

# Optimising meal kit delivery services in the digital age

One of South Africa's largest online meal-kit provider, UCook and logistics technology, Picup have teamed up to help optimise the customer experience, allowing South Africans to get back in the kitchen, to make use of sustainably sourced local ingredients to help how we conceptualise, interact with and experience food in the digital age.



Image source: [Gallo/Getty](#)

The software enables the online meal kit provider, to integrate directly with the software to pass over all delivery related information. Routes are then optimised using the Picup's technology, and information passed back to UCook for dispatch planning. Customers then receive automated notifications to track and plan for receiving orders.

The optimisation phase puts all the control into the hands of the client and allows clients to define the delivery window, the size of vehicle used, the number of parcels per vehicle, which all influences the cost per delivery.

## Competing with tradition grocery stores

In the US and UK where meal kits have become a part of daily life, many customers want the option of purchasing meal kits directly from a grocery store. To avoid being bought out by major grocery chains, as well as compete in an increasingly saturated market, private meal kit companies have been forced to ramp up their convenience which almost exclusively comes down to logistics.

When thinking about convenience, one thinks about the customer experience. Not only is there the concern of fresh produce staying refrigerated to avoid spoilage of the specially sourced ingredients, but delivering within a customer's given window of convenience can prove a challenge. Unforeseen circumstances such as traffic congestion, weather conditions and vehicle issues can delay the delivery process.

A major component of keeping customers happy is managing customers' expectations. This puts the customer at the forefront of convenience-innovations and keeps them informed throughout their delivery journey by means of omnichannel notifications as well as live tracking technology.

## **Costs**

Although last mile delivery adds a great convenience factor for customers, it also poses a huge threat on budget and profit margin constraints. There is a fine balance between price and service.

Unlike non-perishable stock that can be loaded for delivery and be held in the delivery vehicle for long periods of time, drivers delivering meal kits are only able to a restricted number of packages to be delivered within a predefined area.

This automatically leads to increased fuel costs, fewer deliveries per driver daily, as well as standard costs such as idling and maintenance.

## **Logistics software**

This is where an on-ground problem necessitates a virtual solution, this time in the form of delivery optimisation and fleet management software, which can be designed to reduce the overall costs and improve the efficiency associated with delivery.

Due to the flexibility demanded by meal kit customers, route planning is essential in optimising the last-mile delivery process. The software, in this sense, enables customers to incorporate real-time orders into the existing delivery schedule.

Fleet management integration also automates the assigning of packages to available drivers, reducing the delay between a customer ordering and an order leaving the warehouse. As each new order is processed and assigned, existing driver routes are also updated to accommodate the new delivery without disrupting the previously scheduled deliveries.

Another bonus of a logistics software system such as this, for example, is that companies are able to have a birds-eye view of their entire fleet, including available drivers as well as orders out on delivery. This overview allows for any potential delivery delays or issues to be intercepted before they reach fruition, and enables on-site management to contact on-ground staff should they need to.

## **Dispatch planning**

By automating the logistics process, incidence of human error is reduced across the board. Ultimately this leads to fewer rescheduling incidents and fewer order cancellations. On-demand dispatch software also helps to allocate deliveries to drivers based on their experience, vehicle type, geographical awareness and driving skills.

All of these rankings reduce the risk of drivers getting lost, being overstocked and unable to complete deliveries, or causing any other inconvenience to the customer.

Overall these scores can help to aid human resources decisions through deviation from certain points of standard.

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