

# How Locus helped PT. Tigaraksa Satria increase supply chain efficiency



## CONTEXT

Given Indonesia's market size as the world's fourth most populous nation, and tenth largest economy in terms of purchasing power parity, consumer goods companies are now, more than ever, exploring various means to acquire, retain, and expand their consumer base in response to new consumer habits, and are moving swiftly to digital.

Secondary distribution is a crucial stage in the consumer goods and retail supply chain that enables smooth flow of finished goods from brands to end consumers. With growing complexities in supply chains, and the rising demand for fast and efficient distribution services, there is a need for distributors to modernize and embrace intelligent technology to serve their customers better.



## OVERVIEW

PT. Tigaraksa Satria, Tbk is one of the largest distribution companies in Indonesia. Founded in 1987 and publicly listed in 1990.

The company is focused on distribution and has since expanded with a number of subsidiaries and affiliated companies involved in both consumer goods distribution and related business activities.

These subsidiaries and affiliated companies have been acquired or established to complement and strengthen the company's core activities. The company serves 20+ top brands including Ovaltine, Colgate and Asahi and has 30+ hubs across Indonesia.

## CHALLENGES FACED BY THE CLIENT

Tigaraksa Satria's operations team was struggling with manual planning with no visibility on the movement of the trucks and the delivery status, once the trucks left the warehouse.

Their major supply chain challenges were

Manual planning of day-to-day logistical activities

Inability to tackle multiple on-ground constraints; slot time, route restrictions, etc.

Under-utilization of fleet vehicles

Lack of on-ground visibility

The company was looking for a smart system to digitize their logistics operations, and partnered with Locus to increase operational efficiency and optimize their supply chain processes.



## LOCUS SOLUTION

Locus implemented [DispatchIQ](#) and [TrackIQ](#), enabling end-to-end automation of the company's distribution planning. Driven by a proprietary geocoding engine and Machine Learning algorithms, Locus solutions enabled efficient planning of delivery routes and effective scheduling of orders.

Locus acts as a complete Transport Management System, helping the company plan, execute, and streamline its entire supply chain, starting from managing the customers, drivers, locations, sellers and acting as a machine learning platform.



### Optimized Route Planning

Locus' [proprietary geocoder](#) enabled systematic planning of delivery routes based on three different metrics- geography, time and vehicle. It also provides a single screen view of the distribution plans and helps in defining crisp timelines for deliveries.



### Dynamic Shipment Allocation

Locus ensured that shipments could be automatically assigned to the most optimal delivery routes and to the riders best suited for it. Automated shipment allocation creates the most profitable routes and assigns them to the right delivery agents beforehand.



### Tracking deliveries on a single platform

Tackled the client's major pain point with a hawk-eye view of on-ground operations for real-time tracking. With Locus, it only takes 10-60 seconds to track a shipment or a truck location and its status, which is about 10-20 times faster than the original 'calling' method. Locus also provides intelligent real-time alerts based on SLA breaches, battery levels, and customer interactions, for proactive operation management.



### Machine Learning and Track & Trace

With proprietary machine learning algorithms, Locus learns from the on-ground execution and subsequently refines the future plans being generated.



### Digitization via app

Drivers use the [LOTR mobile app](#) to record the shipment statuses. Delivery status is updated on the app on a real-time basis and ePOD ([Electronic proof of delivery](#)), including photos, signature, and cancellation/partial delivery reason is generated for better visibility.

## Customer Quote



“After six months of implementation in our largest Distribution Centre (Central DC), we got a lot of benefits, thanks to Locus. We got 10% efficiency in delivery cost without reducing our service level. The route planning process is now more standardized and faster, so the team is more focused on monitoring and solving other problems. Finally, the Volume/ Load utilization has increased among riders and the performance measurement has become more accurate. Now, we are launching Locus in two other DCs.”

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**Eddy Sutisna**

Director



## BENEFITS



End to end process automation



Control Tower setup for real-time visibility



Optimized route planning saving logistics costs



Order status tracking and Intelligent alerts

## Impact

100%

Digitization of POD Process

35%

Track & Trace: Single platform forend-to-end order status tracking

9%

volume utilization increase from the 1st month of Go-Live

34%

distance reduction per order/task