

From Long Dispatch
Times to Instant Deliveries:
**Understanding the Future of
Deliveries in 2022 and Beyond**

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Same-day deliveries have drastically transformed online shopping experiences. However, the best part about same-day delivery is that it brings together the convenience of eCommerce and the urgency of physical stores onto a common platform.

As more companies jump on the eCommerce bandwagon, many logistics service providers, including prominent brand names like UPS, FedEx, and DHL, offer end users value propositions like same-day delivery.

When online retailers get access to quick delivery services, they make a higher profit than their stationary counterparts. In addition, as the order volume is elevated, they can afford to offer more options at lower prices and can combine their eCommerce channel with their existing infrastructure.

Logistics providers have developed innovative operating models to meet the demand for quicker delivery services. As a result, retailers can now leverage delivery platforms optimally by exploiting their courier capacity.

Gone are the days when it used to take three months to receive an international order as the logistics companies can use modern technology and strategic partnerships to facilitate faster deliveries.

If we had to make an educated guess, we could expect the logistics industry to reduce operating costs and offer integrated solutions to fulfill orders and facilitate reverse logistics swiftly.

So, in the following lines, we will try to identify the future of deliveries by analyzing the progress the industry has made over the last few years. We will also address the challenges they need to overcome to make deliveries faster than they have ever been before.

Part 1

How Same-Day Deliveries Make Online Shopping a Lot Better

Instant or same-day deliveries are quite a rage in the B2C segment as many grocery stores offer their customers to receive their orders at a designated time.

With more generation Z customers purchasing products online, it is safe to say that they won't mind paying a few extra dollars for the convenience of receiving the packages as and when they desire.

This B2C success can be easily replicated in the B2B domain. As more companies integrate better forecasting and analytical tools into their business, they will be able to pinpoint exact amounts of their orders in the future.

Same-day delivery in the B2B sector is a natural progression and one of the best ways to offer users affordable and sustainable delivery services.

The amount of money spent on online shopping increases every year along with customer expectations. Metropolitan areas cater to a large number of customers every day, and with many brands having warehousing capabilities near the area, it will be easier to promote same-day delivery within different B2B trades.



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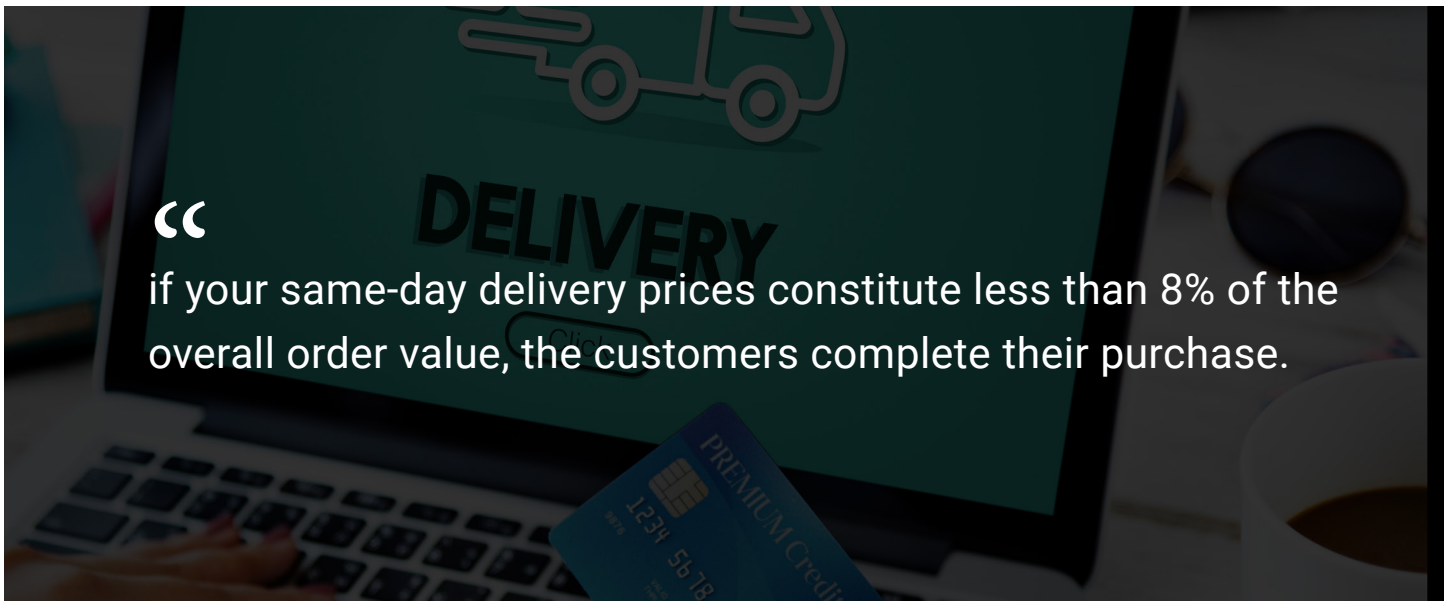
Part 2

Consumers' Willingness to Pay for Same-day Delivery at Sensible Pricing

Just because many customers are willing to pay a premium for same-day deliveries, it doesn't mean that you can charge unreasonable prices to offer them the same.

However, if a consumer is familiar with instant delivery, they will opt for it at sensible pricing. For example, when they opt for free delivery, they have to wait for 3 to 5 working days to receive their order. But, on the other hand, if they pay \$5 for same-day delivery, they will value the convenience of having their packages delivered and pay the price willingly.

In an ideal world, if your same-day delivery prices constitute less than 8% of the overall order value, the customers complete their purchase. However, exceptions can be made in the case of high-value items like electronics and furniture, which require white-glove delivery services.



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Part 3

Logistics Service Providers and Retailers are Thinking Outside the Box

With the evolution of eCommerce businesses, logistics companies must utilize their network and infrastructure to an optimum level. Therefore, it is intriguing to see that some new entrants in the logistics industry are using innovative technologies and business models to outperform some of the most dominant players in their area.

Though the development of same-day delivery networks comes at a cost, when done smartly, logistics businesses can achieve the desired results and profits by designing a robust operating model. They don't have to have all the teams in-house but can operate through a network of brokers and strategic partners to gain sufficient orders to make a profitable trip.

Many big logistic companies and some start-ups have collaborated with major retailers to create networks capable of sustaining same-day deliveries without incurring significant capital investment.

Traditional B2B couriers can deliver packages on the same day, but out of thousands of players in the market, only a few are an adequate match for the retailers. However, there is a new way to address the issue, and these small-scale delivery companies now level the playing field. Delivery management systems like NetworkON can transform smaller delivery operations into streamlined ones and orchestrate the existing logistics capacity. Businesses can use NetworkON to facilitate same-day delivery with their current logistics partners or in-house delivery teams.

Since all businesses can't build and maintain an in-house logistics fleet, they tend to lose out on the order volume they desire. However, with a delivery management system, they can automate every aspect of their delivery operations, manage last-mile deliveries efficiently and create standardized procedures for the same.

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Part 4

Same-day Deliveries Are Only Sustainable With Adequate Order Volumes

Large shipments are essential for any logistics company because it is the only way to keep the costs under control. Not only does a delivery management system manages vehicle fleets and delivery partners, but it also helps companies stay on top of every job that comes their way.

With adequate interfaces, a small to medium-sized company can scale their business operations significantly, reduce costs, eliminate human errors and manage deliveries automatically.

With everything moving towards eCommerce, it is safe to say that the companies using technological solutions will be the ones sustaining instant delivery operations. In addition, there will be new partnerships for sourcing the delivery jobs, and managers will leverage technology to ensure that the products required are available locally.

With a delivery management system, businesses will be able to determine the most efficient routes for delivery in urban and semi-urban areas. In addition, they will have a bird's eye view of the inventories, availability of delivery personnel, and the warehousing status for white-glove delivery products.

When mundane tasks are automated, businesses can invest in improving other aspects of delivery like their packaging and order tracking. They will be able to deliver the exact ETAs to the customers and enable seamless communication between the administration, delivery teams, and customers.

Finally, technology makes pick-up and delivery more flexible as delivery teams can leverage geofencing, route optimization, and last-mile delivery capabilities to fast-track shipments to their destinations.



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Final Thoughts

Reaching a stage where it takes ten minutes to deliver an order will require optimization at scale. As more logistics businesses integrate robust technology into their operations, instant deliveries will be a regular part of most eCommerce businesses.

Once a business reaches economies of scale, it will significantly drive down the cost of deliveries. As enterprises move from next-day delivery to same-day delivery to instant delivery, they will increase the wave of orders dramatically,

Better delivery options will encourage more spontaneous purchases and increase the total market size for instant deliveries.

While the adoption will be slow in non-metropolitan areas, the trend will eventually penetrate the market once smaller and medium delivery businesses can achieve the order volumes needed.

So, in a nutshell, instant deliveries will be a great opportunity and a significant operational challenge for logistics companies due to their existing infrastructure and technology solutions. With increased urbanization, logistics businesses can prepare themselves for upcoming transformations proactively. Still, it won't happen overnight, and they will have to embrace technology and automation in every aspect of their operations.



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Next Step

If you run an eCommerce business and are having a hard time managing the delivery arm of your business, then it is time to resolve the problem with a comprehensive solution.

Integrate your current technology with NetworkON and access AI-powered route optimization, geo-fencing, last-mile delivery, fleet management, and robust analytics on a centralized platform.

You can learn more about the comprehensive features offered by NetworkON [here](#).

To get started with NetworkON, get in touch with our team today. You can email us at info@networkon.io or [visit our website](#). You can also request a demo [here](#).