Use of Telemetry in Stochastic Routing

Abstract:

Telemetry units can be used to gauge inventory levels at customers. Having these readings can help prevent stockouts and unnecessary deliveries. We present a model for the problem of where to place a limited number of telemetry units to minimize routing costs. We model the customers without telemetry as having a predetermined delivery frequency but allow the delivery dates for telemetry customers to vary according to realizations of usage. We will present a heuristic and computational results.