The Power of Small Firms

Motivation / Background

99%
Small firms

50 Million
Nanostores

Why do the logistics costs increase?

Key Question / Hypothesis

What's the impact of the birth/death of nano-stores in the logistics costs of a distributor of a Consumer Package Goods Supplier?

Collaboration between the distributor of a CPG Company and its nano-store customers by implementing adequate supply chain practices can minimize their death and reduce the logistics costs of the supplier.

Relevant Literature


The Problem

Tenoli distributes its products to nano-stores in the congested areas of Mexico. The birth/death of its customers incur in logistics costs for the company due to they have to update their routing constantly.

Methodology

Cost-to-Serve per Nano-Store  Routing Problem  System Dynamics Model

Expected Contribution

Provide the COST-TO-SERVE per nanostore to CLASSIFY Tenoli’s customers

COMPARE the transportation cost of the ideal and real distance caused the new nanostores.

Create awareness on the CPG company regarding the importance to LEVERAGE with the nanostores so they can save money on logistics costs.