



Technische
Universität
Braunschweig



Integration of information and optimization models for routing in city logistics

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Challenges for city logistics service providers

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General Grocery Produce Stand Meat & Seafood The Deli

Dairy Frozen Foods Beverages

Delivery Times

Select an available time for delivery or choose another day from the calendar below.

Return to Shopping

May 2011

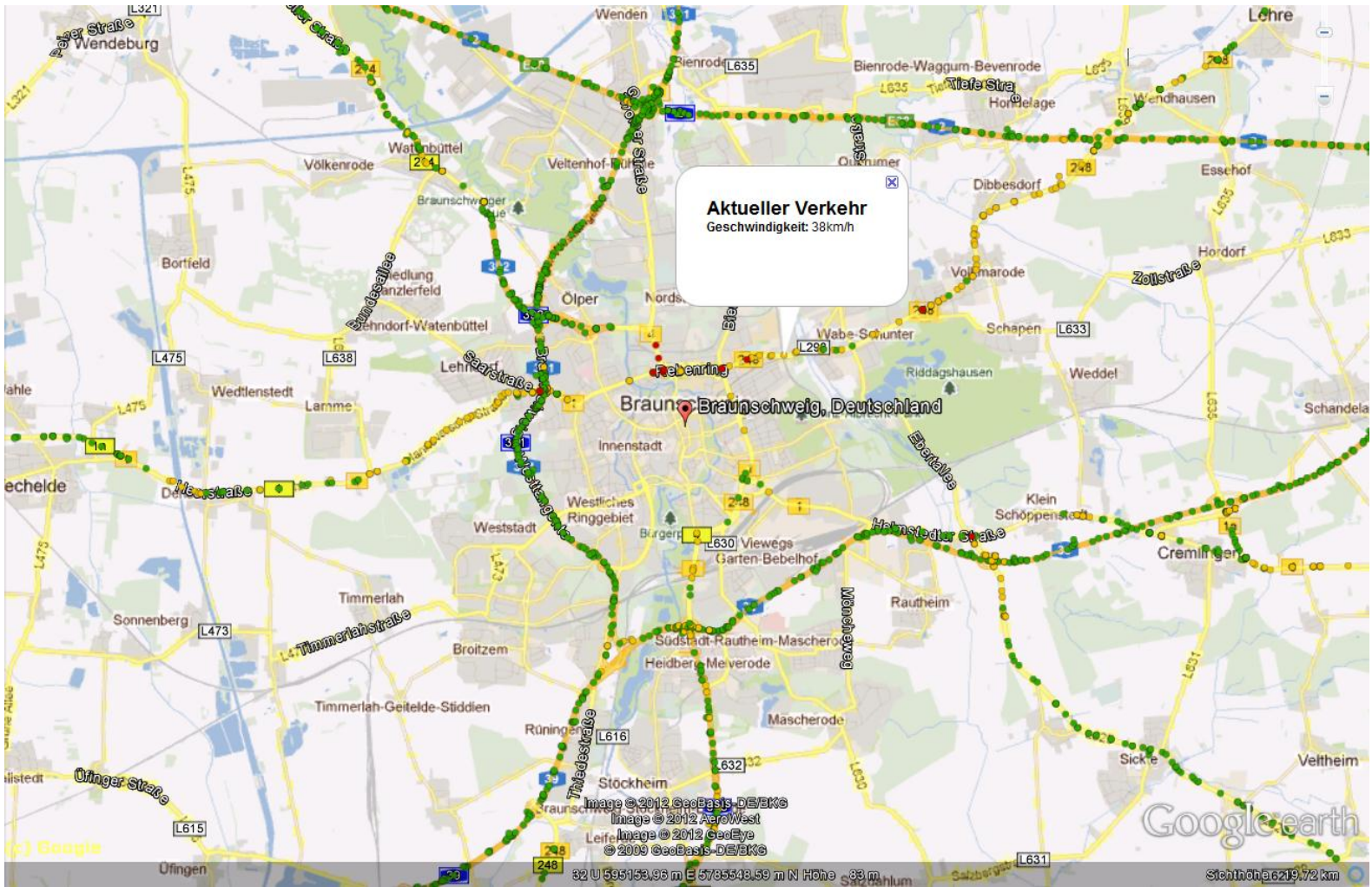
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Wednesday, May 25 Delivery

Evening (Submit Order by 11:59PM Tuesday, May 24)	Select
3:00PM - 5:00PM	Select
3:30PM - 7:00PM ETA Save \$1.00 Greener	Select
4:00PM - 6:00PM	Select

- Increasing importance of **online retail** and **e-commerce**
- More complex supply chains require transshipment **on time**
- Time-varying (and increasing) traffic demand within limited transport infrastructure of conurbations (→ congestion)
- City logistics service providers have to realize **more reliable delivery tours** considering tight customer time
- ▶ Vehicle routing for city logistics applications demands for **time-dependent travel times** in order to meet increasing customer requirements more efficiently.

What Google does



Agenda

Information models

- Provision of time-dependent travel times
 - Transformation of empirical traffic data by Data Mining
 - Evaluation of time-dependent travel times

Integration

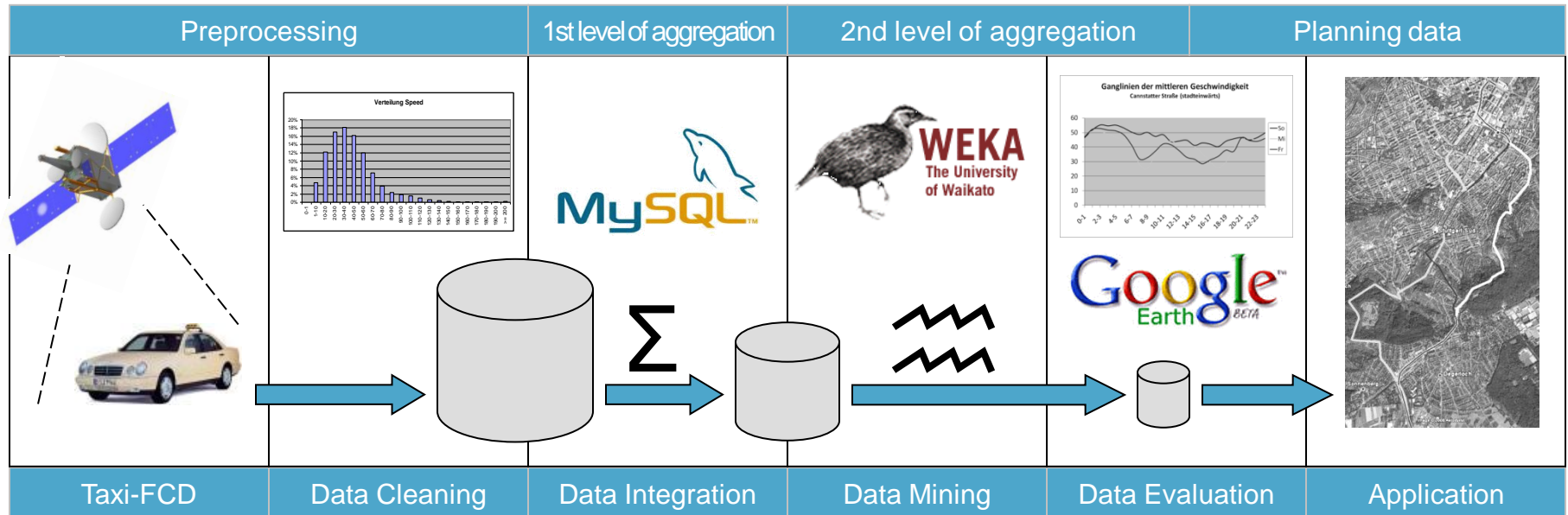
- Integration of time-dependent travel times
 - Modelling of time-dependent networks
 - Calculation of time-dependent shortest paths

Optimization models

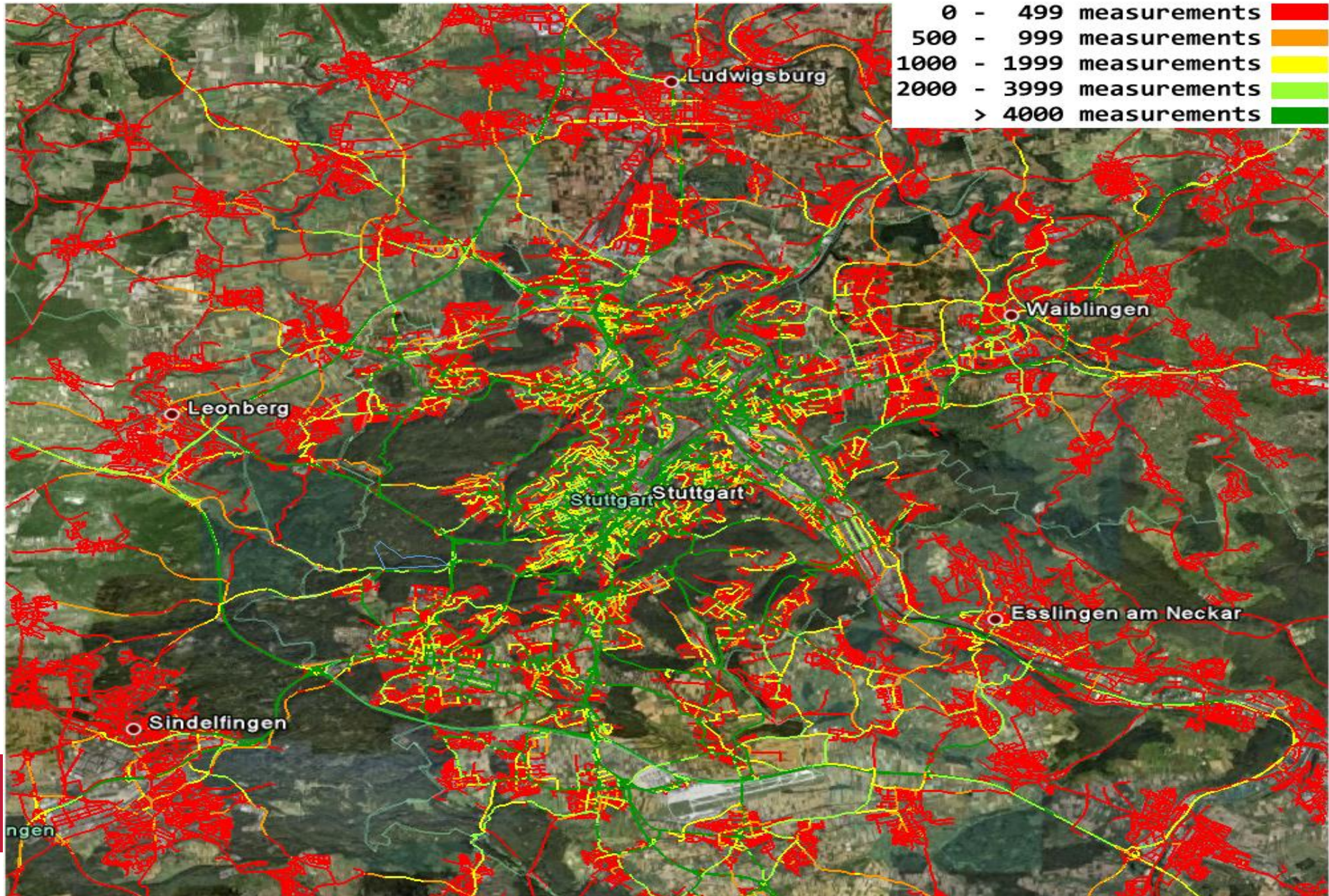
- Design and evaluation of a vehicle routing system
 - Routing of a single vehicle and of a fleet of vehicles
 - Impact of customer time windows

Collection and transformation of empirical traffic data

- Goal: provision of **compact, time-dependent** travel time data sets
- Aggregation of telematics based traffic data by **Data Mining**
- Implementation of the Knowledge Discovery Process (Fayyad et al. 1996; Han, Kamber 2000)
- Exemplary analysis of ~230 millions of empirical traffic data (**Floating Car Data (FCD)**, Stuttgart, DLR, 2003-2005)



Preprocessing: Spatial distribution of FCD

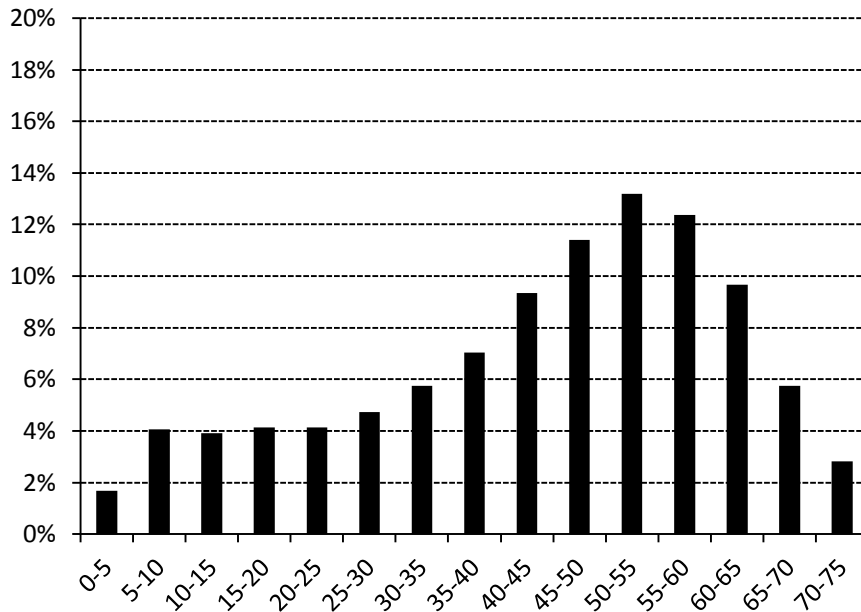


Preprocessing: Distribution of speeds

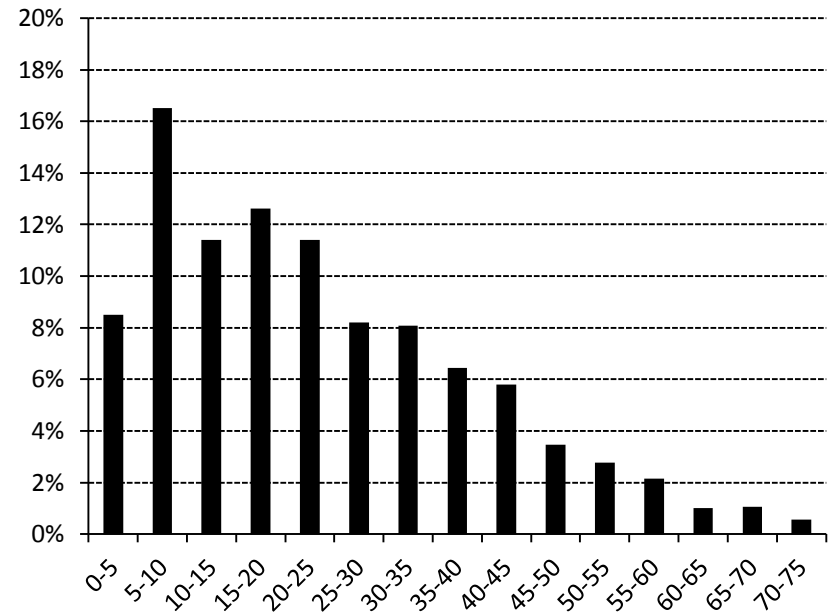
- Preparing FCD for subsequent analysis by Data Mining procedures
- Handling of **incomplete, erroneous** FCD measurements

TIME	LINK	SPEED
time of positioning	road segment ID	calculated speed [km/h]
01.08.2003 07:01	54362718	50.73

Downtown, Mondays



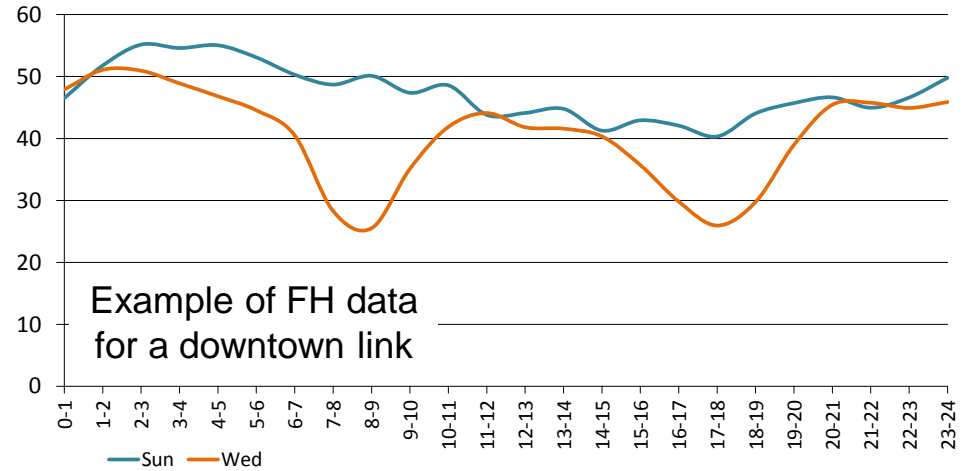
Downtown, Mondays, 8.00-9.00



1st and 2nd level of aggregation

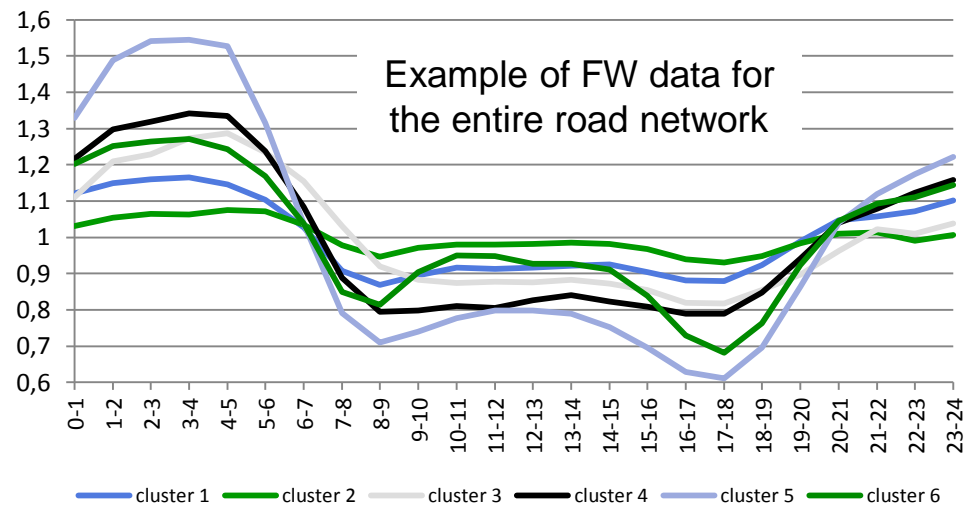
1st level of aggregation

- Empirical traffic data → planning data
- **Daily curves** are derived from 7x24 average speeds per link
- **“FCD Hourly Average”** (FH)
- Comprehensive representation of time-dependent travel times



2nd level of aggregation

- Compress planning data without significant loss of planning reliability (→ cluster analysis)
- **Speed reduction factors** represent deviation from average speed
- **“FCD Weighted Average”** (FW)
- Compact representation of time-dependent travel times



Results of 2nd level aggregation for a typical weekday

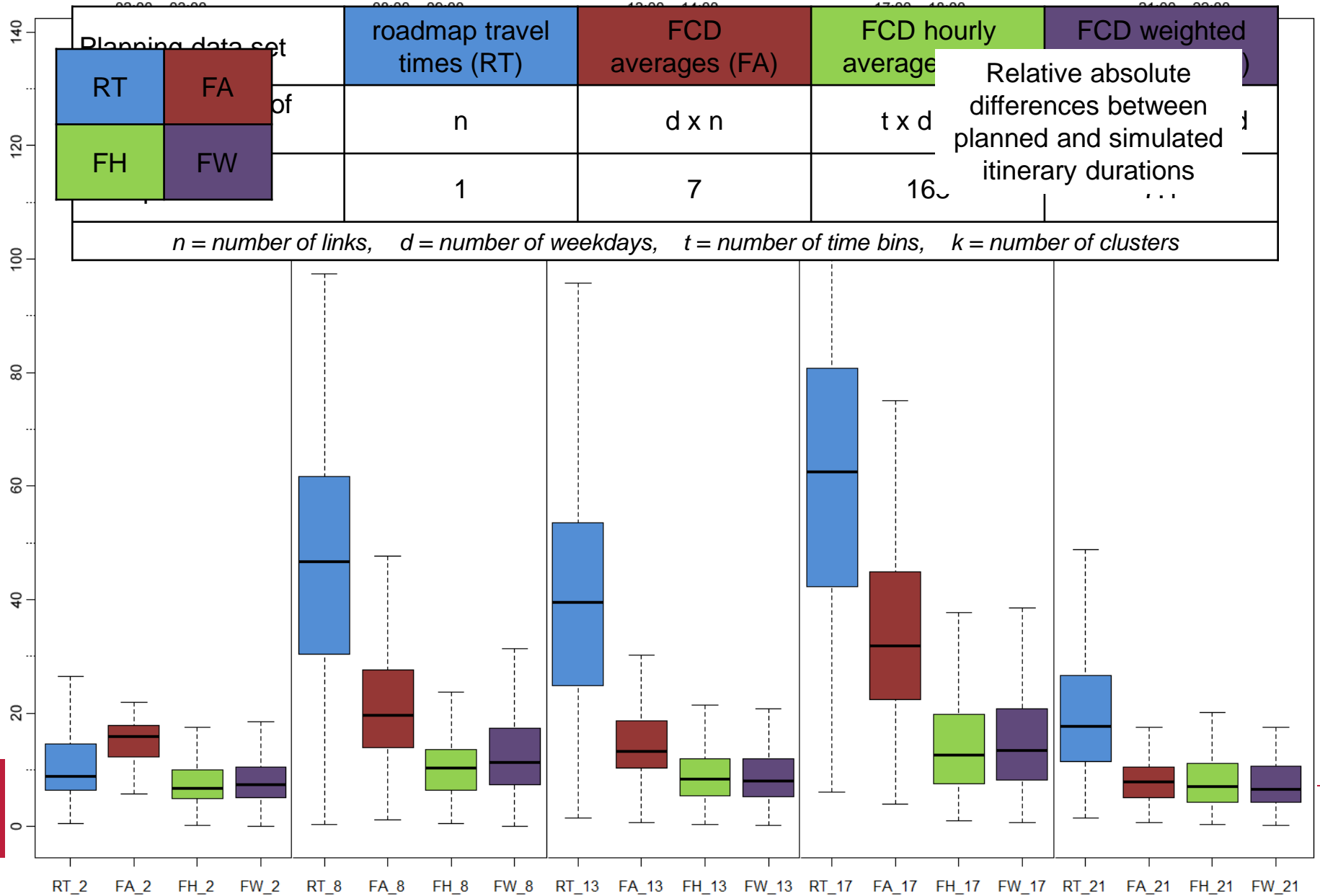


Evaluation of time-dependent travel times (1/2)

- Planning and evaluation of routes
 - Which route is **in fact** the fastest?
 - Which route leads to the **most reliable** travel time anticipation?
- Evaluation of planned routes by **simulation**
 - Realization by **recalculation of travel times** based on historical FCD
 - Comparison** of average deviation between planned and realized travel times
- Experimental setup (3600 routes in total)
 - 3 **traveler scenarios** (downtown, inner city, outer city, for 100 OD pairs each)
 - 5 **traffic scenarios** (2x “free flow”, 2x “rush hour”, “average traffic flow”)
 - 4 **travel time data sets** (digital roadmap, FA, FH, FW)



Evaluation of time-dependent travel times (2/2)



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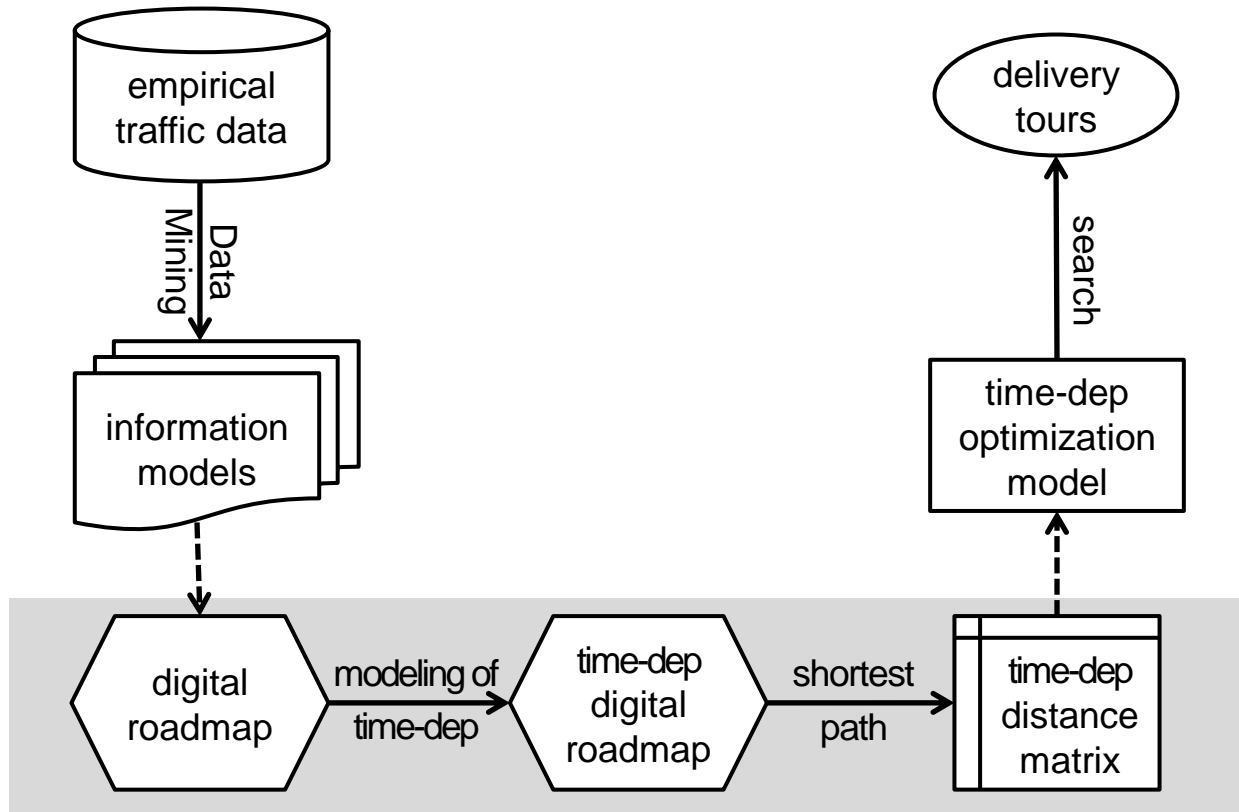
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Optimization models

- Design and evaluation of a vehicle routing system
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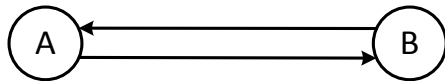
Integration of time-dependent information models

- Time-dependent optimization requires a **time-dependent topology** of the road network



Time-Space Network

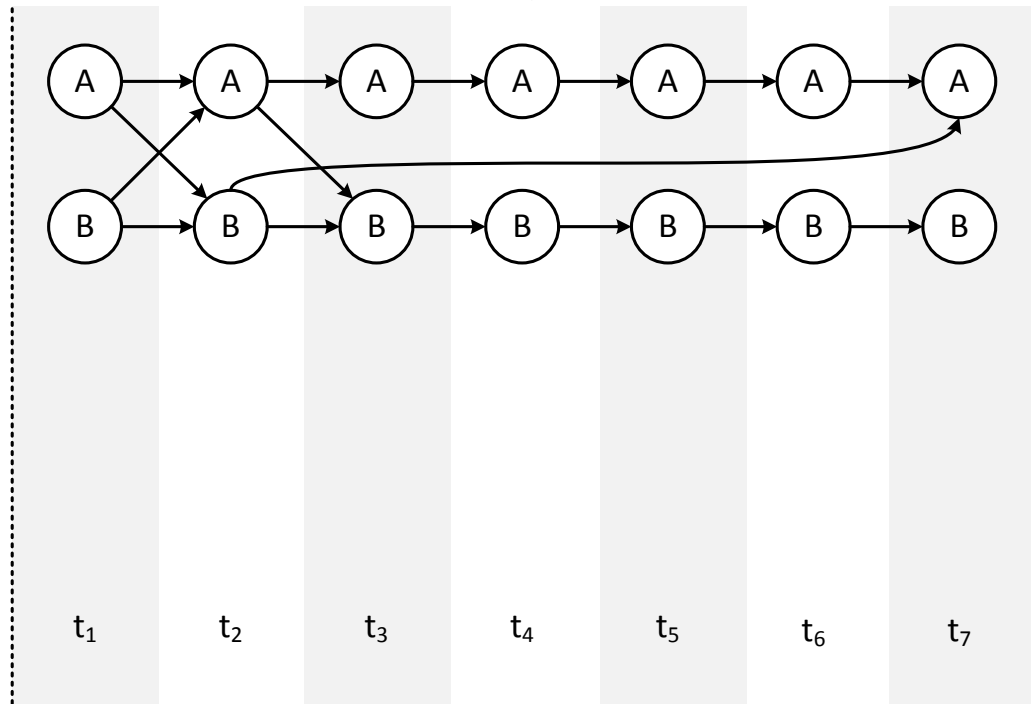
- Travel times depend on **departure time** on an edge
- Common approach: **multiplication** of network according to time series



$$d_{A,B} = \{1, 1, -\} \quad d_{B,A} = \{1, 5, -\}$$

$$V = \{i_h \mid 1 \leq h \leq q\}$$

$$E = \{(i_h, j_k) : (i, j) \in V, t_h + d_{i,j}(t_h) = t_k, 1 \leq h < k \leq q\}$$

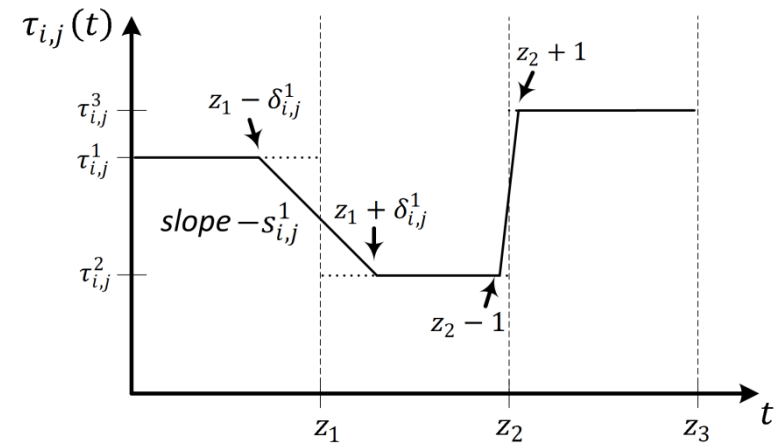
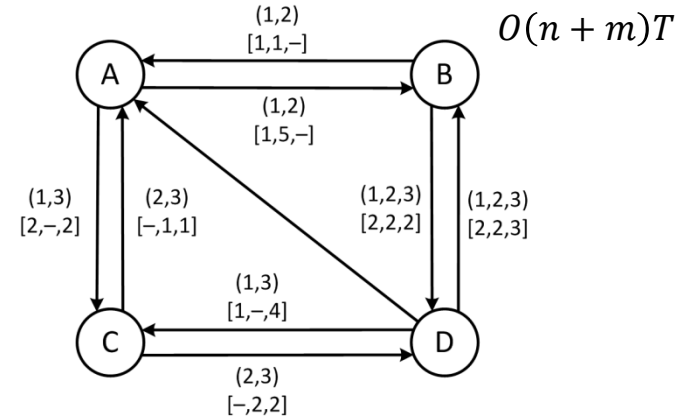


Following Pallottino (1997)

$O(nT) + O(n + mT)$ with n as number of vertices, m as number of edges, T length of time series

Time-aggregated graph

- Smaller network, but more complex data structures
- Calculation of shortest paths similar to static networks, if **FIFO condition** is fulfilled
- FIFO condition: vehicles travelling on the same edge must not **pass each other**
- FIFO graphs ensure that **waiting** is never beneficial and sub paths of shortest paths again represent shortest paths
- Time-dependent travel times may **violate** the FIFO condition
- Transformation of FH and FW data into a FIFO consistent, time-aggregated graph
- Calculation of **time-dependent distance matrices** für vehicle routing procedures



Adapted from Fleischmann et al. (2004)

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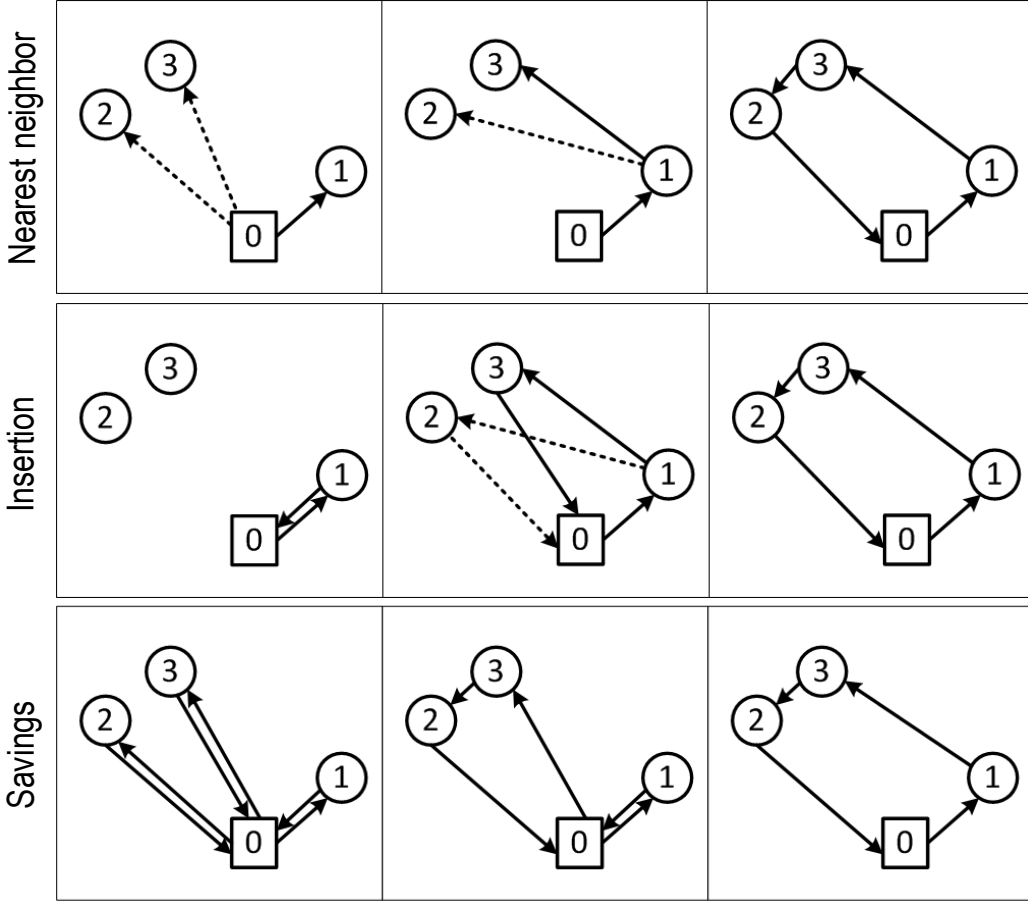
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What we are aiming at



Routing of a single vehicle

- Time-Dependent Traveling Salesman Problem (TDTSP):
determine the **optimal order of delivery** for a given departure time

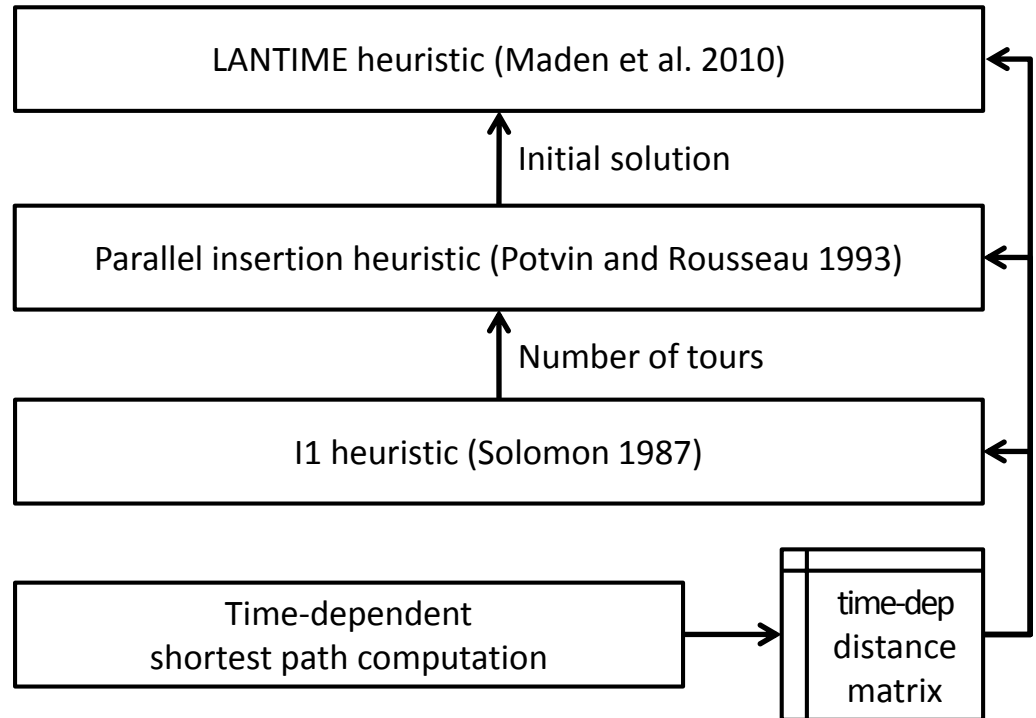


- TDNN: Amend that node that can be reached fastest **at current departure time**
- Simply lookup travel times from time-dependent distance matrix for the current time slice
- TDIH: Complement the tour by that customer that **extends the current tour minimally** at cost minimal position
- Determination of insertion costs more expensive than in the static case
- TDSAV: Serve each customer individually, then **merge pendulum tours** in order of decreasing savings
- Static calculation of savings is opposed by time-dependent realization

Routing of a fleet of vehicles

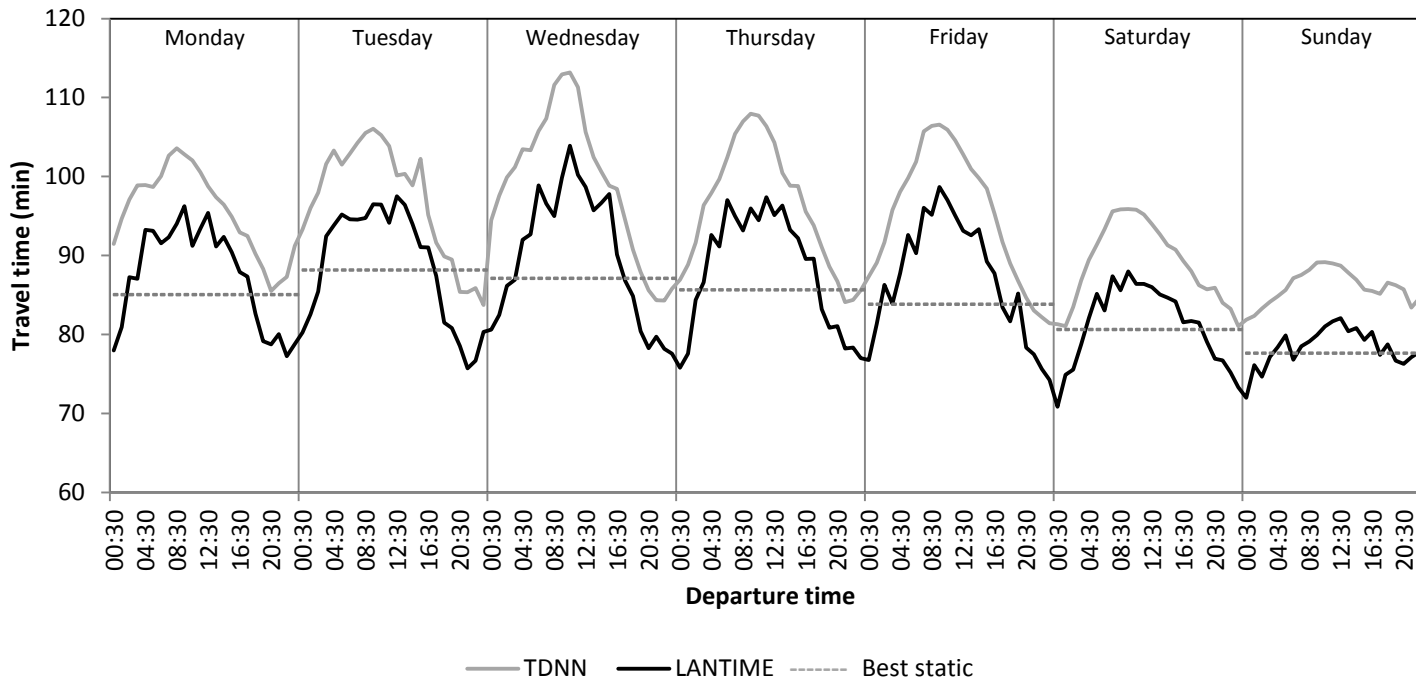
- Time-Dependent Vehicle Routing Problem (TDVRP): determine the **optimal assignment** of customers to vehicles as well as the **optimal order of delivery** for a given departure time
- Consider **customer time windows** (→ TDVRPTW)

- Implementation of a **tabu search** heuristic
- Infeasible solutions are permitted temporarily in order to overcome local optima
- Computation of an **initial solution** by parallel insertion
- Improvement of initial solution by random application of several **neighborhood operators**



Results of TDTSP calculation

- Exemplary delivery to 40 inner city customers (service time 10 minutes)
- Results for **7x24 departure times** from the depot (Mon, 00:30 – Sun, 23:30)

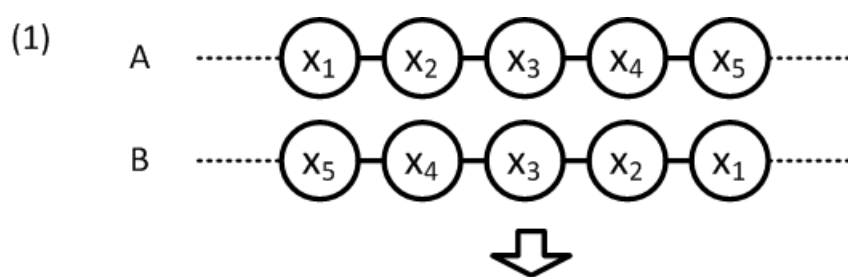


- Overall travel times vary between 70 and 100 minutes
- Tours reflect **typical travel times** at different times of the day

Impact of time-dependent travel times (1/2)

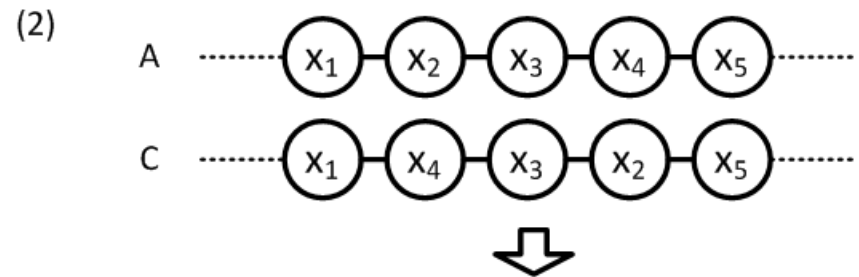
- What is the impact of time-dependent travel times on the **structure** of a tour?
- Idea: analyze the structure of temporally consecutive tours by comparison of the order of customers (**precedence relations**)
- Quantification based on the normalized Hamming distance

$$d_{x,y} = \frac{1}{l} \sum_{i=1}^l \text{xor}(x_i, y_i)$$



	$x_1 < x_2$	$x_1 < x_3$	$x_1 < x_4$	$x_1 < x_5$	$x_2 < x_3$	$x_2 < x_4$	$x_2 < x_5$	$x_3 < x_4$	$x_3 < x_5$	$x_4 < x_5$
A	0	0	0	0	0	0	0	0	0	0
B	1	1	1	1	1	1	1	1	1	1

$$d_{A,B} = \frac{1}{10} (10) = 1$$

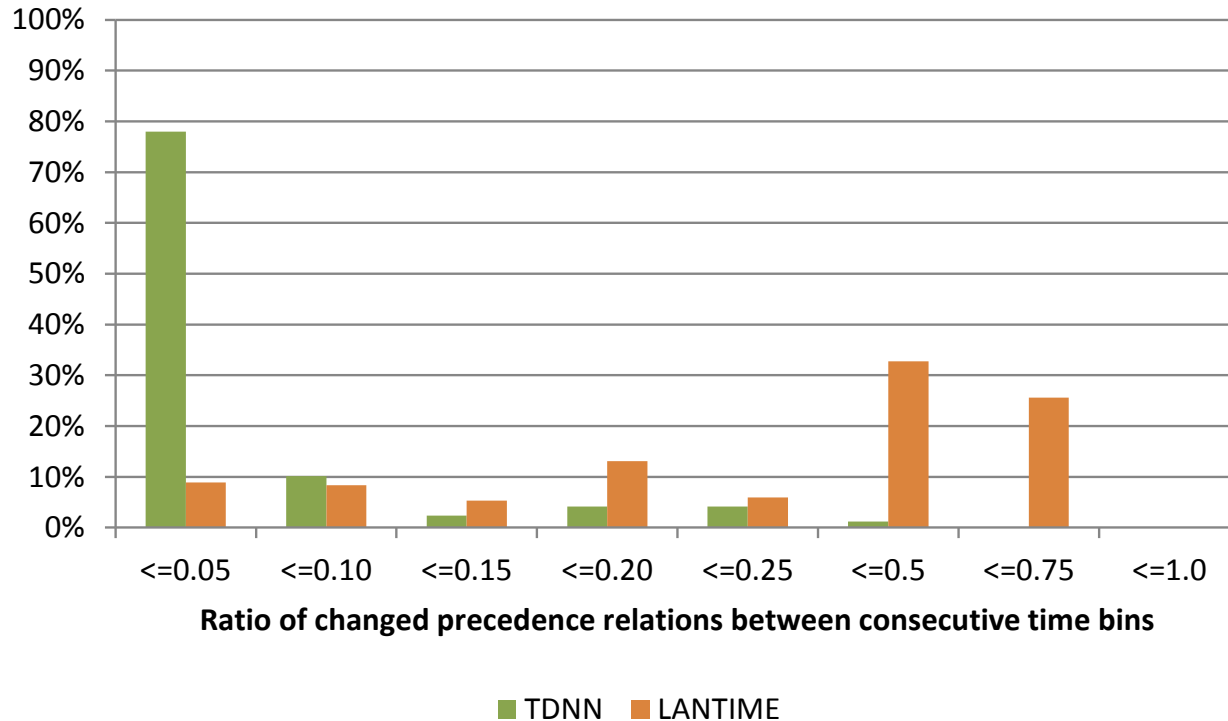


	$x_1 < x_2$	$x_1 < x_3$	$x_1 < x_4$	$x_1 < x_5$	$x_2 < x_3$	$x_2 < x_4$	$x_2 < x_5$	$x_3 < x_4$	$x_3 < x_5$	$x_4 < x_5$
A	0	0	0	0	0	0	0	0	0	0
C	0	0	0	0	1	1	0	1	0	0

$$d_{A,C} = \frac{1}{10} (3) = 0.3$$

Impact of time-dependent travel times (2/2)

- Comparison of precedence relations for inner city customers



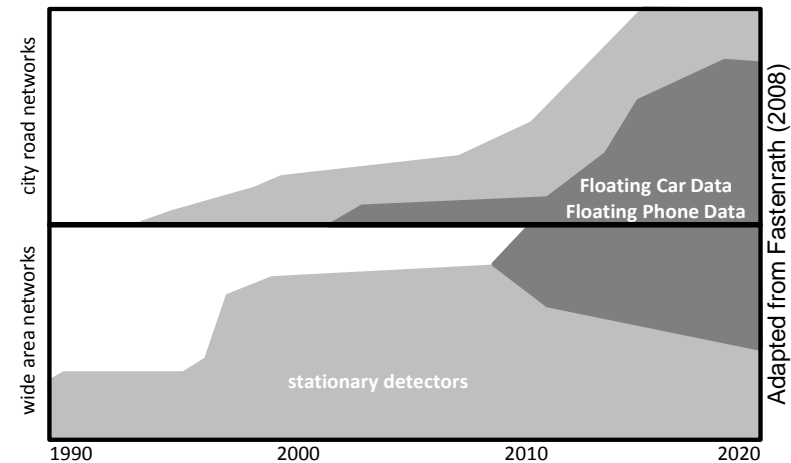
- Nearest neighbor procedures (TDNN) feature small changes only
- Tabu Search (LANTIME) reacts more sensitively to time-dependent travel times

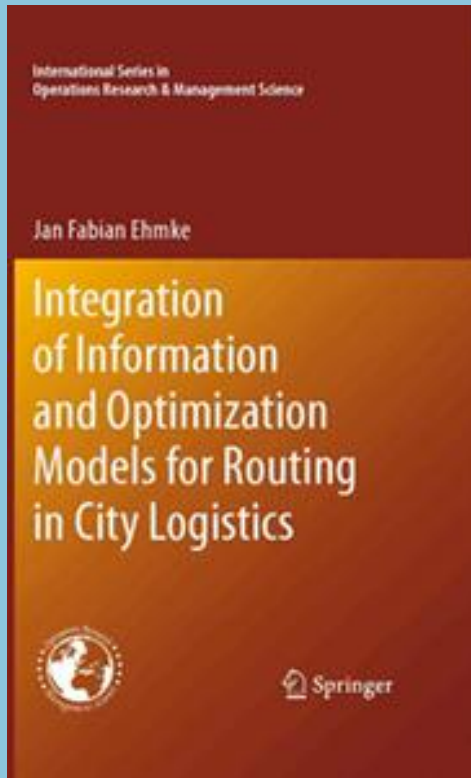
Impact of customer time windows on TDVRP calculation

- Reliability of customer time windows defines an important part of **service quality**
 - **Shorter tours** or addition of **buffer times** may increase service quality, but decrease efficiency
 - Exemplary delivery to 100 customers for three exemplary delivery slots with 15 minute delivery time windows
 - Comparison of three **planning approaches**: static (FA), with buffer time (FA+), time-dep. (FW)
-
- Buffer times **inefficiently** utilize transportation resources
 - Time-dependent planning may ensure **service quality as well as efficiency**

Summary and outlook

- Implementation of a planning system for **time-dependent vehicle routing** in city logistics
 - Alignment of recent technology, data analysis and optimization procedures
 - Next step: conduct **field studies** in urban areas (attended home delivery or similar services)
-
- **Data availability** will increase (→ Bluetooth, WLAN, Floating Phone Data)
 - More efficient network modeling for **time-dependent, large area networks**
 - Consider **stochastic information** in network modeling
 - Improve **solution methodology** (→ heuristics)





Thank you for your attention!