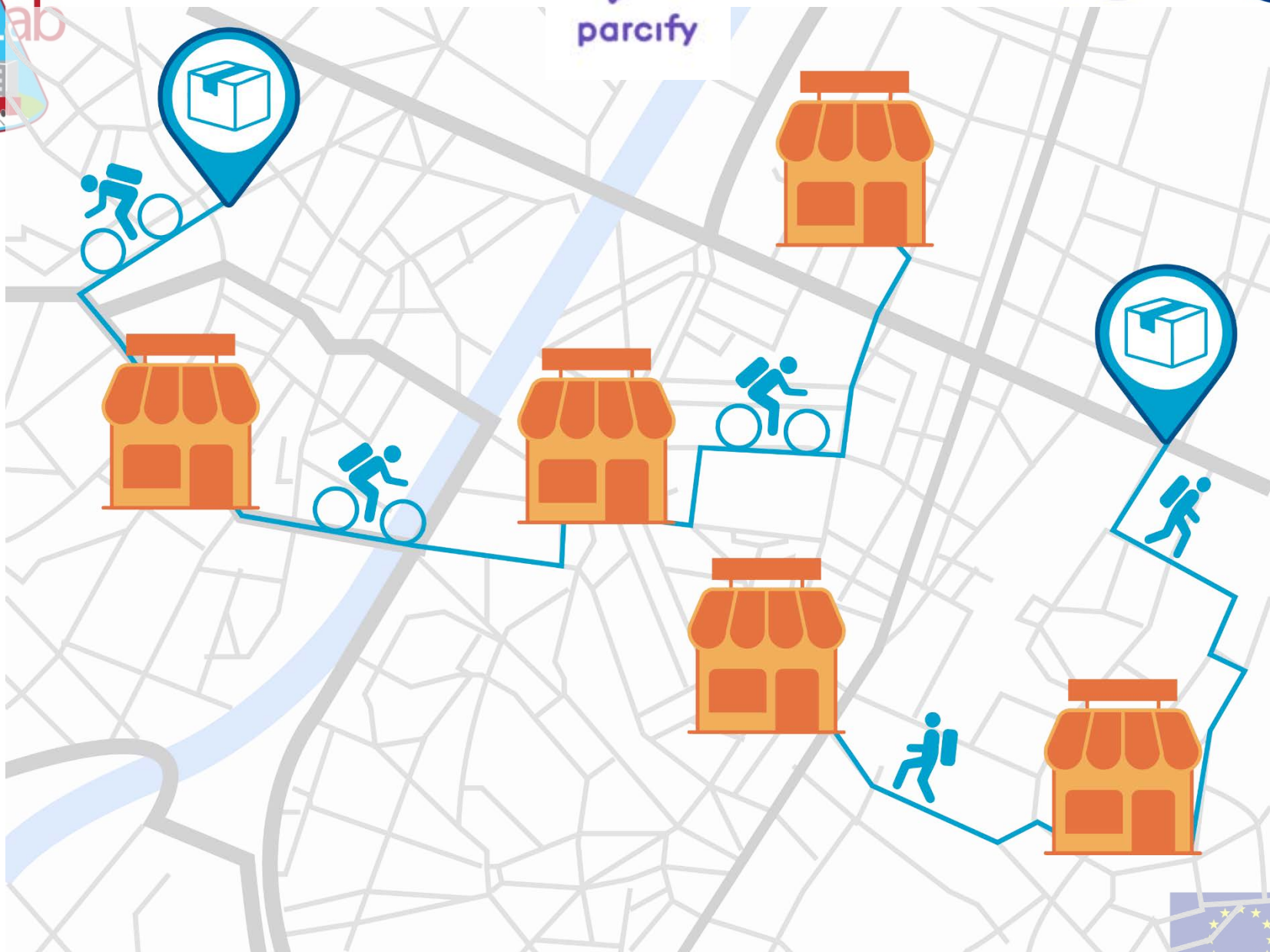






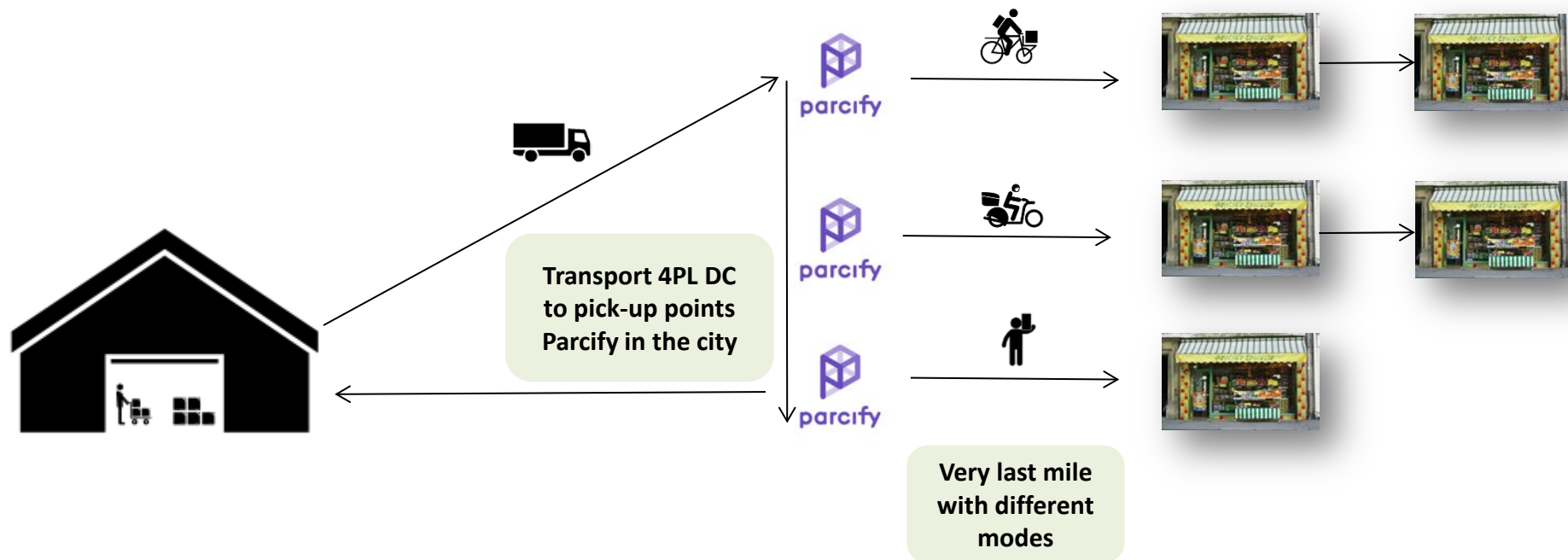
New set-up with Febelco







New set-up with Parcify





Learnings

- Acceptability store owners
- Technical and operational feasibility
- Economic feasibility: costs
- Service level
- Sales new set-up vs. Wholesaler set-up
- Environmental impact





Dissemination







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