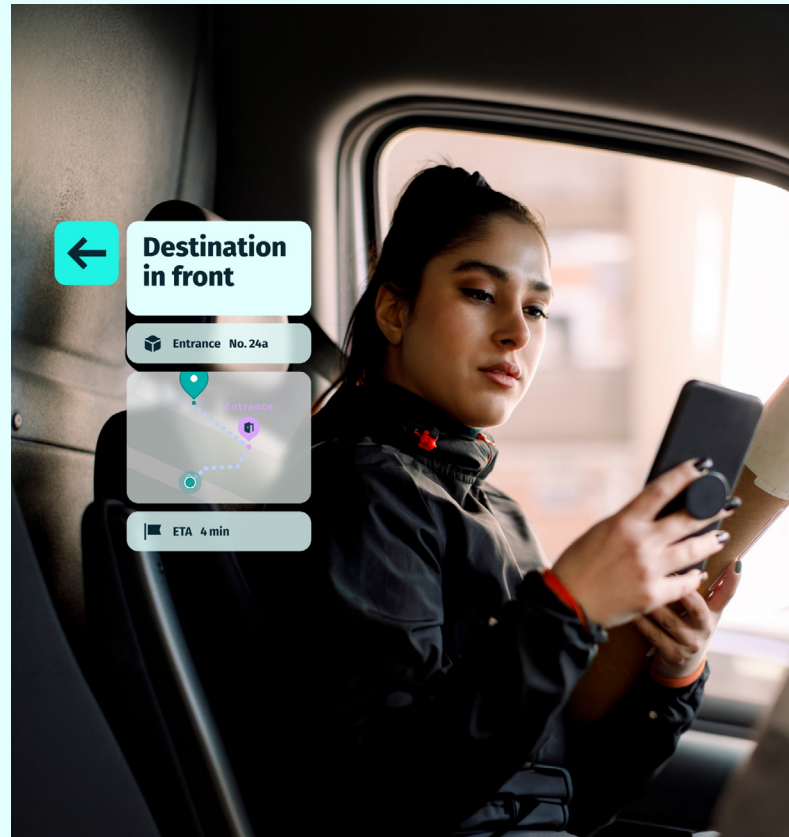


The hidden cost of missed deliveries

In last-mile delivery, getting a package from a local hub to a customer's door is often the hardest and most expensive part of the entire process. Drivers have to deal with an increasing number of constraints, including unpredictable traffic, confusing or inconsistent addresses and the constant pressure to deliver on time. And because every stop in last-mile delivery is different, it's often slower and less efficient than other types of deliveries.

Customer expectations add even more pressure. They want shorter delivery windows, live tracking and successful deliveries every time. At the same time, rising labor and fuel costs and the complexity of busy urban areas make it even harder for delivery companies to stay profitable.

All of this increases costs and raises the risk of delays or mistakes. And when a delivery fails, the impact includes lost capacity, extra overtime, SLA penalties, more customer service issues and damage to the company's reputation.



28%

Time commercial vehicles spent searching for parking in downtown Seattle

Source: [ScienceDirect \(2020\)](#)



61%

Increase in global deliveries predicted by 2030

Source: [World Economic Forum \(2024\)](#)



85%

US consumers say they will not shop with a retailer again after a poor delivery experience

Source: [McKinsey \(2024\)](#)

Common causes of missed deliveries

- Poorly planned routes create tight or unrealistic schedules
- Traffic, limited parking and restricted loading areas slow drivers down
- Impractical, inefficient or poorly planned delivery windows
- Wrong or hard to find addresses
- Poor territory management
- Lack of real-time updates limits drivers' ability to adjust their routes
- Unpredictable, time-based variables
- Differences in driver experience, which affect how well challenges are handled

Cost of missed deliveries

Direct – Extra driver hours, re-delivery mileage, parking, tolls and congestion fees

Indirect – Time spent by customer support, SLA penalties and lost repeat business

Hidden – Route disruption, lower driver morale and lost opportunities to serve new customers

The compound effect

A single missed delivery might not seem important, but across a fleet of 50 to 200 vehicles it quickly becomes a major expense. And because the costs are spread across different teams and budgets, their true impact is often overlooked.

Small improvements, massive results

Our route optimization solution, using HERE Tour Planning, helps last-mile delivery companies easily plan and optimize daily delivery routes through flexible, developer-friendly APIs. It's quick to integrate into existing systems, enabling teams to go live faster while improving efficiency, reliability and overall delivery performance.

Location intelligence uses AI to plan delivery routes that account for real-world challenges.

It helps drivers to:

- Know where they're allowed to park or stop, both on-street and off-street
- Choose the best way to handle close-proximity deliveries — either by driving to each stop or using a cart and completing them on foot
- Find the best EV-friendly route, and correct charger, when they need it

It also helps route planners to:

- Plan routes based on patterns, trends and seasonal changes using historical data
- Perform territory management for load and resource balancing
- Leverage AI-based location intelligence to predict trends in traffic and other changing variables

Customer story



How Holcim saved more than 800,000 hours with HERE

See how Holcim uses HERE's real-time location data to deliver more accurate routing in its ConcreteDirect app, and how support from Amazon Web Services (AWS) helped the company move to a global, data-driven cloud platform.

[Read customer story](#)

Want to find out more about HERE's routing solutions?

[Contact us](#)

About HERE Technologies

HERE is the global leader in mapping and location technology. For over 40 years, we've been powering innovation for the world's most recognizable companies: from launching our first digital map in 1985, to shaping the future of software-defined vehicles today. With the industry's freshest and richest unified map and a portfolio of products, services and solutions that serve the needs of multiple industries, HERE reveals opportunities that drive progress and unlock new possibilities for every moving vehicle. Discover more at here.com.

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