



# Optimizing the route to market

by Sarah Theodore

## Routing technology can increase efficiency and reduce costs

### Evaluating accounts

Truly optimized routing begins long before a driver gets in the truck, says Larry Beutel, principal advisor at Salient Corp., Horseheads, N.Y. He recommends distributors take a close look at their accounts, how they are being serviced and whether or not that matches up with how often they actually require service.

“One of the aspects is, ‘When I stop my truck, is it a worthwhile stop? Am I delivering enough quantity of product? Am I generating enough revenue to offset the cost of making that stop?’” he says.

Products such as Salient’s MarginMinder, which typically are thought of as sales and merchandising solutions, can assist with route optimization by determining whether or not it is advantageous to service certain accounts at particular times.

“We allow people to see the statistics of that in a variety of different ways so they can determine whether they are stopping too often at a particular stop, which would be identified by a low quantity, low-revenue, low-margin stop, Beutel says. “And then that initiates a lot of ideas on what you need to do to fix that.”

In addition, that type of solution can be used to increase efficiency in truck loading and avoid what Beutel calls the “taxi factor.” “You load a case of soft drinks or beer onto a truck and if it comes back, all it’s done is been driven around all day. That’s a waste of space on the truck,” he says, pointing out that such a scenario lowers productivity and increases the weight of the truck, thus reducing fuel efficiency.

### About Salient

Salient Corporation makes very large scale in-memory intelligence technology for ad hoc data interrogation, visualization and root cause analysis. The company provides continuous audit, performance monitoring and forensic applications for business, health care, education and government.

