Quick, cost-optimized adaptation of logistics networks

How DPD France responds to changing parcel volumes

The COVID-19 pandemic completely upended the parcel services industry. The first lockdown in particular led to a huge drop in the B2B sector, but the number of B2C daily shipments doubled amid skyrocketing e-commerce orders. This led to a major shift in parcel movements even as customers and consumers continued to expect prompt and reliable delivery. Such was the lived reality for DPD France as well.

Challenge

DPD France had to slash its operating real estate portfolio by half for cost reasons due to the collapse in B2B shipments at the start of the pandemic. Parcel volumes quickly shot up as the initial recovery took hold, e-commerce grew, and the business shifted to B2C. DPD France was handling some 300,000 shipments a day in 2019, but by the start of 2021, this volume had more than doubled to 640,000. The challenge was to find the best possible way to deal with these changes.

"XCargo was attractive for its ease of use, direct integration with Excel, and the autonomy this brings. What sealed the deal for us was the financial benefits XCargo offers—and, of course, the Siemens Digital Logistics team."

Guillaume Ehounoud
Project Manager for Forecasting and Industrial Schemes
DPD France

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Solution

DPD France has been relying on the XCargo software solution from Siemens Digital Logistics since 2018. XCargo works as an add-in for Microsoft Excel®, supporting users with logistical and optimization features such as the visualization of logistics networks using the integrated map data. This gives the parcel services provider the foundation to gradually optimize its own network and hone communications with ops teams throughout the country. XCargo lets DPD France harness regional parcel volume forecasts to make informed decisions for effective route and site planning.

DPD France was able to cope with the drastic pandemic-driven changes in the parcel services industry with the help of the modeling options that XCargo offers. The software runs data-driven simulations of various scenarios and issues to help the company develop the appropriate counter-measures.

Success

XCargo gives DPD France a constant carto-graphic overview of its activities throughout France, enabling fast, efficient, informed decisions and yielding a highly resilient network. This made it possible for the company to respond immediately to the unique challenges presented by the pandemic. Within just two hours, DPD France was able to plan the appropriate measures and choose the right locations to maintain operations at the usual service level while optimizing its costs.

Modeling various scenarios made it possible to adapt the network of branch offices to accommodate the higher parcel volume. Changes to delivery intervals boosted delivery capacities by up to 50%.

With XCargo, DPD France feels ready for whatever comes next—not only in times of crisis.

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