



Schneider Electric Reduce Delivery Costs by 30% Optimisation from Opturion



OPTURION
Intelligent Decision Support



Executive summary

Opturion created a model of Schneider's national distribution network and used its Dynamic Transport Optimiser (DTO) to explore different transport options and contracts.

Client Background

Schneider Electric (www.se.com) is leading the digital transformation of energy management and automation. From energy and sustainability consulting to optimising the lifecycle of assets, it provides services to meet customer needs. Its technologies help them become more efficient, reduce costs, and meet your sustainability goals.

Client Challenges

Schneider had a contract distribution agreement with a national carrier that was due for renewal. The company was not satisfied with how the contract was operated and believed it could do better. They did not want to go to a competitive tender until they better understood the options and how different models would work. They also wanted to have a target figure to assess the tenders. Another issue was that their customers included building contractors working on different building sites, so the nature of the distribution network and volumes within the network are subject to constant change. So any contracting arrangement must remain efficient as the distribution problem changes.

Project Background

Opturion gathered data on the fleet and orders over an extended period. It built a DTO network model and optimised deliveries over different models, such as fixed delivery costs based on weight and volume, hourly truck rental, distance and time, and other models. The model also included sensitivities around customer location and volume of orders to ensure a robust solution.

Project Results

Opturion identified the best option, demonstrating that costs could be reduced by 30% compared to the current contract. That enabled Schneider to go out to tender with confidence. It



also convinced Schneider to require the successful tendered to use DTO for daily optimisation to maintain efficiency as the business evolves.

