

Improved customer satisfaction by parcel optimization

>10%

increase in average fill rate of parcels

Improve

cost of void fill materials and environmental footprint

Focus

on improved customer satisfaction

ABOUT THE CLIENT

Industry: Retail

Region: Germany

Company size: Large enterprise (1000+ employees)

Business Case

We all know this situation: Customers receive a parcel, which is hardly filled but has lots of void space, often thinking: “Why was such a big parcel used for shipping my order?” Likewise, from the company’s perspective this is far from desirable. Such packaging leads to unnecessary waste and cost (e.g., for filling material) as well as potential sales reduction resulting from frustrated customers.

Our client – a leading company in shipping beauty products to customers – was receiving several complaints from customers about under-filled parcels with significant void space. The client was looking for a solution to optimize parcel types to improve fill rates.

Customer Objectives

- ✓ Improve fill rates of parcels
- ✓ Enhance customer satisfaction by reducing void spaces and thereby the enterprise’s environmental footprint
- ✓ Reduce cost of void fill materials

Solution

Using historical order data and taking the company-specific packing procedure into account, we leveraged our self-built advanced AI-platform to optimize the parcel dimensions in such a way that the average void space per parcel was minimized. We provided our client with a scalable and efficient analytical tool that determines the optimal parcel sizes and improved fill rates for different parcel types.

Benefits

- ✓ More than 10 percentage points increase in average fill rate
- ✓ Reduced cost of void fill material
- ✓ Reduced environmental footprint
- ✓ Improved customer satisfaction achieved through the shipment of products with the right parcel sizes