

Logistics - fedex distribution systems



Overview

FedEx Corporation is regarded to be one of the most reliable transportation enterprises around the world. The main objective of the company is to provide fast and reliable delivery of goods to every part of the United State along with 220 other countries. The company uses a network of air and ground structure for delivering the shipments in the right time, usually measured to be within two business days (Haas, McLeod, Dezemplen & Conger, 2010).

How FedEx does distribute its product?

With the emergence of globalization, it has been apparently viewed that companies are adapting new strategies in order to maintain a competitive edge in the market. The company is observed to use a distribution system of its own known as the ' FedEx International DirectDistribution' which is said to be an easy and cost effective process, resulting in the distribution of various shipments in proper time along with decreasing its operational cost. This mechanism thereby facilitates to ensure that low cost is charged from the customers. This in turn plays a vital role in ascertaining the preference of FedEx amid consumers.

Figure: FedEx International DirectDistribution (FedEx, 2013)

With reference to the above graphical representation i. e. ' FedEx International DirectDistribution', it can be viewed that the distribution system of FedEx comprises three steps that include packaging of the shipment received from different sources, making transportation of goods with the help of different means, as well as the concluding step is to deliver the shipment to the final customers or retailers. The different steps have been elaborated below:

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Packaging of the shipment received: In the first step of the distribution process of the company, the shipments received are packed according to their requirements. The package process is considered to be a vital part of the distribution process of the company as the shipment of the goods in proper order or quality is reliant on the way in which the packaging is done. FedEx does have different packaging policies for diverse forms of products. The different packaging policies comprise stacking the shipment received in order to have a proper estimation of the width, length and breadth of the boxes that would be needed to pack the product. The next step is the process of cushioning and bracing, resulting in proper handling of the products while transporting the shipments from one location to another. And, the last step is banding and wider packaging so that no damages occur owing to inadequate stacking of the products (FedEx, 2013).

Transportation: Transportation is the process where the shipments received and packed are transported from one location to the other via the different means of transportation of the company (including air way, water way and road way). It is worth mentioning that custom duties paid for the products are paid as a whole not on the basis of a single shipment. The transportation is generally done by the organization's division i. e. FedEx Express (FedEx, 2013).

Final distribution of product to end customer: Final distribution is the process through which the goods received and transported are delivered to the final customer. FedEx has its own ground distribution system namely FedEx Ground, FedEx SmartPost and FedEx Freight. The main responsibilities of FedEx Ground and SmartPost are to hand out the small-package shipments all over the United States and Canada. On the other hand, FedEx Freight

provides the service of distributing products that are considered to be ' less than truck load' (LTL) to the different customers and retailers (FedEx, 2013).

References

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