



INFOGRAPHIC

Turn Last-Mile Delivery Complexity into Cost Savings and Control

The final delivery leg can create the highest concentration of cost, service, and visibility challenges

Why is last-mile delivery so complex?

It may be the home stretch, but it's anything but simple.

Last-mile delivery is where driver efficiency can erode. The numbers tell the story:

53%

of total shipping costs potentially incurred from the last mile¹

30-35%

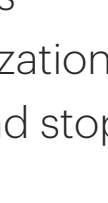
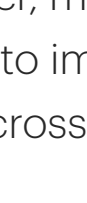
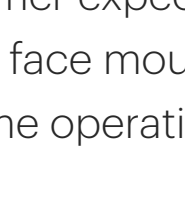
of total delivery costs are driven by last mile delivery²

13-19%

of logistics costs can result from last mile operational inefficiencies³

The reality

One driver. One van. One stop at a time. Scale collapses, and costs explode.



The challenges of last-mile logistics are accelerating

More parcels. More pressure. Less room for error.

Last-mile delivery is complex, and operating conditions are only becoming harder to predict. As parcel volumes rise and customer expectations for faster, more accurate deliveries increase, last-mile logistics teams face mounting pressure to improve delivery optimization, reduce cost, and maintain real-time operational visibility across every route, driver, and stop.

Translation

More stops, more variables, more chances for things to go sideways. Think of it like trying to solve a puzzle where the pieces keep moving.

The operational cost of last-mile complexity

With so many parts in motion, every route, stop, delivery window, driver constraint, and customer promise is a potential vulnerability. By relying on manual processes and legacy dispatch systems that can't keep up, last-mile logistics teams are left reacting to problems instead of orchestrating performance across cost, service, safety, scalability, and visibility.

Bottom line

Complexity compounds, and so do costs.

Inefficient routes = higher costs

Extra miles. More fuel. Longer driver hours.

Inaccurate ETAs = unhappy customers

Missed windows. Failed deliveries. Lost trust.

Lack of visibility

If you can't see what's happening, you can't fix it.

Manual planning doesn't scale

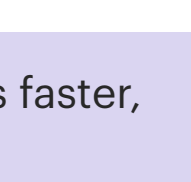
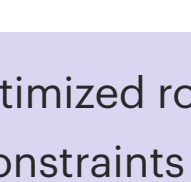
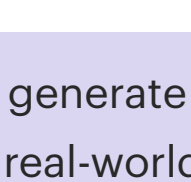
Peak demand becomes harder to manage.

Driver stress & safety risks

Unclear routes increase pressure and risk.

How AI-driven vehicle routing and scheduling improves last-mile delivery operations

Last-mile delivery software turns guesswork into precision.



Instead of relying on static plans or manual dispatch, AI-powered vehicle routing and scheduling (VRS) software uses real-time data, route optimization, predictive ETAs, and delivery optimization intelligence to help teams plan smarter routes and adapt to disruptions.

What AI-driven Vehicle Routing and Scheduling enables

Feature	Outcome
Automated route optimization software	Helps generate optimized routes faster, using real-world constraints
Predictive ETAs for better delivery planning and customer updates	Customers receive more reliable delivery windows and status updates with confidence
Mobile workflows that improve driver efficiency	Turn-by-turn guidance, route updates, and exception handling
Continuous delivery optimization to help manage volatility	Teams can replan and adjust routes in real time as conditions change
Exception management for last-mile delivery disruptions	Handle disruptions without derailing the entire route
End-to-end visibility for more control and less uncertainty	Every route. Every stop. Every outcome.

Think of it this way:
Without AI: dispatchers play Tetris
With AI: the system solves the puzzle before it even hits the screen

Real-world impact: How to optimize delivery routes for better last-mile performance

Proof that VRS pays off

up to 83%

improvement in driver efficiency

Increased productivity

10-12 stops/hr to **18-20**

for an inexperienced driver

20 min

saved/van

on loading time

What that means in business terms:

- ✓ Lower cost per stop
- ✓ Higher delivery capacity (without more drivers)
- ✓ Faster routes and fewer delays
- ✓ Ability to scale during peak periods

Business outcomes that reshape logistics operations

Efficiency is just the beginning. Last-mile delivery software can help strengthen the entire logistics operation. Teams can reduce costs, improve service performance, support drivers, and build a delivery network that scales with demand.

Operational efficiency

- More deliveries per shift
- Reduced fuel consumption
- Lower logistics spend

Service performance

- Improved on-time delivery
- Fewer missed or late deliveries
- Higher SLA adherence

Customer experience

- Accurate ETAs
- Reliable deliveries
- Increased customer confidence

Driver experience & safety

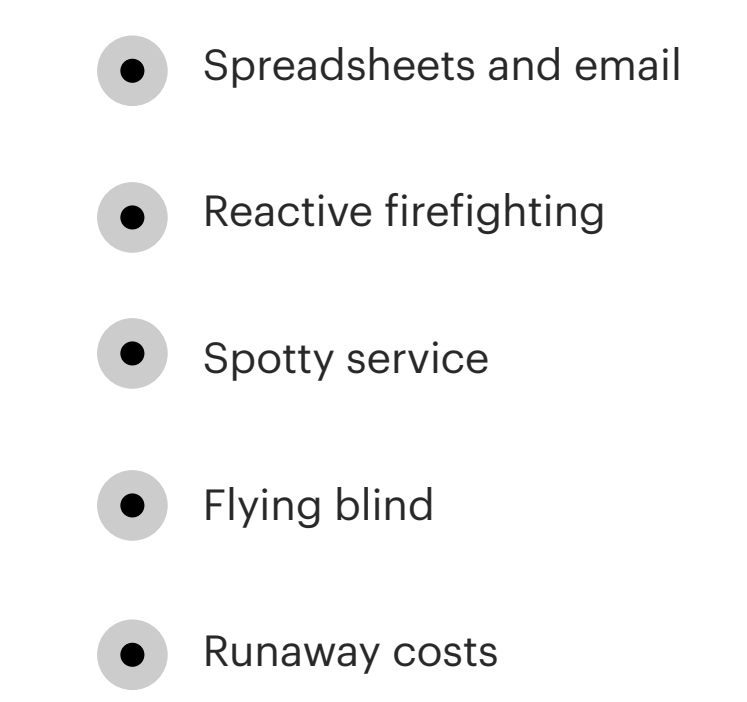
- Clear routes
- Fewer avoidable disruptions
- Better job satisfaction

Scalability & resilience

- Handle peak volumes with confidence
- Adapt to disruptions in real time
- Build a future-ready delivery network

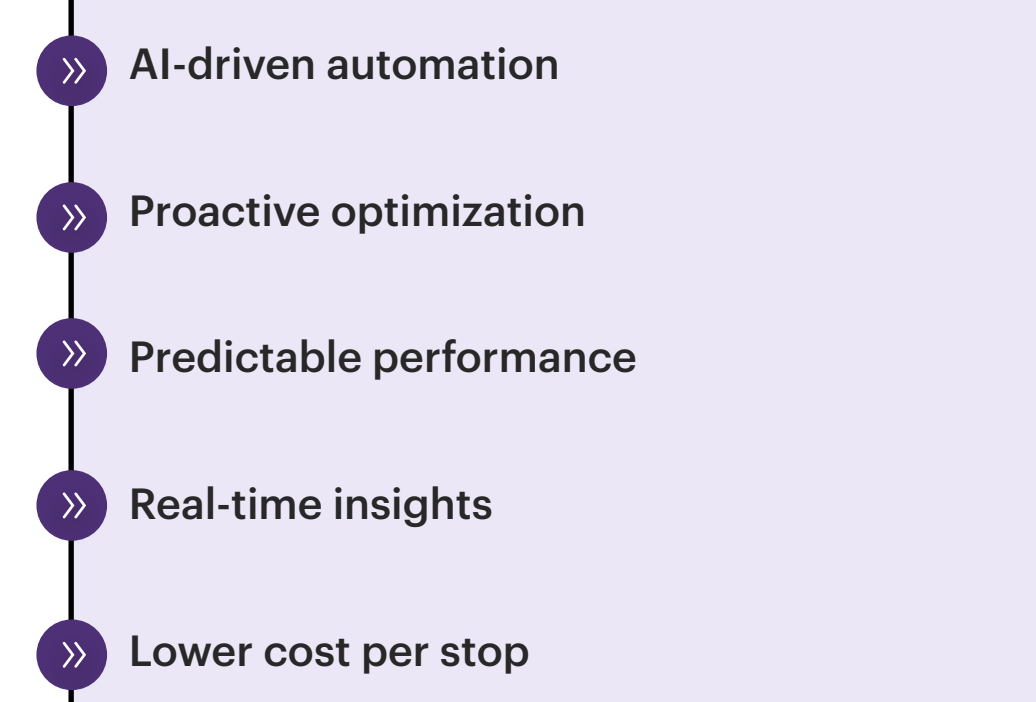
The VRS transformation story

Before VRS vs. After VRS



Before

- Spreadsheets and email
- Reactive firefighting
- Spotty service
- Flying blind
- Runaway costs



After

- » AI-driven automation
- » Proactive optimization
- » Predictable performance
- » Real-time insights
- » Lower cost per stop

Clarity achieved

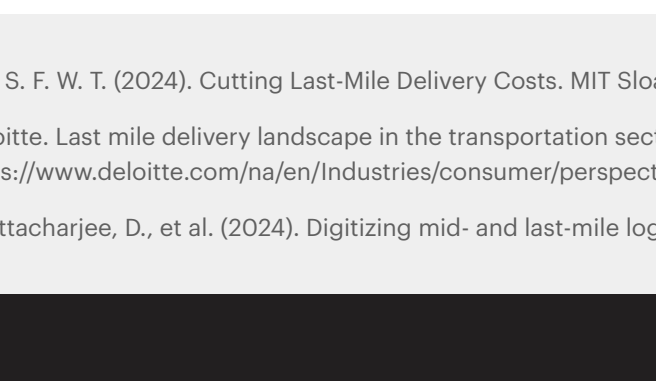
Thousands of variables → one optimized plan

Chaos → control

Complexity → competitive advantage

Turn last-mile complexity into a competitive advantage

Last-mile delivery doesn't have to be a black hole of cost and chaos. With last-mile delivery software, you can:



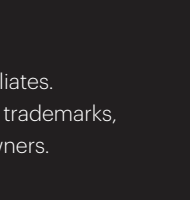
- ✓ Reduce cost per stop
- ✓ Improve on-time performance
- ✓ Increase operational visibility
- ✓ Scale with confidence

In other words: You won't eliminate complexity, but you can orchestrate it.

Ready to go further?

Learn how leading organizations are **transforming last-mile performance** with AI-driven vehicle routing and scheduling.

Explore **e2open VRS solutions**



1 Lim, S. F. W. T. (2024). Cutting Last-Mile Delivery Costs. MIT Sloan Management Review, November 19, 2024.

2 Deloitte. Last mile delivery landscape in the transportation sector, accessed 2026, <https://www.deloitte.com/ha/en/Industries/consumer/perspectives/last-mile-delivery-landscape-transportation-sector.html>

3 Bhattacharjee, D., et al. (2024). Digitizing mid- and last-mile logistics handovers to reduce waste. McKinsey & Company, January 5, 2024.

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