

Parcel Consolidation in Last-Mile Delivery

MSBA' 21 Capstone Project

Apr 2021

Last-Mile Delivery is critical

Majority of Logistics Costs are from Last Mile Delivery



Customer Experience

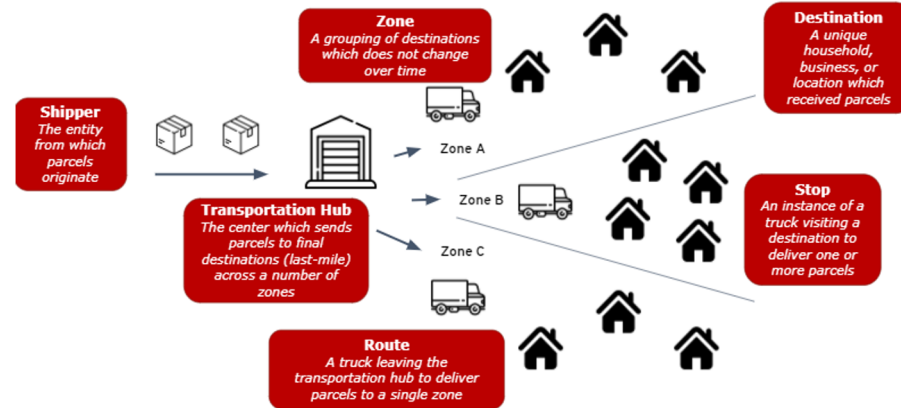


Key Question / Hypothesis

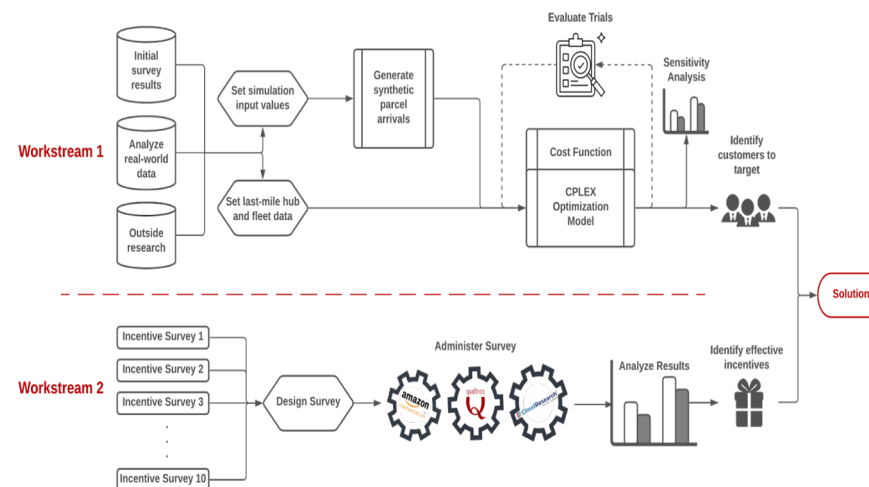
- Parcel consolidation beyond promised delivery date reduces last mile delivery costs.
- There are incentives that motivate customers to opt-in for delayed parcel delivery.

Relevant Literature

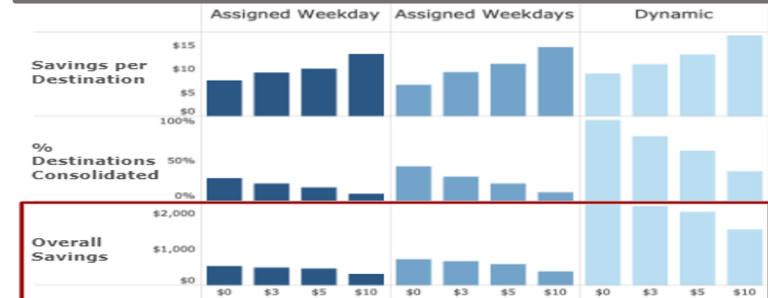
- Zhang, Y., Sun, L., Hu, X., & Zhao, C. (2019). Order consolidation for the last-mile split delivery in online retailing.
- Vinsensius, A., Wang, Y., Chew, E. P., & Lee, L. H. (2020). Dynamic Incentive Mechanism for Delivery Slot Management in E-Commerce Attended Home Delivery



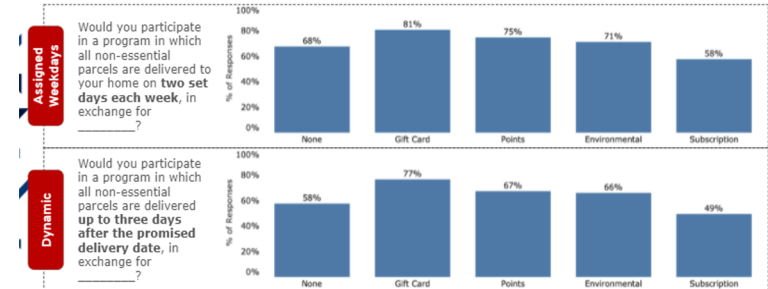
Framework Architecture



Parcel Consolidation does improve cost savings



Survey Respondents preferred Gift card for delivery on Assigned Weekdays



Kristina



Siva



Stefanie



Timothy