JUPITER PRIME

Consulting • Training • Advisory

جوبيتر برايم للاستشارات والتدريب

COURSE BROCHURE

# Advanced Logistics Network Design and Cost-to-Serve Training Course

16 – 27 August 2027
Rome

**jupiterprime.uk**

info@jupiterprime.uk

Registered in the United Kingdom and Saudi Arabia

# Advanced Logistics Network Design and Cost-to-Serve Training Course

**Ref:** 431_15452 **Date:** 16 – 27 August 2027 **Location:** Rome **Fees:** 11100 GBP

Logistics Network Design and Cost-to-Serve is an advanced 2-week training course for logistics managers, distribution leads and operations planners, built around one work product: a Logistics Network and Service Improvement Plan that links depot locations, transport flows, stock positioning and delivery promises to traced cost. Customers expect faster, more reliable delivery while freight, labour and warehousing costs keep moving. Jupiter Prime Training designed this course for the people who decide where goods are stored and how they travel.

## Why Logistics Network Design and Cost-to-Serve Matter Now

Three forces are reshaping physical distribution. Customers in both business and consumer channels expect shorter lead times and accurate delivery promises. Transport capacity, fuel and warehouse labour fluctuate, so a depot footprint sized for older volumes can quietly erode margin. And finance and sales leaders want to know which customers, channels and products remain profitable once logistics costs are traced to them. Organisations that design their networks deliberately protect service and margin together; those that react order by order pay for expediting, duplicated stock and lost accounts. The course links every network choice to activity-based cost-to-serve evidence rather than averages.

## Who Gains Most from Logistics Network Design and Cost-to-Serve

- Managers who own distribution centres, depots and regional warehouses
- Planners who decide stock positioning and replenishment between sites
- Leads who buy and manage road, sea, air and courier transport
- Analysts who trace logistics costs and service performance for leadership
- Coordinators who align commercial delivery terms with operational capacity

A cross-functional group from one business, combining distribution, transport and commercial finance leads, gains most when its members attend together and agree one view of network cost and service.

## Logistics Network Design and Cost-to-Serve Capabilities

Each outcome ties a depot, route or delivery term to the service a customer receives and the cost the business carries.

- Design depot location scenarios with modelled flows and capacities — capital investment decisions
- Weigh transport modes and carrier models against lead time and cost — customer service targets
- Calculate cost-to-serve by customer, channel and order profile — commercial pricing choices
- Specify stock positioning rules across central and local sites — working capital owners
- Test minimum order and delivery frequency policies against margin — sales leadership

- Build a network performance scorecard linking cost and service — operations reviews

## Key Logistics Network Design and Cost-to-Serve Terms

- Cost-to-serve — the full logistics cost of meeting a given customer, channel or order type, traced from warehouse to delivery.
- Network design — deciding how many facilities to run, where to place them and how goods flow between them.
- Centre of gravity method — a calculation that locates a facility near the weighted centre of the volumes it ships.
- Drop density — the number of deliveries a vehicle completes within a given area or route, a major driver of transport cost.
- Cross-docking — moving inbound goods straight to outbound vehicles with little or no storage time in between.
- Perfect order rate — the share of orders delivered complete, on time, undamaged and with correct documentation.

## Logistics Network Design and Cost-to-Serve Day by Day

### Day 1: Distribution Strategy and Service Promises

- Distribution Strategy Alignment — Cost, Speed and Flexibility Priorities
- Customer Service Segmentation — Differentiated Delivery Promises
- Physical Flow Mapping — Inbound, Storage and Outbound Hand-Offs
- Push and Pull Boundaries — Where Stock Should Sit
- Network Maturity Diagnostic — Redesign Priorities

### Day 2: Network Modelling Foundations

- Network Modelling Inputs — Demand Points, Volumes and Costs
- Centre of Gravity Analysis — Depot Location Options
- Hub and Spoke Versus Direct Delivery — Network Structure Choice
- Facility Count Trade-Offs — Inventory Versus Transport Cost
- Network Scenario Comparison — Capital and Service Impact

### Day 3: Transport Planning and Mode Selection

- Mode Selection Matrix — Road, Sea, Air and Rail Trade-Offs
- Load Planning and Vehicle Utilisation — Fill Rate Decisions
- Route Planning Principles — Drop Density and Delivery Windows
- Freight Rate Structures — Contract Versus Spot Exposure
- Intermodal and Consolidation Options — Shipment Size Choices

### Day 4: Carrier and Third-Party Logistics Models

- Insource Versus Outsource Assessment — Logistics Operating Model
- Third-Party Logistics Scope Design — Pricing Model Options
- Carrier Scorecards — On-Time and Damage Performance
- Logistics Service Level Agreements — Penalties and Incentives
- Freight Audit Controls — Invoice Accuracy and Accessorial Charges

## Day 5: Depot Roles and Fulfilment Design

- Depot Role Definition — Storage, Fulfilment or Cross-Dock
- Slotting and Layout Principles — Travel Time Reduction
- Picking Methods — Discrete, Batch and Zone Choices
- Depot Labour Capacity Planning — Peak and Off-Peak Volumes
- Multi-Channel Fulfilment Flows — Store and Direct Customer Orders

## Day 6: Stock Positioning Across the Network

- ABC and XYZ Segmentation — Stocking Location per Item Class
- Safety Stock Calculation — Service Level and Lead Time Variation
- Multi-Echelon Stock Positioning — Central Versus Local Holding
- Inventory Pooling Effects — Consolidation of Depot Stocks
- Days of Cover Targets — Working Capital per Site

## Day 7: Cost-to-Serve Modelling

- Activity-Based Logistics Costing — Tracing Cost to Orders
- Cost-to-Serve Model Build — Customer and Channel Profitability
- Order Profile Analysis — Drop Size and Frequency Effects
- Cost-to-Serve Visualisation — Profit Waterfall by Customer
- Data Sources for Cost Tracing — Warehouse and Transport Records

## Day 8: Commercial Decisions From Cost-to-Serve

- Minimum Order and Delivery Frequency Policies — Service Terms
- Differentiated Service Offers — Premium and Standard Delivery Options
- Total Landed Cost Comparison — Sourcing and Stocking Location Choices
- Logistics Budget Drivers — Volume, Rate and Mix Effects
- Sales and Operations Alignment Meeting — Agreeing Delivery Terms

## Day 9: Network Performance Measurement

- Logistics Key Performance Indicator Tree — Linking Cost and Service
- Perfect Order Measurement — Root Causes of Failure
- Exception Reporting for Planners — Late and Short Deliveries
- Lean Waste Removal in Distribution — Handling and Waiting Reduction
- Transport Emissions Measurement — Network Footprint Comparison

## Day 10: Practising the Logistics Network and Service Improvement Plan

- Network Redesign Case — Applying Centre of Gravity and Scenarios
- Transport Model Simulation — Applying Mode and Carrier Selection
- Stock Positioning Exercise — Applying Segmentation and Safety Stock
- Cost-to-Serve Presentation — Applying Customer Profitability Findings
- Logistics Network and Service Improvement Plan — Targets, Actions and Owners

## Applying Logistics Network Design and Cost-to-Serve After the Course

- Build a first cost-to-serve view for the top twenty customers and present the least profitable delivery patterns to sales leadership.
- Run a centre of gravity check on current depot locations using last year's shipment volumes and document which sites warrant a redesign study.

## Logistics Network Design and Cost-to-Serve Questions FAQ

### What is logistics network design and cost-to-serve, and why does it matter now?

It is the practice of deciding where depots sit, how goods travel and what each customer really costs to supply. It matters now because delivery expectations are rising while freight, labour and warehousing costs keep shifting.

### Which roles gain most from logistics network design and cost-to-serve training?

Logistics managers, distribution leads and operations planners gain most. They choose depot roles, transport modes, carriers and stock positions, and they explain to commercial leaders which delivery terms protect margin.

### How does logistics network design and cost-to-serve training differ from a procurement course?

A procurement course centres on buying: specifications, tenders, negotiation and supplier contracts. This course centres on the physical network after purchase: depot location, transport modes, stock positioning and tracing logistics cost to customers.

### What do you bring back from logistics network design and cost-to-serve training?

You bring back a network and service improvement plan with depot scenarios, a transport mode matrix, stock positioning rules, a cost-to-serve model and a network scorecard ready to adapt to your operation.

## Logistics Network Design and Cost-to-Serve: The Way Forward

The Logistics Network and Service Improvement Plan first informs whether the current depot and carrier structure still fits demand. Distribution, transport and commercial finance leads use it to agree targets and investments. After the first quarter of tracking, revisit cost-to-serve findings and delivery terms to see whether service gains are holding without rising cost.