

Drone Delivery: Deal or No Deal

Motivation / Background

- Shortage of truck drivers is at historic levels.
- Huge potential in transportation cost savings by using drones for last mile deliveries.
- Research estimated that delivering a package by drone can reduce greenhouse gas emission by 54%.



Key Questions / Hypothesis

- Will drone delivery ever be feasible?
- When is the right time to invest in drone delivery?
- In what capacity can drone delivery replace traditional methods?

Relevant Literature



The Problem

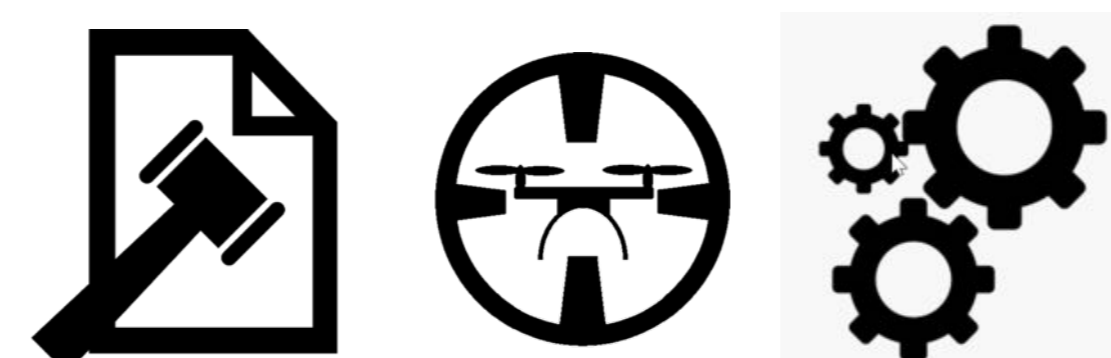
To invest or not to invest?

- Regulations
- Infrastructure requirements
- Technological limitations
- Cost savings
- Commitment to sustainability
- Serve demand

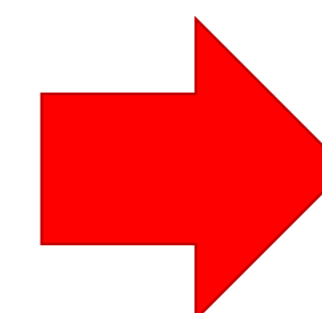


Methodology

Operational Feasibility

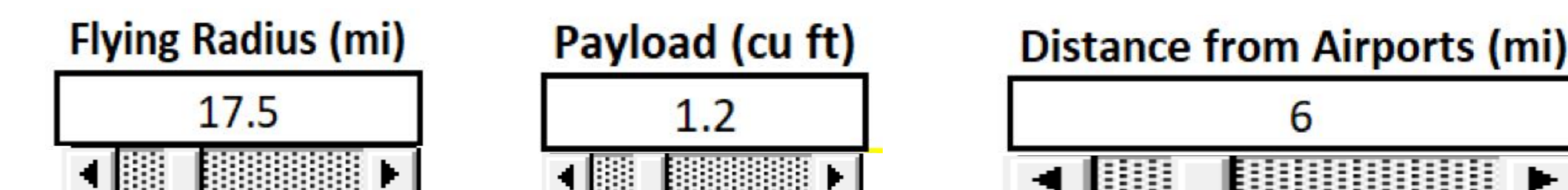
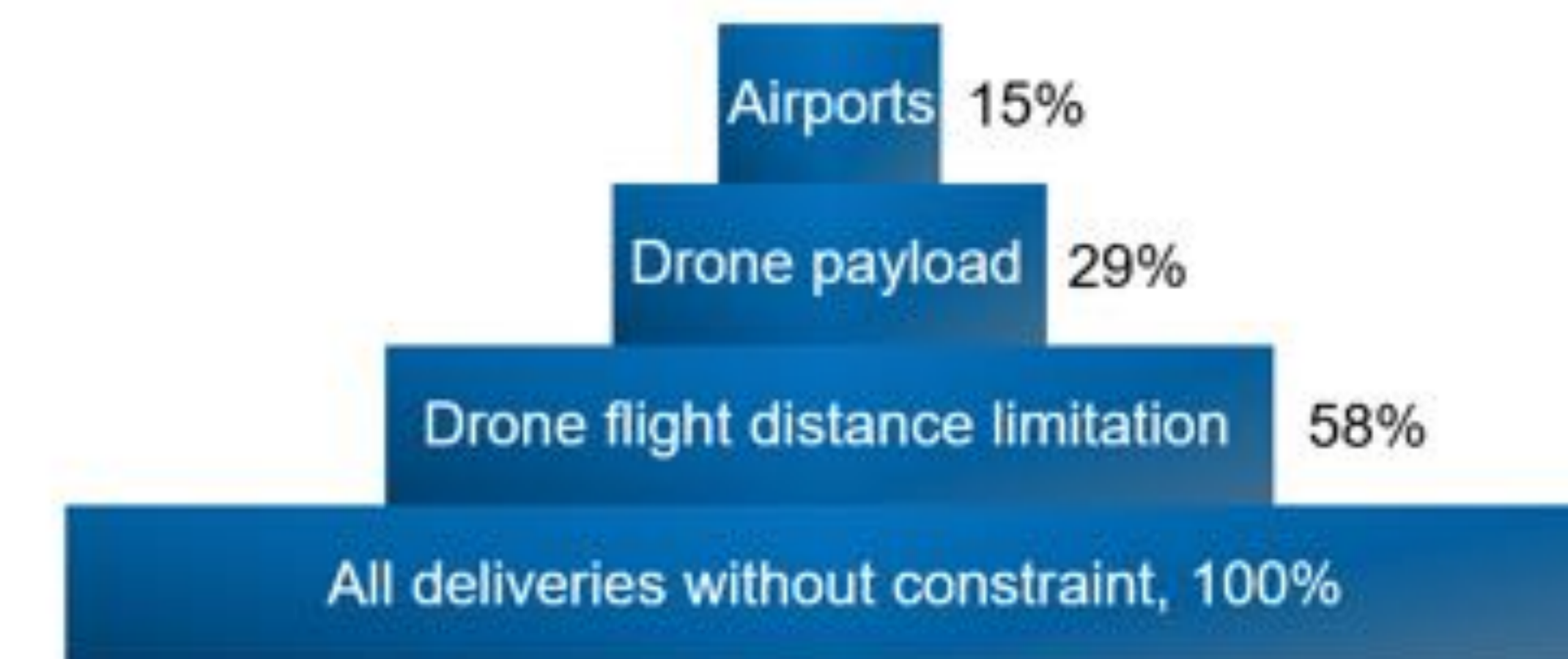


Financial Viability



Initial Results

% of Orders Feasible for Drone Delivery based on Different Constraints



Expected Contribution

Our framework gives executives an adaptable tool to analyze the potential for drone implementation via the following perspectives:

- % of deliveries eligible for drone delivery
- Financial returns
- Benefits from implementing now or later
- Sustainable value created

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