



United States Postal Service Succeeds with Routing as a Service (RaaS)

The United States Postal Service required a new solution for a new line of business, so they implemented RouteSmart RaaS to optimize routes for Sunday deliveries of Amazon packages. The Postal Service relies on RaaS to improve efficiency by 30% and was able to double Sunday deliveries within one year.

The Challenge

Recognizing an early opportunity as e-commerce was growing, the United States Postal Service entered into an agreement with Amazon Fulfillment, Inc. (Amazon) to delivery parcels on Sundays.

The Postal Service had a fleet of vehicles that were available, but the problem of making efficient deliveries needed to be solved. The contracted delivery personnel were unfamiliar with the areas, and each week the deliveries changed. The Postal Service needed a way to create balanced routes, efficient delivery order sequences, and a way to provide the drivers with turn-by-turn directions.

The Solution

The Postal Service worked with RouteSmart Technologies when building their Dynamic Routing Tool (DRT) that relied on RouteSmart RaaS (Routing as a Service) at its core to balance and sequence routes. RaaS provided the Postal Service with the ability to send large amounts of data (millions of addresses) to be optimized quickly. RaaS is a scalable solution, so the Postal Service worked with RouteSmart Technologies to determine current and future needs for creating efficient routes.





The Results

An audit report by the United States Postal Service Office of Inspector General found that by following DRT routes optimized by RouteSmart RaaS, deliveries were at least 30% more efficient. In one study of nine locations, RaaS created 69 routes that totaled 2429.6 miles. When management did not use the routes optimized by RaaS, 99 routes were required, and observed mileage was 3533.0 miles. This inefficiency led to 30 additional routes being created and 1103.4 additional miles being traveled: an increase of 30%.



During the first holiday rush after fully implementing DRT, the Postal Service had doubled their Amazon fulfillment business from the previous year. On the peak night, RaaS optimized 3.6 million delivery addresses on 48,000 routes. Because the solution was able to scale, RaaS completed all route calculations in under 5 hours.

Benefits of RaaS include:

- Decreasing total route time and distance with the most efficient routes
- Solving complex routing and dispatching problems in seconds
- Improving customer satisfaction by ensuring on-time deliveries of customers with time-sensitive deliveries
- Helping drivers on the road with turn-by-turn driving reports
- Providing optimized route sequence information to existing on-board devices, telematics, and navigation systems
- Saving time and money with hosted deployment