



IPIC 2023

9th International
Physical Internet Conference

June 13-15, 2023
Athens, Greece

Hyperconnected Urban Parcel Network Design with Tight Delivery Service Requirements

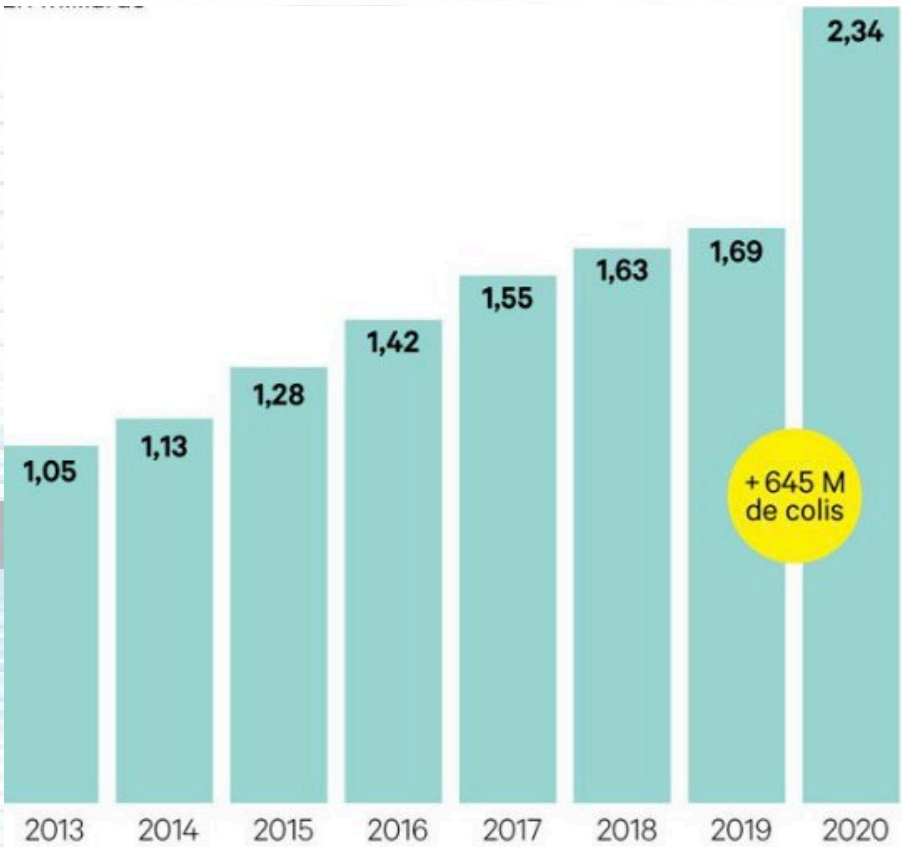
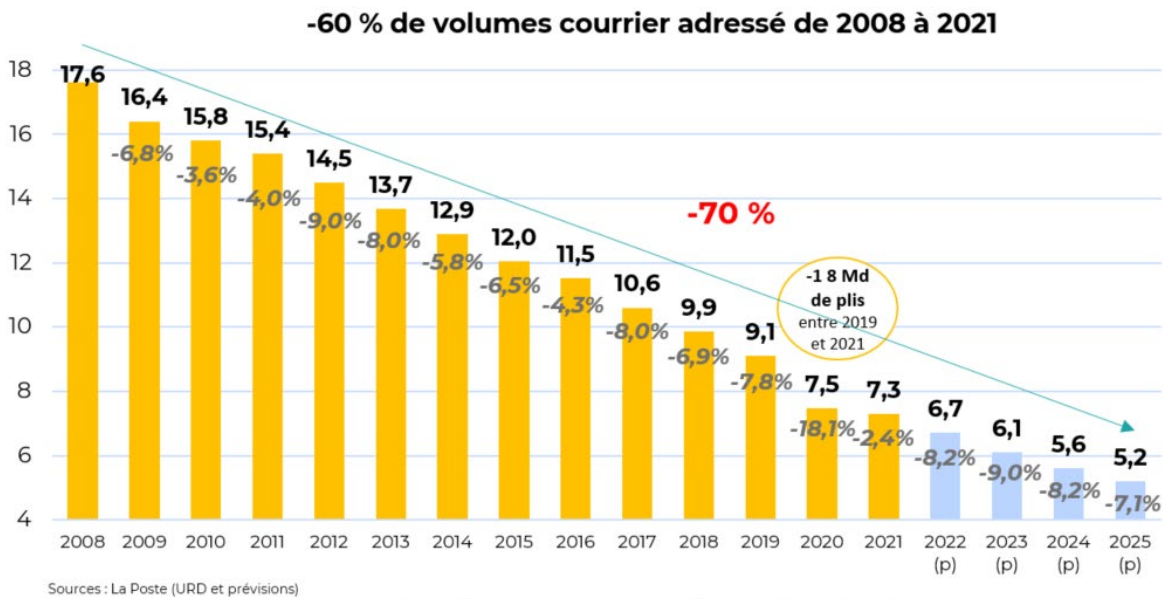
13-15 JUNE 2023 Athens, Greece
www.pi.events/IPIC2023

alice | Alliance for
Logistics Innovation
through Collaboration
in Europe

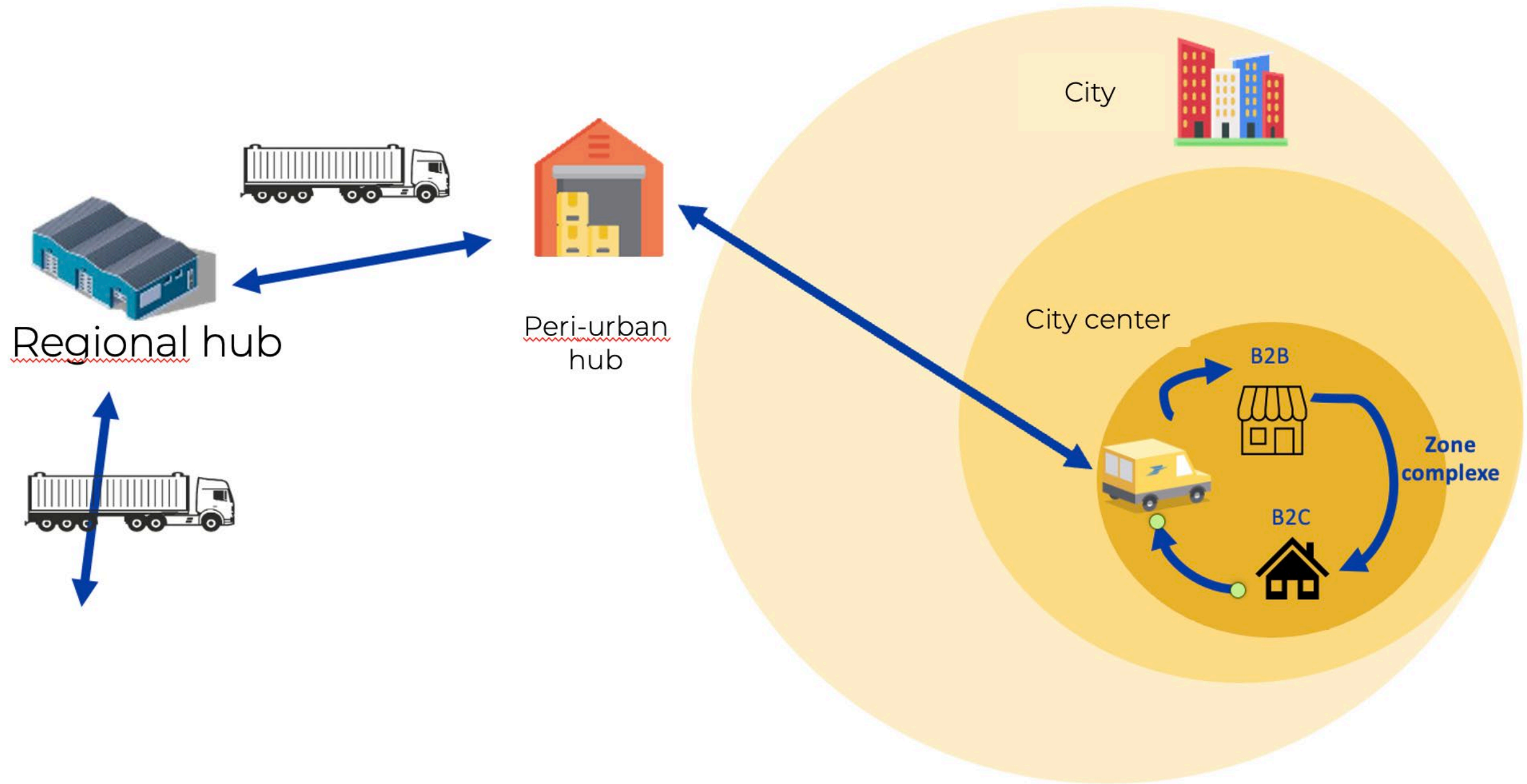


Expanding the logistics Scope

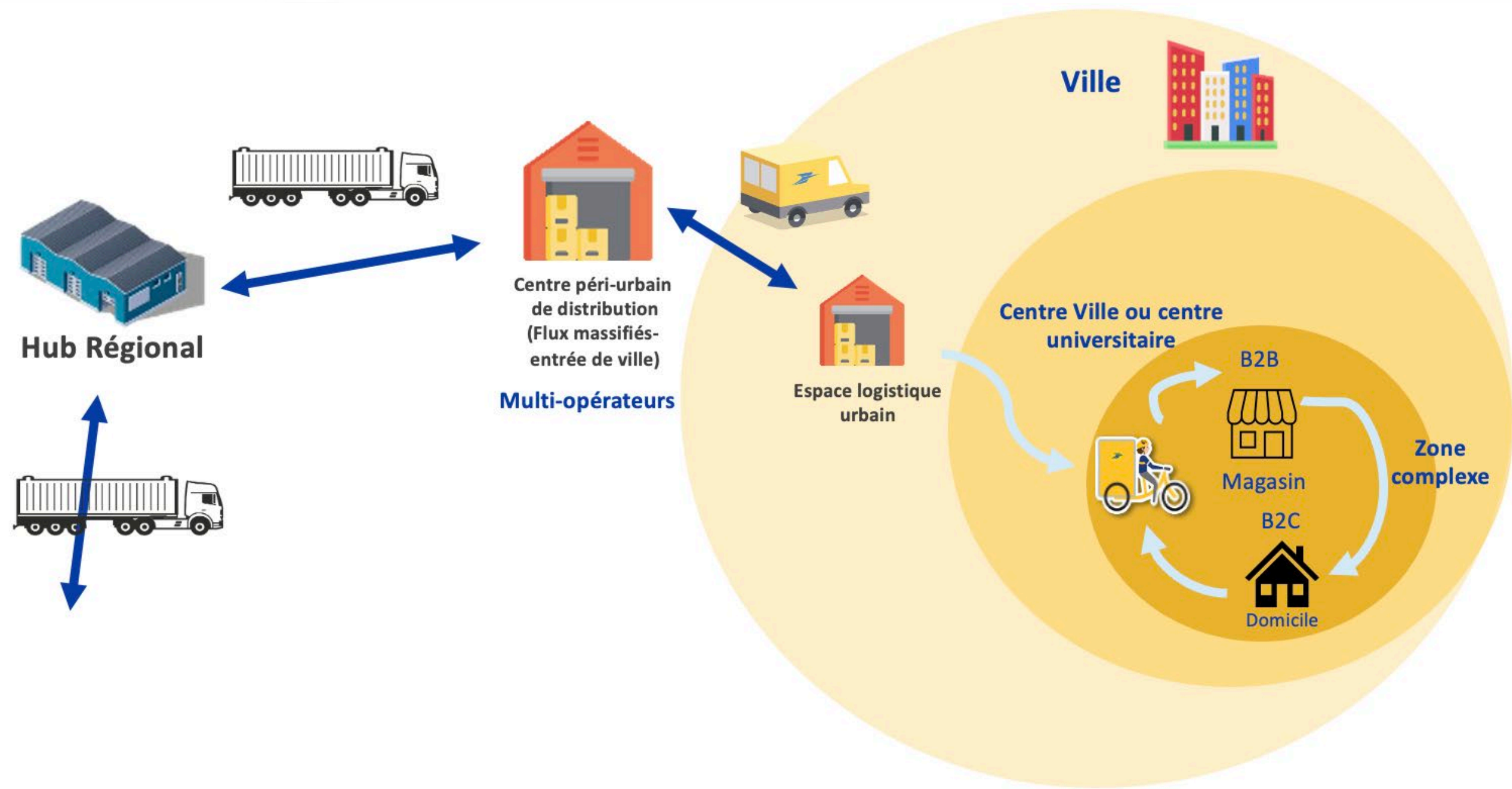
Context



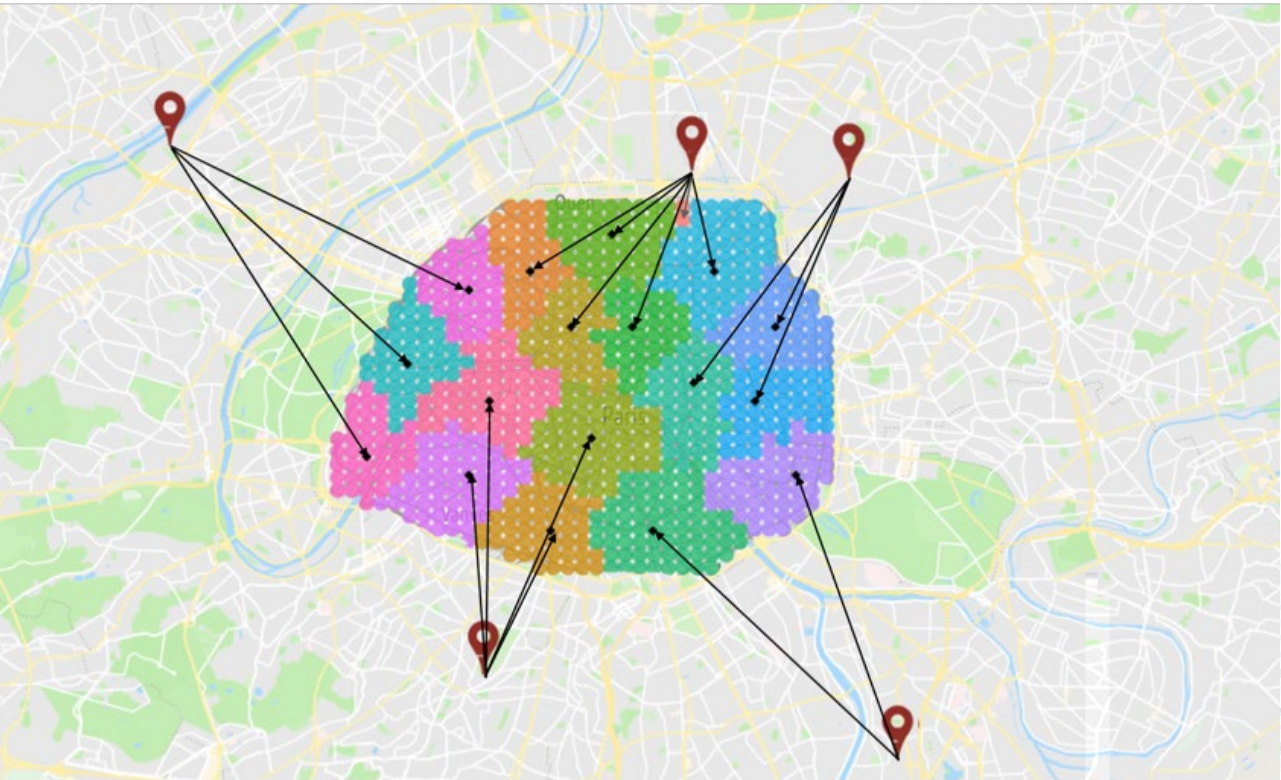
Historical delivery network



Current delivery network



Emerging quick markets



BFMTV

L'hypercroissance du E-commerce : un challenge pour les ...

Le développement du « Ship from store » complexifie les plans de transport avec l'utilisation de plusieurs prestataires du dernier kilomètre. La ...
Il y a 1 jour



PR Newswire

Same Day Delivery Market Size to hit \$ 16739 Million by 2027 ...

The same day delivery is very fast process so to avoid mix-ups if product ordered before noon are delivered on same day otherwise next morning ...
Il y a 3 semaines



E-marketing

Ship-from-store : ba&sh multiplie ses ventes en ligne par 3,5

...
Ship-from-store : ba&sh multiplie ses ventes en ligne par 3,5 le premier jour des soldes. Publié par Clément Fages le 1 mars 2021 | Mis à jour le 5 mars 2021 à ...
Il y a 1 mois



Voxlog

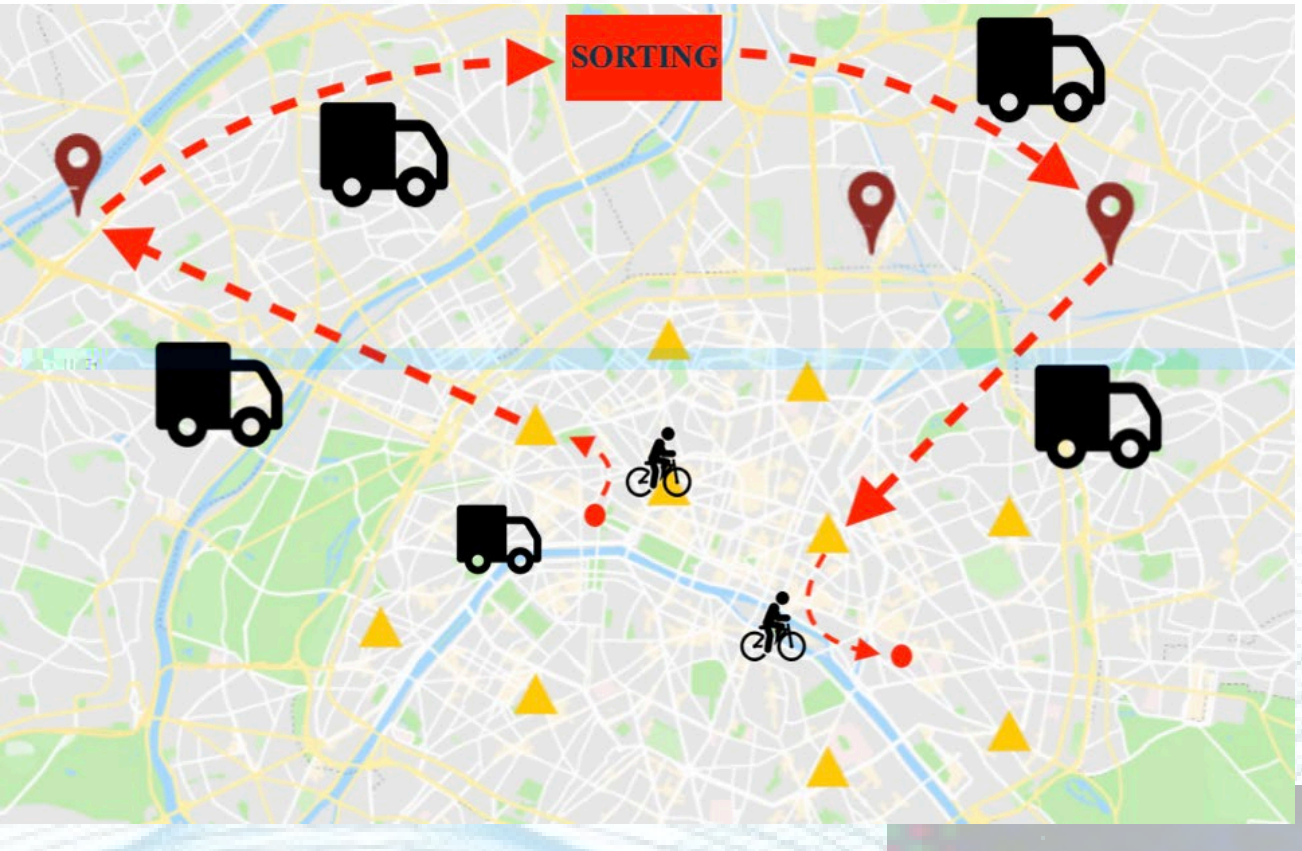
Electro Dépôt déploie le ship-from-store avec Woop

Depuis la mi-novembre, l'enseigne de multimédia et d'électroménager a pu déployer une solution de livraison ship-from-store depuis ses 81 ...
20 janv. 2021



X

Emerging quick markets



BFMTV

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20 janv. 2021



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La Poste's Group organization

Historical role



La Poste's Group organization

La Poste has several twin companies, with their own already established networks

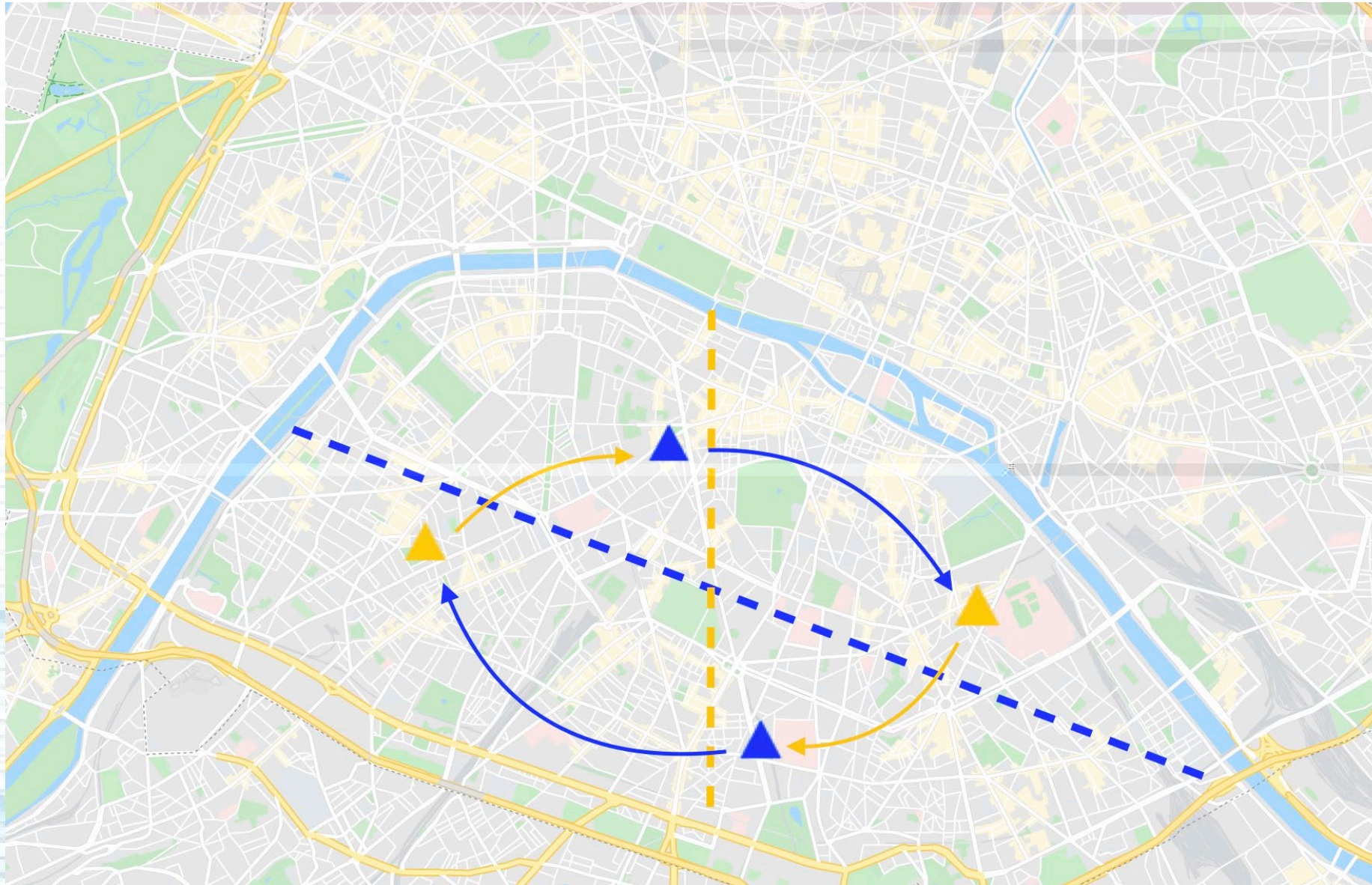


 **chronopost**

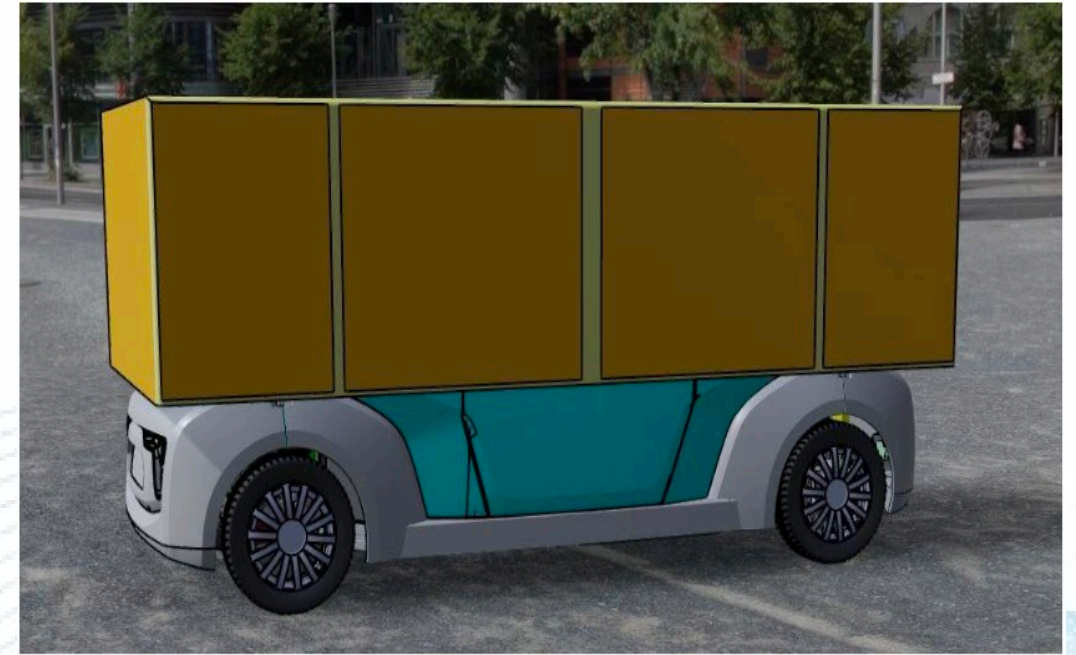


 **colissimo**

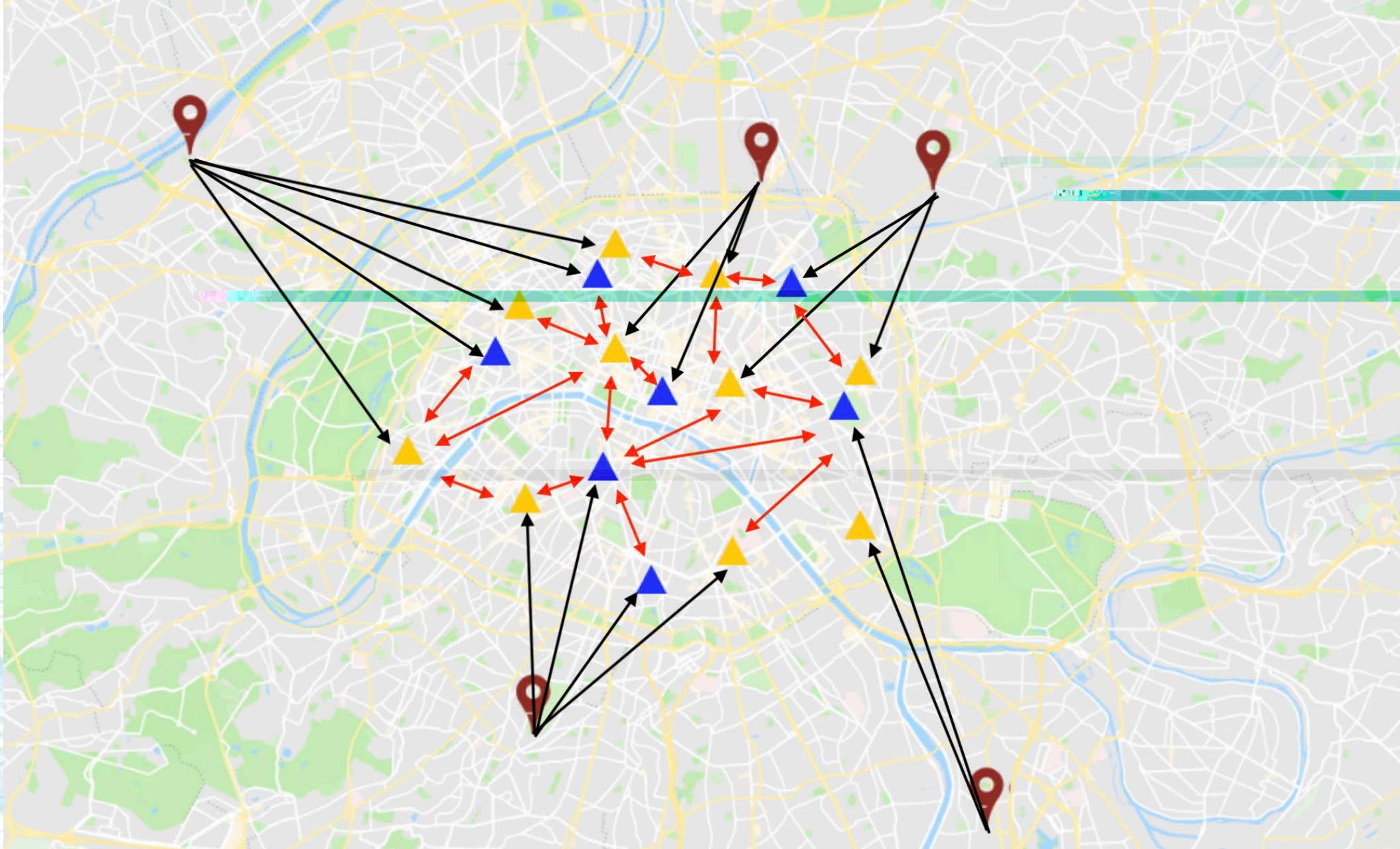
Natural overlapping



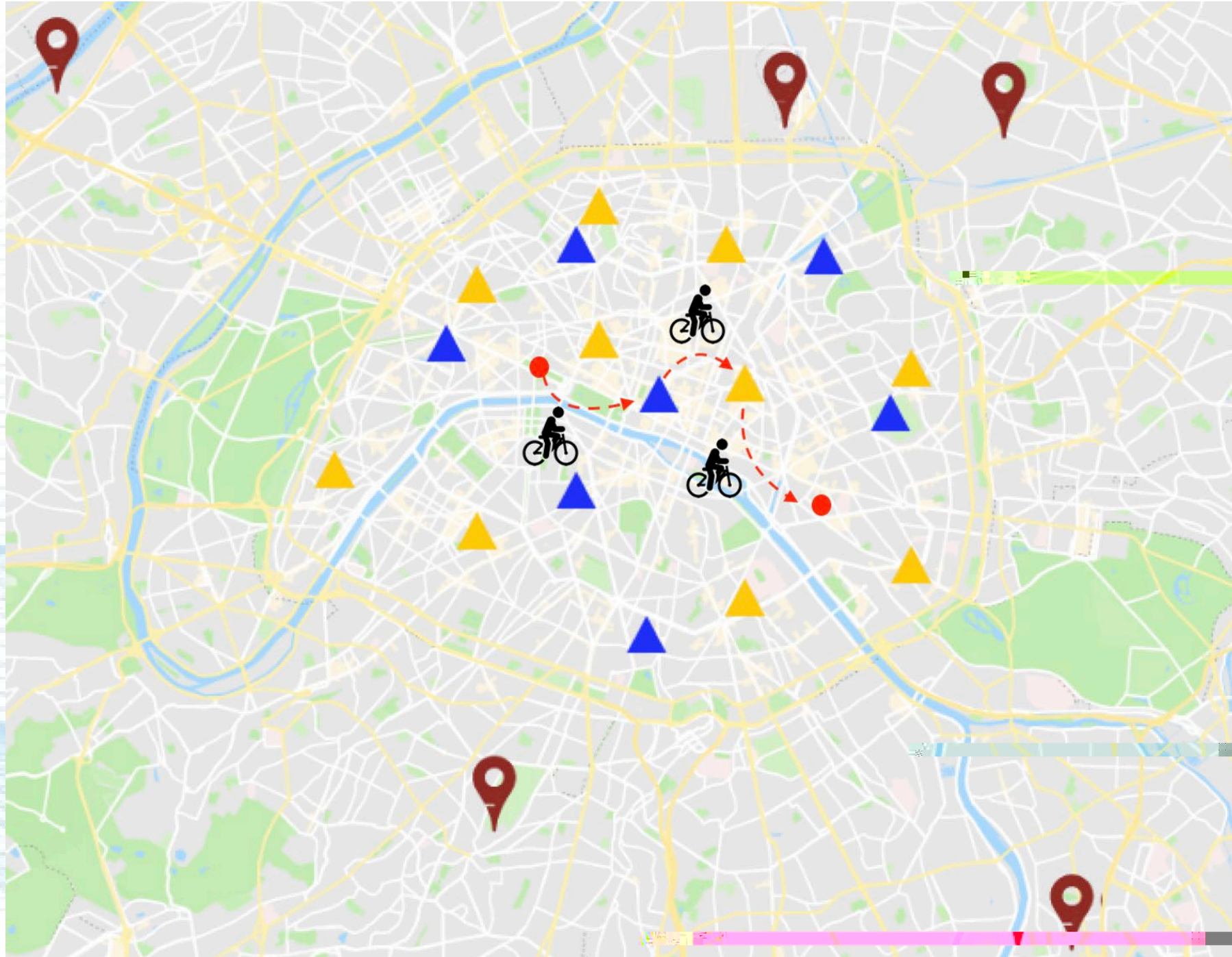
The introduction of new delivery methods allows a higher agility



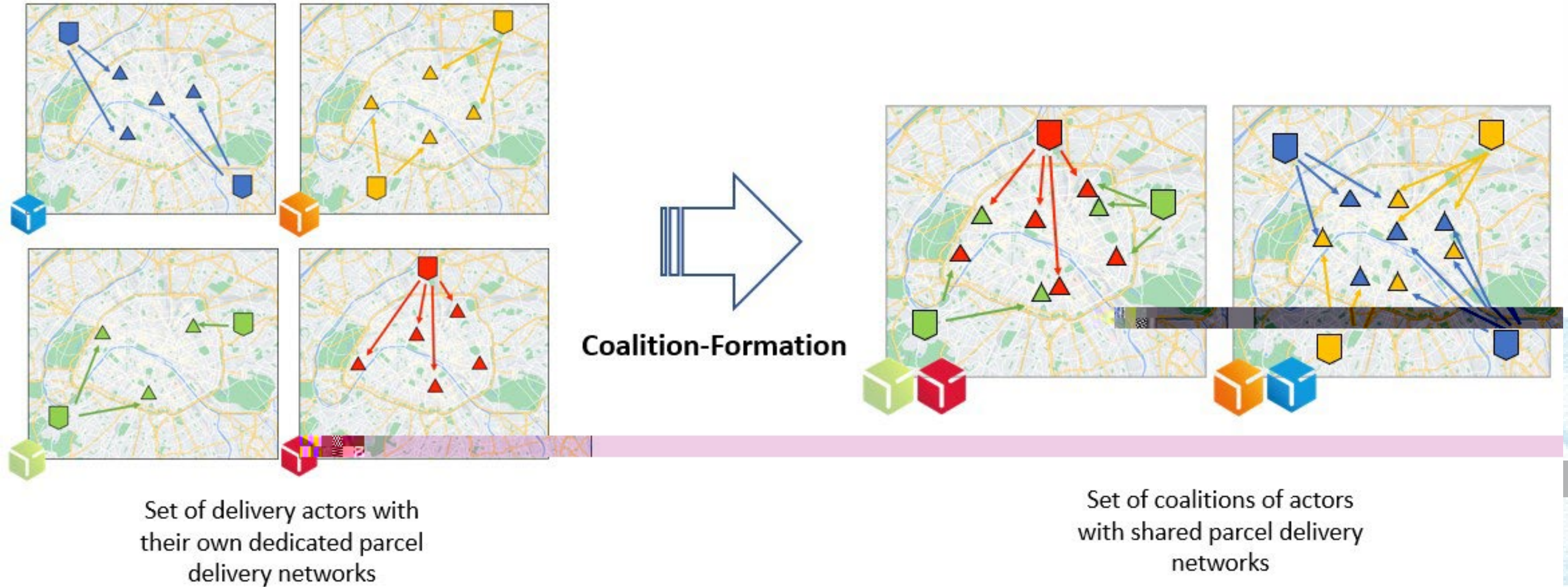
Introduction of interconnected networks



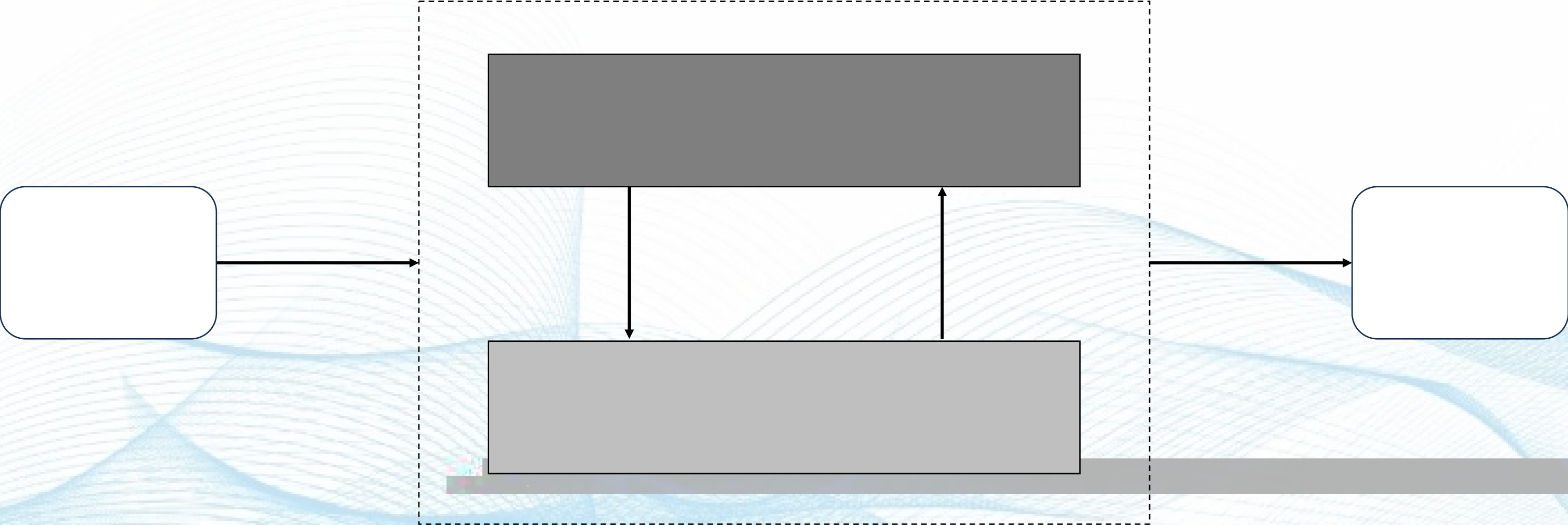
Introduction of interconnected networks



Idea of coalition formation



Coalitional Decision-Making Framework



Coalitional Network Design

➤ Aim:

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➤ Model and Decisions:

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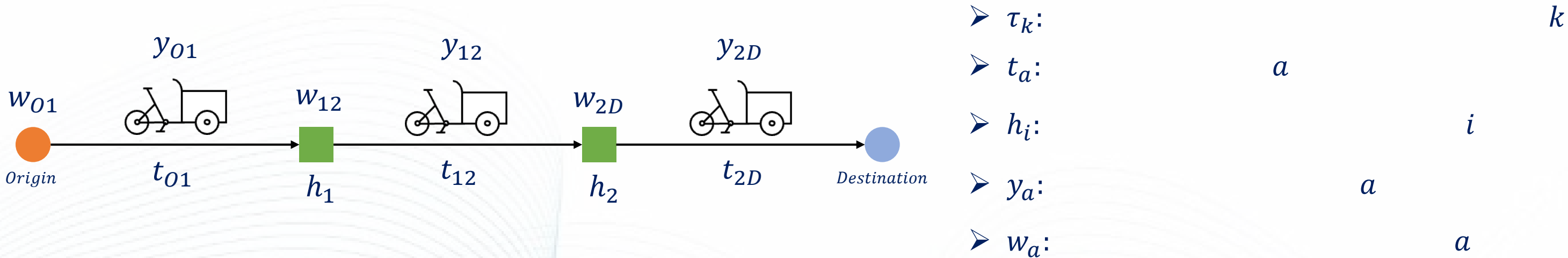
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Modelling Delivery Service Requirements



Assumptions

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$a \quad w_a \sim (0, \frac{1}{y_a}) \quad \frac{1}{2} \cdot \frac{1}{y_a}$

$$\sum_{a \in p} t_a + \sum_{i \in p} h_i + \sum_{a \in p} \mathbb{E}[w_a] \leq \tau_k \Rightarrow \sum_{a \in p} \frac{1}{2} \cdot \frac{1}{y_a} \leq \hat{\omega}_{kp} = \tau_k - \left(\sum_{a \in p} t_a + \sum_{i \in p} h_i \right)$$

Coalitional Network Design Model with TDSR



- $\mathcal{S}$:
 - $\mathcal{N}^s$:
 - $\mathcal{A}^s$:
 - $\mathcal{K}^s$:
 - $\mathcal{P}_k^s$:
- $s \in \mathcal{S}$
- $k \in \mathcal{K}$
- $s \in \mathcal{S}$



- $x_h^s \in \{0,1\}$:
 - $y_a^s \in \mathbb{Z}_{\geq 0}$:
 - $z_{kp}^s \in \{0,1\}$:
- $s \in \mathcal{S}$
- a
- k

$$\min \sum_{h \in \mathcal{N}^s} f_h \cdot x_h^s + \sum_{a \in \mathcal{A}^s} g_a \cdot y_a^s$$

$$\text{s.t.} \quad \sum_{p \in \mathcal{P}_k^s} z_{kp}^s = 1, \quad \forall k \in \mathcal{K}^s$$

$$\sum_{k \in \mathcal{K}^s} \sum_{p \in \{p \in \mathcal{P}_k^s : a \in p\}} q_k \cdot z_{kp}^s \leq v \cdot y_a^s, \quad \forall a \in \mathcal{A}^s$$

$$\sum_{a \in p} \frac{1}{2} \cdot \frac{1}{y_a^s} \leq \hat{\omega}_{kp} + M \cdot (1 - z_{kp}^s), \quad \forall k \in \mathcal{K}^s, p \in \mathcal{P}_k^s$$

$$Q_i^{\min} \cdot x_i^s \leq \sum_{a \in \delta^+(i)} y_a^s \leq Q_i^{\max} \cdot x_i^s, \quad \forall i \in \mathcal{N}^s$$

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Case Study

Table 1: Summary of parcel delivery actors

Delivery actor	# of Micro-hubs	Market Share	# of OD Commodities
1	19	60%	35591
2	3	10%	6162
3	8	30%	18105

Case Study: Cost-Sharing Methods

Input:

- S :
- I :
- I^S : $s \in S$
- M : Set of cost-sharing methods
 $= \{\text{Shapley, PF, Eg}\}$
- K_i i
- q_{ik} : i
- $C_{i,s}^m$: i s
 $m \in M$

Cost-Sharing Methods:

- B $C_{i,s}^{Shapley} = \sum_{\bar{I} \subseteq I^S: i \in \bar{I}} \frac{(|I^S| - |\bar{I}|)! \cdot (|\bar{I}| - 1)!}{|I^S|!} \cdot (C_{\bar{I}} - C_{\bar{I} \setminus i})$
- B $C_{i,s}^{PF} = \frac{C_s \cdot \sum_{k \in K_i} q_{ik}}{\sum_{i' \in I^S} \sum_{k \in K_{i'}} q_{ik}}$
- B $C_{i,s}^{Eg} = \frac{C_s}{|I^S|}$

Case Study: Global Network Design Performance

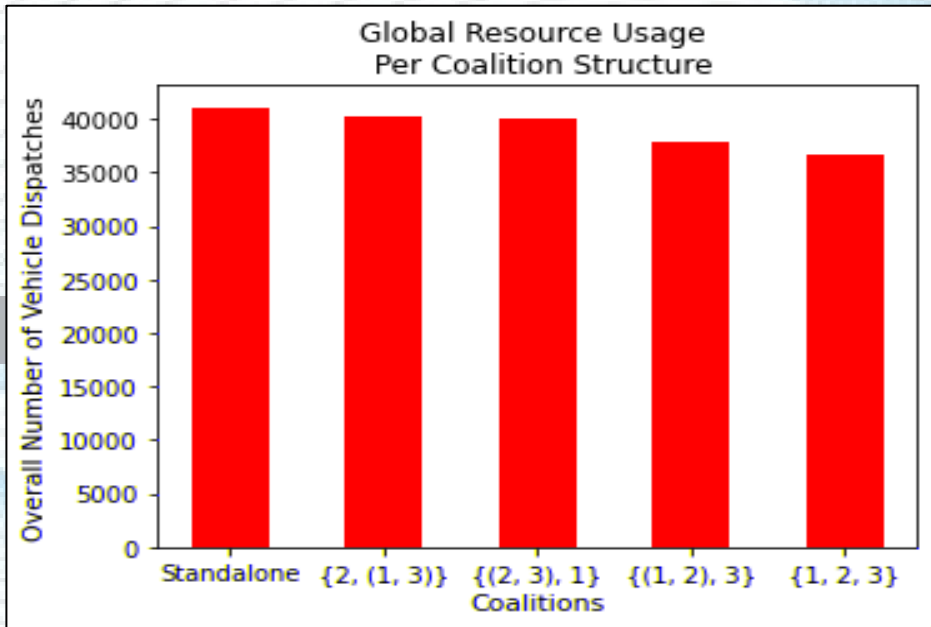
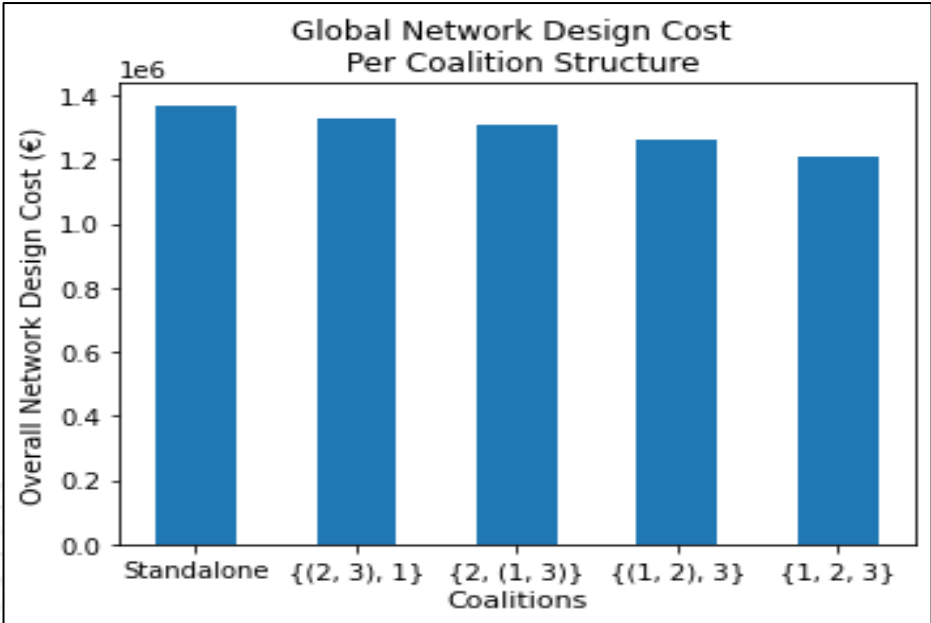
Table 1: Summary of Network Design of individual actors

Actor	#. of open MHs	No. O-D Commodities	Cost (€)

Table 2: Summary of possible coalitions

Coalition	# of potential MHs	# of open MHs	# of O-D Commodities	Description
				B
				B
				B

Figure 3: Global Network Design Performance



Case Study: Impact of Cost-Sharing Methods

Figure 4: Allocated cost to actors per cost-sharing method

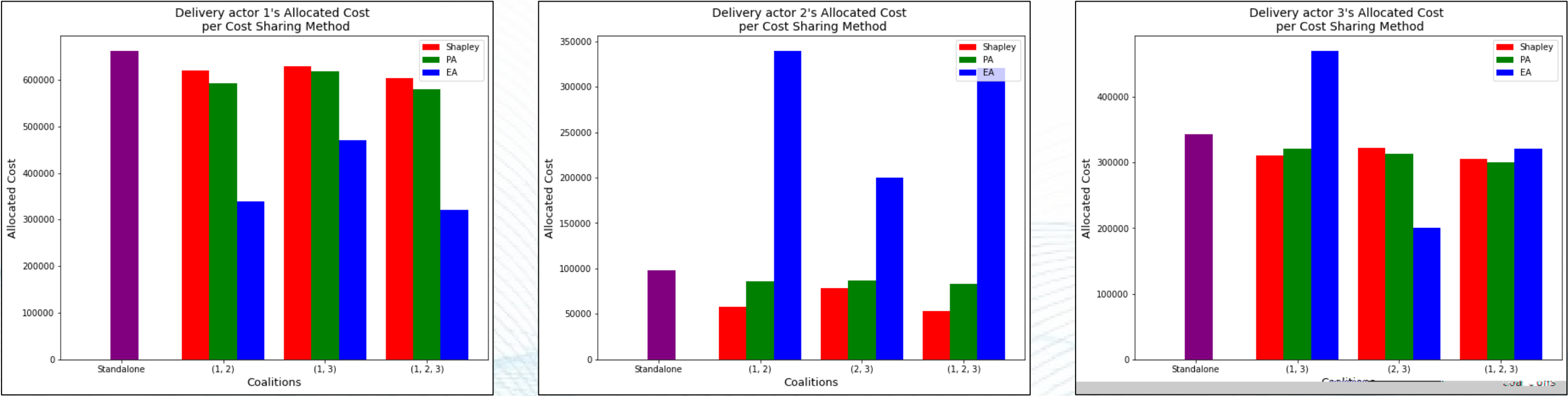
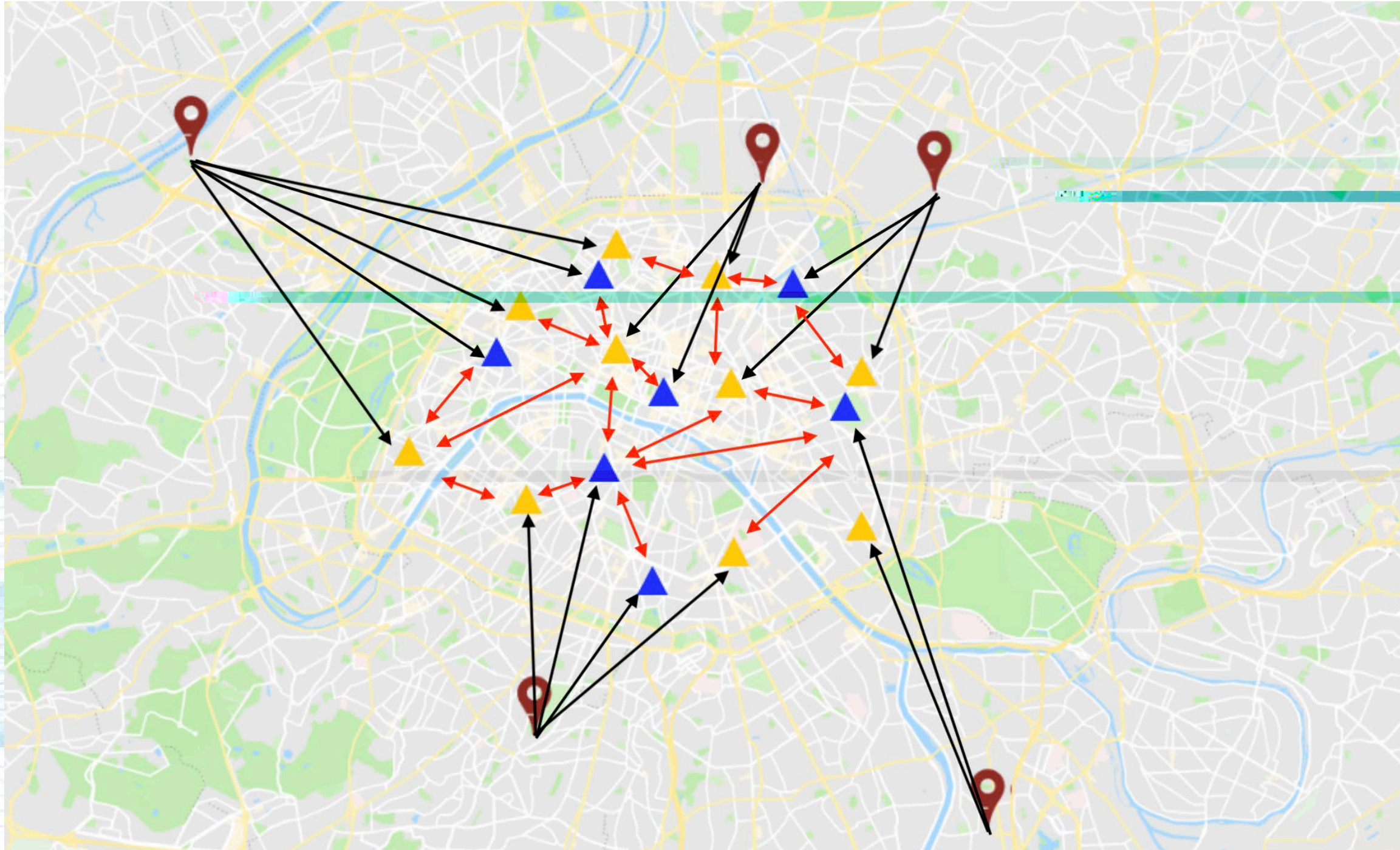


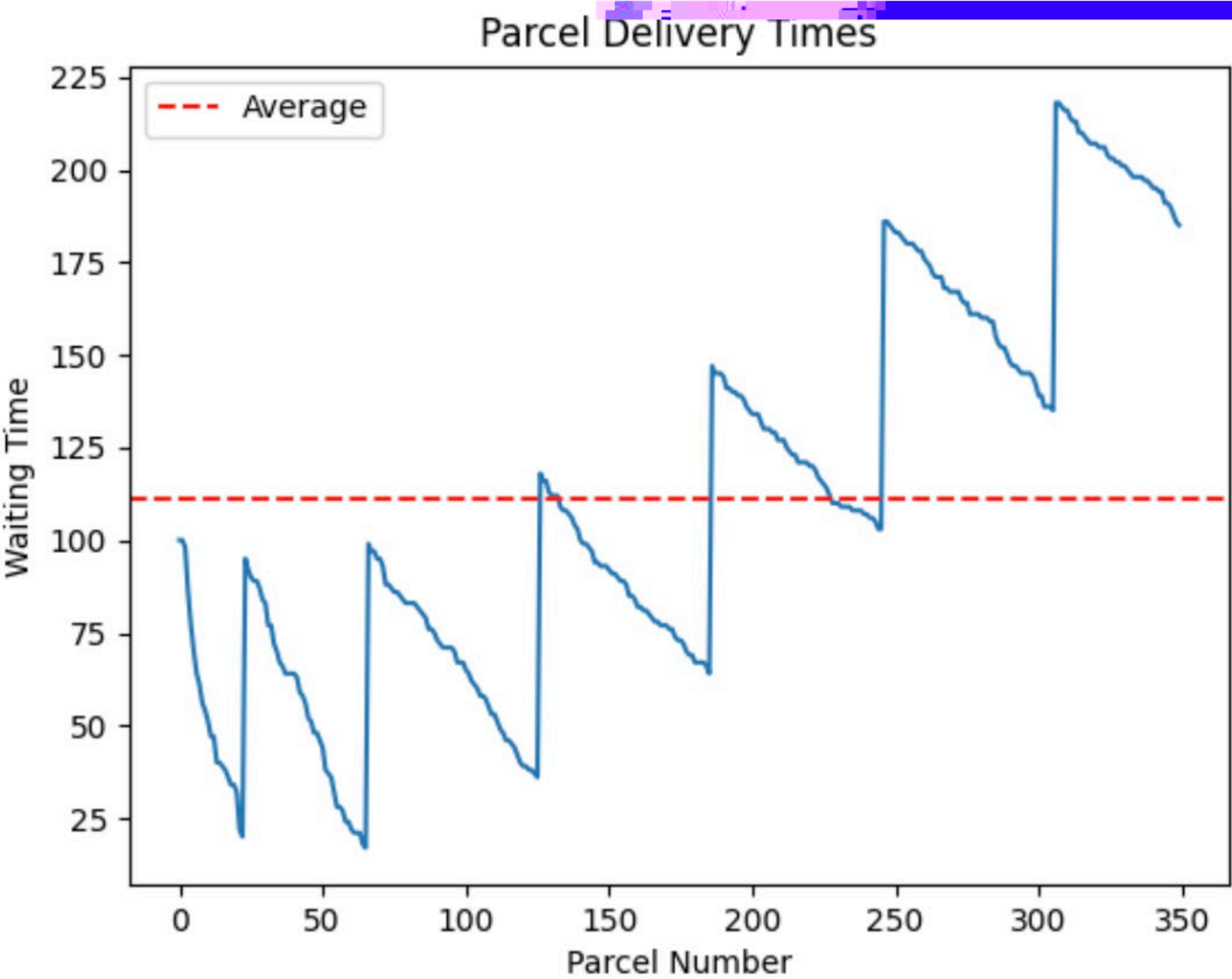
Table 3: Summary of coalitional decisions per cost-sharing method

Total No. Coalitions	Shapley			Proportional (PA)			Egalitarian (EA)		
	B			B			B		

Type of connected networks



Simulation for Robust O-D Service Guarantees



Future work

Summary

Thank you!

Robust O-D Service Guarantees

Assumptions

-
-

$$\Rightarrow \quad a \quad w_a \sim \quad (0, \frac{1}{y_a}) \quad \frac{1}{2} \cdot \frac{1}{y_a}$$

$$\sum_{a \in p} t_a + \sum_{i \in p} h_i + \sum_{a \in p} \mathbb{E}[w_a] \leq \tau_k \Rightarrow \sum_{a \in p} \frac{1}{2} \cdot \frac{1}{y_a} \leq \hat{\omega}_{kp} = \tau_k - \left(\sum_{a \in p} t_a + \sum_{i \in p} h_i \right)$$

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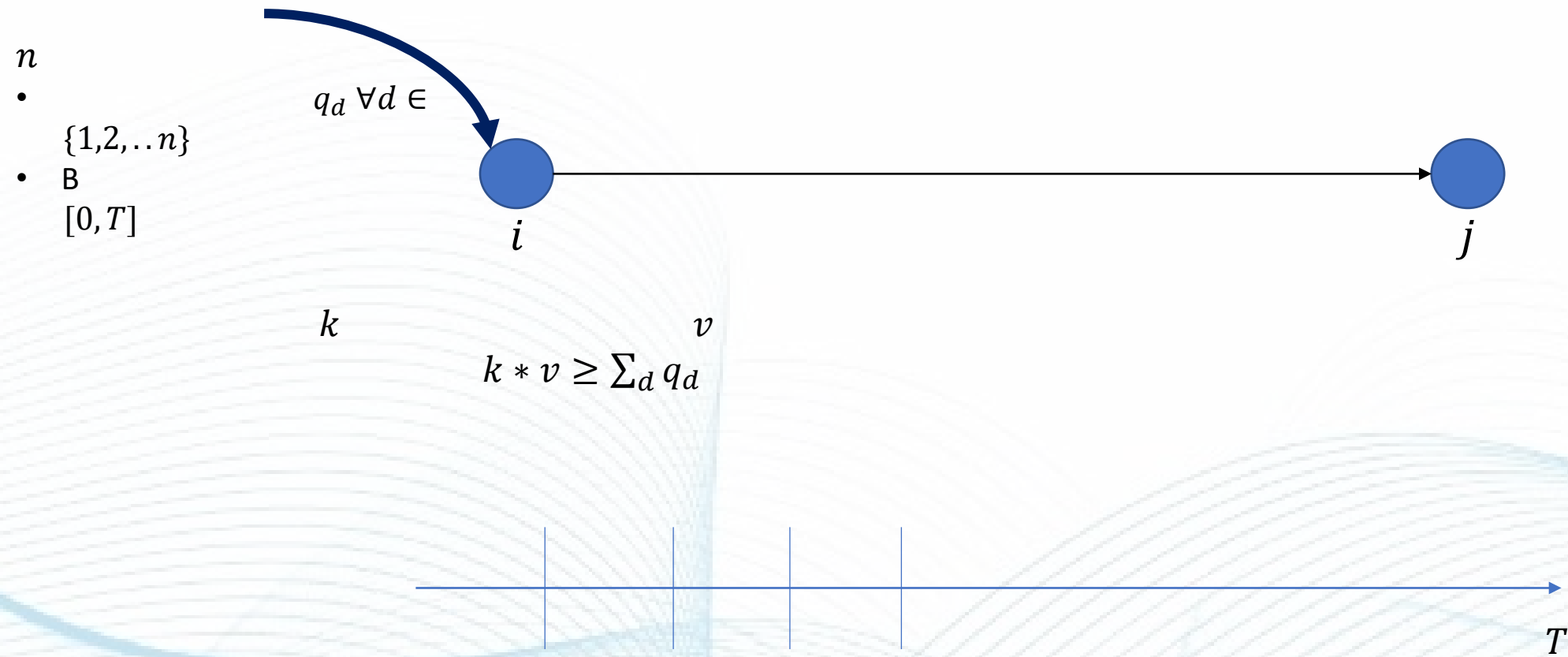
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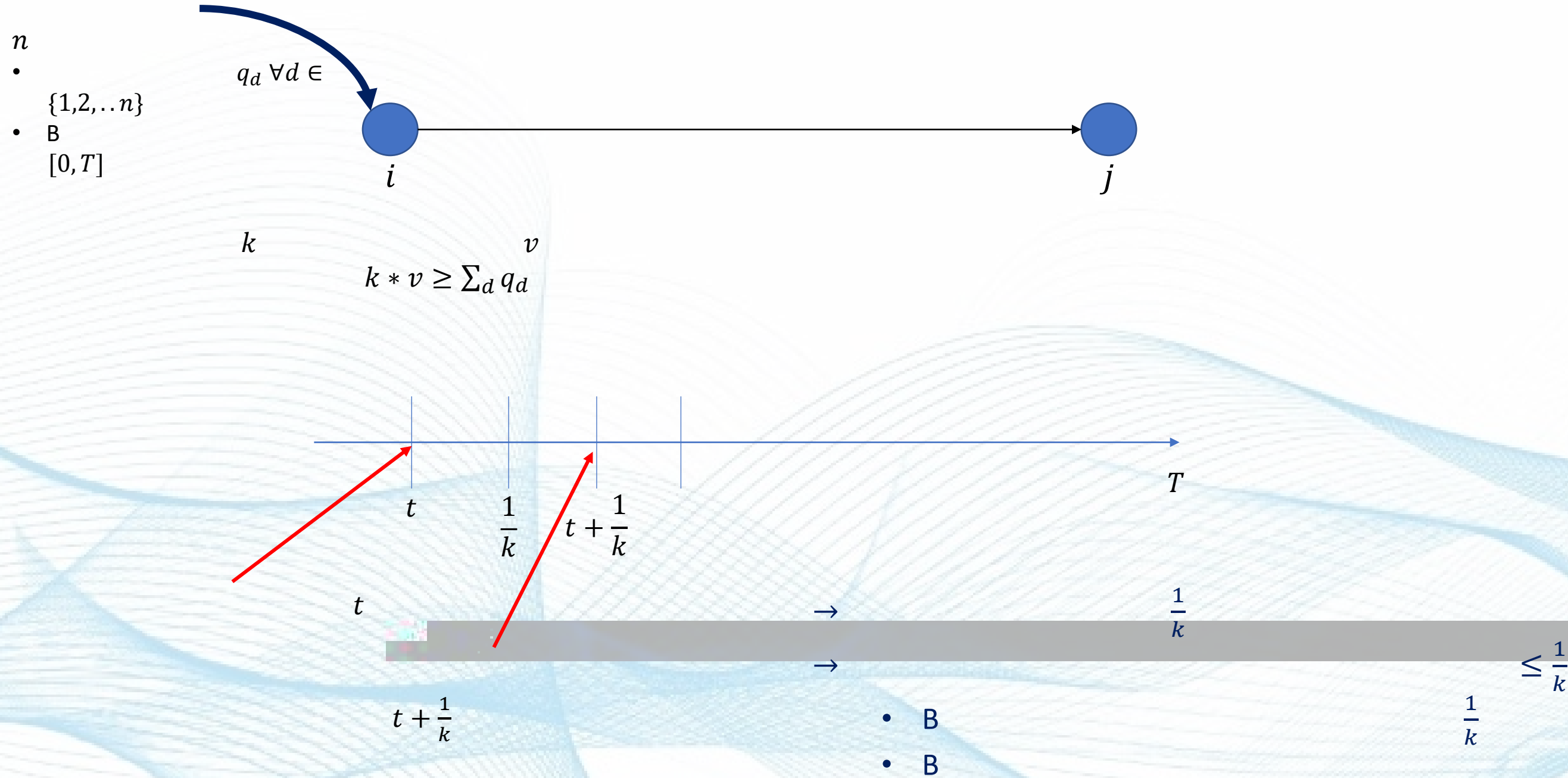
Robust O-D Service Guarantees



Policy:

- either at the latest at $\frac{1}{k}$ time or when full
- τ_i
- i^{th} ($\forall i > 1$) either at the latest at $\tau_{i-1} + \frac{1}{k}$ or when full

Robust O-D Service Guarantees



Robust O-D Service Guarantees



- $\mathcal{S}$:
 - $\mathcal{N}^s$:
 - $\mathcal{A}^s$:
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 - $\mathcal{P}_k^s$:
- $s \in \mathcal{S}$
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Robust O-D Service Guarantees

what if $k < 2$?

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$$\text{s.t.} \quad \sum_{p \in \mathcal{P}_k^s} z_{kp}^s = 1, \quad \forall k \in \mathcal{K}^s$$

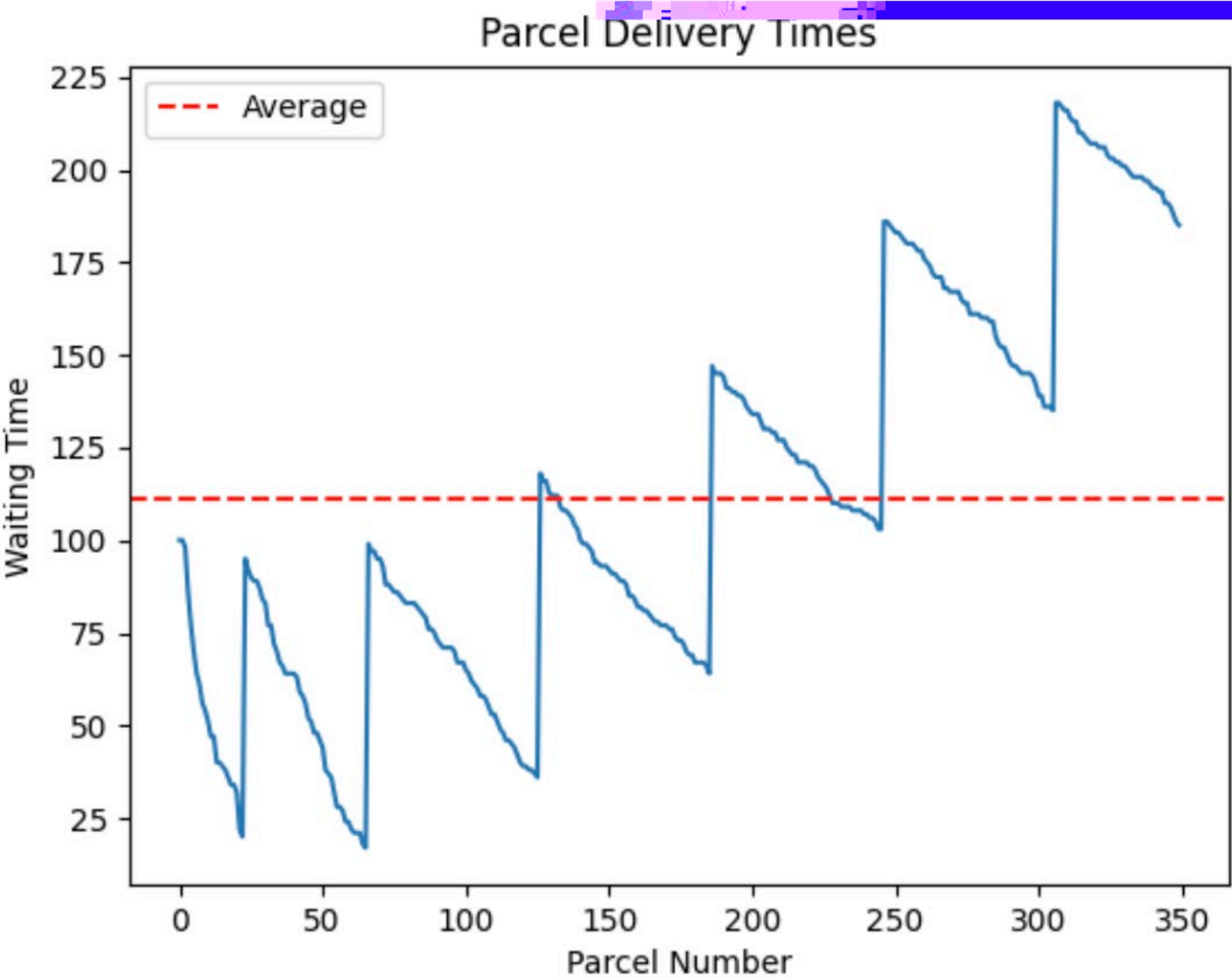
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Simulation for Robust O-D Service Guarantees



Simulation for Robust O-D Service Guarantees

