

## Building materials distribution fleets

move past the status quo



Omnitracs



The <u>U.S. housing shortage</u> is not a new concept, nor is it going away anytime soon. Its impact and strain on the building material distribution industry today is likely to continue years into the future. This is due to a variety of factors, including:

- <u>Slow recovery of home building from the Great Recession.</u> The U.S. had the lowest number of homes built from 2010-2019 than in any decade <u>since the 1960s.</u>
- <u>A high rate of failure among construction companies</u> during the Great Recession and resulting economic downturn meant fewer companies were left to address growing demand.
- <u>A skilled construction labor shortage</u> due to fewer new skilled workers and an aging existing workforce.
- <u>The rising cost of building materials such as lumber</u> due to the unique challenges of the pandemic as well as threats to supply by natural disasters and other sources.
- <u>The rising cost of buildable land</u> drives builders to build new homes at the higher, more profitable end of the market.
- The age of the existing home supply is increasing, requiring more and more repairs and rebuilds.
- <u>The housing shortage is causing both a surge</u> in the purchase of fixer-uppers and an upward trend in remodeling by existing homeowners instead of moving.

The safe and efficient distribution of building materials has become more important than ever - and there are several potential roadblocks a distributor must overcome:

- What if your building materials are stolen from a job site?
- · What if there is miscommunication on mission-critical delivery windows?
- What if you're missing out on dozens or hundreds of additional deliveries due to inefficient routing?
- What if your driver gets lost enroute to a delivery location not yet on maps?
- How can you adjust your overall delivery fleet performance and strategy to provide better customer service?

Every building materials distributor has had to consider these existing industry challenges to maintain the status quo.



## Industry challenges in fleet management

The COVID-19 pandemic and customers becoming more and more accustomed to standard expedited, contactless delivery highlight how distribution fleets must respond quickly to sudden changes. However, time spent managing outdated processes steals away from the time needed to adapt to a sudden change or to help move the industry forward. Even the most foundational of these processes – routing – is plagued by inefficiency, low adaptability, and questionable accuracy.

#### Do some or all of the following process descriptions sound familiar?



**Routing** – Your existing routing process is time-consuming with limited adaptability and relies largely on some combination of pen, paper, and the on-duty dispatcher's knowledge, experience, and organizational skills. There is little to no process for checking information accuracy or verifying route efficiency, and any delay or other route change derails and/or restarts the whole system.



**Visibility** – Customers have little to no visibility to delivery status and primarily track or change orders by phone or a disconnected data stream.



**Capacity** – Fleet capacity is assigned and tracked through either a similar or the exact same manual, timeintensive, disconnected process as routing. Order changes, delays, route updates, and other fluctuations can severely upset the balance of operations, never mind any attempt to transform inefficiencies like overlaps into opportunities.



**Safety** – Drivers, vehicles, and loads are frequently and unnecessarily put at higher risk due to a general lack of important real-time information about the job site. Safe driving training is standard, generalized, and frequently reactive. Any safety tracking equipment– such as a GPS tracker or dashcam – is reviewed internally and can be highly subjective and is often not connected to the rest of the process.



**Accountability** – Your accountability process is reactive, relying on external resources such as customer reports or calls to your "How Am I Driving?" number. Real-time or factual data is not available to protect your driver or reputation in the event of an accident.

leet Solutions

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Outdated processes not only impact your ability to respond to change – they also cause capacity bottlenecks, increased operational costs, extended timelines, high driver turnover, and other problems that negatively impact the bottom line.

The good news is that technology is here to help. Contemporary integrated fleet management solutions are getting more and more sophisticated every day to address these everyday issues.





### How integrated end-to-end fleet management helps

Modern building supplies distribution companies need an integrated fleet management solution that maximizes efficiencies, provides objective, actionable data, and takes the "what-ifs" out of operations.

An effective fleet management technology solution should:





# End-to-end fleet management can transform your processes:

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**Routing** – Quickly and efficiently plan multiple deliveries a day to the right locations at the right time or within the right delivery window - months in advance or daily. Also, gain access to real-time information to ensure the right vehicles are on the right roads at the right time for maximum safety and efficiency. Al-enabled, rule-compliant dynamic routing is available to quickly help your fleet address delays and unexpected route changes. Integrated commercial-grade navigation apps give drivers accurate, turn-by-turn directions to delivery locations – including those not yet indicated on any maps.



**Visibility** – Integrated solutions share a single source of truth, so your teams have complete visibility across all assets at all times. With real-time visibility into the locations and statuses of vehicles, you can automatically send customers delivery and order status updates through an integrated delivery alert system.



**Capacity**– Digitally-integrated routing and dispatch solutions combined with comprehensive fleet visibility solutions ensure your trucks are fully loaded, and lets you leverage variables like overlapping routes and delivery window downtime into maximum efficiency. Order changes, delays, route updates, and other fluctuations are easily dealt with and resolved through fast and easy access to real-time, company-wide information.



**Safety** – A comprehensive video safety program professionally reviews and scores event videos to queue up for easy coaching based on individual driver performance. Become more proactive than reactive with factual, objective data on driver performance and insight into vehicle safety like load fastening and unfastening, job site events, and traffic accidents.



**Accountability** – In-cab video now proactively empowers teams to work together on training opportunities and rewards programs. Integrated delivery alerts notify on-site teams that deliveries are arriving, so supplies aren't left unattended, while drivers and other delivery workers have access to step-by-step instructions to ensure the delivery arrives on location while ensuring fleet-wide SOPs are met through intuitive driver workflows.

Fleet management technology can help your company save time and money through improvements like smoother processes, improved efficiency, better visibility, and enhanced safety. It can also give you actionable data insights to help your company improve and grow, all while keeping your customers informed and happy. However, for the technology to really work and for both it and the subsequent growth to be scalable, it's imperative the whole solution be integrated into one platform.



See how integration into one platform helped this leading building supply distributor improve fleet managent

## The Challenge

As the driver cab became more crowded with new technologies – and back-end and customer communications became timelier and more urgent – Palmer-Donavin knew it needed technology that would not only meet their needs today, but also position them for the future.

This included technology for compliance, routing and dispatch, driver workflow, fuel tracking, driver and vehicle status, and communications. They also needed a company that took a holistic approach to the driver's day and converged multiple applications into one platform.

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#### About the Company

Palmer-Donavin has become one of the leading door fabricators and wholesale distributors of residential building materials in the Midwest through the adoption of new technologies and industryleading customer service. It partners with its solution providers, working together to create forward-thinking technology that ensures employees deliver materials on time - both safely and efficiently.

### The Results

As a result of using Omnitracs applications that integrate over the Omnitracs One platform, Palmer-Donavin has seen a dramatic improvement in its fleet operations:

20% decrease in inbound phone calls

#### 30% reduction in driver-overtime costs

18% cut from time spent on daily routing



to 45 minutes per day

#### FEATURED TECHNOLOGY



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Omnitracs Dispatch Back-end communication





Omnitracs Hours of Service and ELD Solutions Compliance



Omnitracs Fleet Telematics Driver and asset tracking



Omnitracs Drive Driver workflow







## Join the leaders in building material distribution with Omnitracs

The U.S. housing shortage – along with several other factors – has affected the construction industry for several years now and will continue to do so for many years to come. According to a report from McKinsey & Company, in the new construction industry normal, "dynamics will shift from a fragmented construction process to one that is more standardized, consolidated, and integrated." COVID-19 has already universally accelerated this transformation.

If you are to remain or become a building supply distribution industry competitor or leader in the coming years, your company will need to "move faster and smarter than [your] competitors" in the digital space. Per the report, companies that do so are poised to "increase their own profitability many times over."

**<u>Click here</u>** for more information, or to contact Omnitracs today and transform your building supply distribution company for the better.





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