Enhancing Total Distribution Visibility amidst Digitalization and the Evolving Logistics Landscape

A whitepaper on how Zyllem enables digital transformation for enterprise distribution networks
The Evolving Logistics Market

The logistics industry itself is diverse, encompassing everything from courier services and air freight to trade and cargo shipping. In a customer-centric world where cost, speed and quality equally define customer experience, enterprises today face both the long-standing challenges and the new demands in the fast-evolving landscape of logistics.

Digital Transformation in Logistics

Without a doubt, the impact of digital technology spreads throughout all aspects of the human society and logistics is no exemption to this.

The global move towards digitalization brings about an ever-growing number of smart devices and the surge in e-commerce and Internet platforms. The number of smartphone subscriptions is expected to reach 4 billion by 2025.1 Digital consumers are on the rise, expecting instant results from logistics services just as they get from digital services. All these are a catalyst to the growth and digital transformation of the logistics industry.

Market Trends and Challenges

The world’s population is predicted to reach 9 billion by 2050, and two thirds of this population is expected to swarm into the cities for economic opportunities.2 Today, the number of mega-cities with more than 10 million people is increasing. Businesses are facing various logistics challenges in moving amidst urban traffic and congestion.

E-commerce is another game changer in logistics. With Internet access stretching even to remote locations of emerging markets, logistics customer base is expanding. Air freight in emerging markets is expected to surpass 1 million metric tons by 2018, with Middle East and Asia leading the growth.3

With the increasing demand for high quality distribution services and the rapid advancements in digital technology, enterprises see the need to:

- Offer flexible services that go beyond the traditional “scheduled” service provider offerings
- Manage customer experience from the point of purchase up to the last-mile delivery
- Leverage on logistics as a competitive edge rather than a cumbersome necessity
- Invest in off-the-shelf solutions that reduce the cost and burden of IT management
- Improve inventory and management to lower operational expenditure
To overcome these challenges, enterprises with distribution needs resort to the following logistics operations:

**Own Assets**
Using their own assets

**Partnership**
Outsourcing delivery services

**Crowdsourcing**
Tapping into the freelance market

**FIGURE 1. Logistics operations used by enterprises today**

In 2015, Amazon rolled out a fleet of thousands of tractor trailers to transport products between its warehouses. A year later, the company took further control of its logistics processes by leasing 40 cargo planes dedicated to its shipments instead of relying on delivery partners like UPS and FedEx.

This trend extends through Southeast Asia where leading companies like Zuellig, DKSH, Cold Storage, Indofood, Challenger and Alibaba are starting to tread the same path. These companies distribute large volumes of products to retailers, wholesalers and distribution companies using the aforementioned logistics operations to achieve the following:

**Increase transparency over delivery processes**

**Improve productivity and maximize asset utilization**

**Offer end customer-centric services**

**Standardise processes for a seamless and unified customer experience**

**Deploy a cost-effective solution that is easy to implement**

**FIGURE 2. Logistics needs of enterprises today**
Enhancing Total Distribution Visibility

Zyllem Enterprise: Transforming Enterprise Distribution Networks

Figure 3 shows that in a logistics chain where multiple parties are involved, total visibility remains a challenge. Enterprises that collaborate with 3PL (Third Party Logistics) providers can only bank on the reliability of their partners. Meanwhile, those that are managing their own fleet only or operate in hybrid models face similar challenges.

Zyllem Enterprise is designed to counter these challenges. It is a SaaS (Software-as-a-Service) platform that enables enterprises to use different logistics operations, and yet have full visibility and control over the entire process. Designed to cater to B2B2C logistics processes, it supports the usage of dedicated assets as well as partnerships and crowdsourcing models.

By providing a control tower, Zyllem allows enterprises to oversee their entire logistics operations and standardise their processes by enabling seamless collaboration among their distribution networks.
Zyllem’s end-to-end solution includes an online booking system, dispatching and auto-assignment features, and space capacity models that can be accessed via desktop and mobile devices. It supports off-the-shelf hardware such as smartphones, Bluetooth barcode scanners and low cost label printers.
Zyllem allows you to define and monitor your processes with SLAs (Service Level Agreements). This helps you optimize the utilization of your resources, evaluate your distribution networks, and deliver unified experience to your customers.

SLA monitoring is made easy through a reporting feature that lets you drill down to individual jobs. Advanced reporting and analytics can also be enabled in the platform.

**FIGURE 5. Examples of SLAs that can be defined and monitored through Zyllem**

**FIGURE 6. Snapshot of a typical Reports dashboard in Zyllem**
Zyllem offers transparent customer engagement process and quick implementation. To make it fast, easy and fully transparent for you, we follow WYSIWYG – What You See Is What You Get.

Table 1 shows the execution timeline of the Zyllem GoLive methodology. This can be accelerated to two weeks from the first meeting up to the GoLive phase. The entire process requires a one-time setup fee that comes complete with services and entitles you to a number of free transactions. Beyond that, Zyllem pricing is based on a pay-per-transaction SaaS model, which does not require further CAPEX (Capital Expenditures).

Zyllem’s pay-per-transaction model lets you define what a “transaction” is, based on your requirements. For example, a transaction can be a parcel, an invoice, a truck, an item, etc., depending on the level of granularity you wish to have visibility on. Regardless of the scale of your enterprise, Zyllem lets you acquire transactions upfront through a range of package options that suits your distribution needs.

**Real Solution with Real Value**

Zyllem is designed to tackle real problems in your logistics operations with efficiency, reliability and scalability in mind. Its availability as a SaaS allows for seamless integration, quick adoption, easy updates and low cost entry point.

With Zyllem, full visibility is now possible through a control tower that lets you manage your distribution networks. Standardisation of your processes can now be achieved across multiple geographies and networks. Deploying services of various scales, from first-mile and micro-sorting facilities to last-mile and point-to-point deliveries, is made easy. Finally, Zyllem’s pay-per-transaction model, which typifies pay-per-use model, lets you predict logistics costs that scale with your business.

Today, Zyllem is already used by several enterprises and logistics operators across Southeast Asia.
The Zyllem Journey

Zyllem was founded in 2013 by ex-SAP employees in Singapore who recognized the shift in the logistics market. They developed Zyllem, a logistics platform designed to connect the fragmented logistics network and support B2B2C logistics processes.

Zyllem operated as a last-mile and same-day logistics operator using its own technology delivering thousands of parcels daily in Singapore, Malaysia and the Philippines. In 2016, Zyllem took its platform to new heights and made it available to enterprises, allowing them to manage their logistics networks.

Leveraging on its technology and three years of front-line experience in logistics, Zyllem aims to lead enterprises towards a digitally-enabled logistics landscape. Today, Zyllem is used by several enterprises and logistics operators across Southeast Asia.

The Zyllem Team

Noam Berda
Co-Founder and CEO

Noam is a highly respected and proven software architect and innovator. Beyond his bachelor’s degree in Computer Science and Mathematics, he is an entrepreneurial soul with a passion to leverage on technology to enrich modern lives. He is always on the lookout for new challenges that he can set his skills into.

Noam has over 18 years of experience in logistics and software development. He has made remarkable wins during his term in SAP as Research Architect, Solution Architect, and Business Development Solution Manager for APJ. Today, Noam dedicates his time to the on-going development of Zyllem Enterprise, a cutting-edge platform he co-created to enable enterprises to manage their entire distribution network in one platform.

Marco De Lorenzo
Co-Founder and CCO

Marco is a highly experienced and versatile business professional with over 22 years of proven track record across different industries such as IT, Consumer Products and Automotive. He has made remarkable achievements as former Head of Consumer/Products/Retail/Wholesale at SAP Asia and Managing Director at Bluefin Solutions. Marco holds an MBA. As an entrepreneur, he is also the Co-Founder of Infinity Sails Singapore and started his own fashion business in his early twenties.

Marco now leads the commercial development and strategy of Zyllem. Carrying on his flawless record of excelling in strategic leadership, business drive and sales, Marco defines Zyllem’s go-to market plans with sales and marketing strategies to accelerate its market adoption.
2. UN, 2014