

## PRESS RELEASE

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### **Open Pricer and Kardinal Join Forces in a partnership to Offer Last-Mile Profitability Optimization to Parcel Carriers**

Open Pricer, provider of the leading pricing management and optimization platform for the logistics industry, and Kardinal, provider of logistics intelligent solutions for the last-mile, are pleased to announce a partnership aimed at delivering new functionalities dedicated to optimizing the margin of transport operations to their common customers.

With complementary approaches, both companies have decided to combine their expertise to offer fully optimized solutions to their clients. By combining Kardinal's operational costs with Open Pricer's recommended prices, delivery service providers can achieve optimal margins for each customer and territory. This partnership marks a shift from a model where cost and revenue optimization are decoupled to a more relevant approach of margin optimization where they are linked.

In today's ever-changing and highly competitive last mile market, pricing decisions are complex and have a critical impact on business performance. However, due to a lack of time, data and tools, only a fraction of these decisions are thoroughly examined by analysts.

The Open Pricer price optimization platform, based on Machine Learning algorithms, calculates the optimal rates for parcels based on different parameters: shipping profile (origin, destination, weight, etc.), price history, customer segmentation attributes and network cost model. However, the costs associated with the last mile, which represent over 50% of total costs for parcel carriers, are generally based on averages. They fail to consider crucial elements such as postal code, route, day of the week, delivery type, insourcing or outsourcing, which often have a significant impact on margin. The partnership with Kardinal will enable Open Pricer to integrate last-mile costs more granularly into its platform. Kardinal's innovative "*dispatch intelligence*" technology, already used by 70 DPD France depots, will enable customers of both companies to benefit from a more accurate cost model grounded in reality.

*"Optimizing pricing and costs in the last mile is a major challenge for parcel delivery networks. With our expertise and technology in pricing intelligence and Kardinal's operations*

*optimization know-how, we are confident in our ability to help our customers increase margins and network efficiency,"* said Daniel Rueda, CEO of Open Pricer.

By leveraging the pricing data provided by Open Pricer, Kardinal will enable its customers to identify the profitability thresholds of different service areas covered by a delivery depot and ensure that no area is operated at a loss.

*"The partnership with Open Pricer will enable our mutual users to extract even more value from their data"* explained Jonathan Bouaziz, Co-founder and CEO of Kardinal.

The two companies also plan to offer an optional feature to their customers, enabling optimization of their customer portfolios by calculating the financial and organizational impacts of gaining or losing a new contract.

*"In recent months, and in response to the new macroeconomic conditions, we have seen a shift in market priorities. While revenue was the main focus, industry players are now concentrating on margin improvement. In this context, the complementarity of our solutions becomes even more evident"* added Jonathan Bouaziz.

For data protection reasons and in accordance with the agreements both companies have with their clients, data will only be shared upon explicit request from their respective customers.

Both companies will be present together at Parcel+Post Expo in Amsterdam in October 2023 at booth n°12.217.

## **ABOUT KARDINAL**

Kardinal is a technology company creating Last Mile Delivery Optimization Solutions designed to improve operational performance and strategic decisions. The result of more than 7 years of R&D, Kardinal's cutting-edge algorithms meet the specific challenges of parcel delivery and are capable of integrating all the constraints of this industry to provide real-world optimization.

At Kardinal, we are committed to the development of a profitable, fair and sustainable last mile industry, where delivery players are valued at the right level.

[kardinal.ai](https://kardinal.ai)

## **ABOUT OPEN PRICER**

Open Pricer provides a cloud-based pricing platform that empowers businesses to sell smarter and faster, thus improving their financial performance. This solution is based on our

extensive experience gained from working for many years with global market leaders. It will help your teams to improve pricing strategy, build more accurate quotes, optimize price increase campaigns, effectively monitor contracts to retain customers and maximize their lifetime value.

[www.openpricer.com](http://www.openpricer.com)

## **CONTACTS**

### **Perrine Texier**

Head of marketing

[perrine.texier@kardinal.ai](mailto:perrine.texier@kardinal.ai)

### **Elodie Randrianjatovo**

Marketing Consultant

[erandrianjatovo@openpricer.com](mailto:erandrianjatovo@openpricer.com)