AI in service logistics is ultimately about people

Over thirty years, service logistics has evolved from optimization based on fixed models and historical data to real-time insights and AI applications. Data and AI make service logistics smarter, faster, and more predictable. But anyone who believes that technology alone provides the solution is mistaken, says Joep van den Tillaart of Pipple. "Anything you can think of can now be built. The real question is: how do you ensure people want to use it – and are able to use it?"

Pipple helps organizations put data and AI solutions into practice. Not as standard software, but as tailor-made solutions around specific optimization challenges. This can involve planning, inventory, reverse logistics, or predictive maintenance. Pipple contributes mathematical models, optimization, and data engineering, while domain knowledge always comes from the customer. "In the end, you build a solution together that fits the operation."

Experimentation and implementation

AI and optimization algorithms have existed for decades. In recent years, however, their accessibility has increased rapidly. Data is more readily available, computing power is cheaper, and AI tools have become more user-friendly. As a result, interest is also growing in logistics. "Traditionally, logistics has lagged somewhat behind sectors like finance, but now – also within the Service Logistics Forum network – you see more and more organizations looking for practical applications."

Better, smarter, faster

The trigger is usually very practical. Sometimes it is about financial optimization, but increasingly it is also about labor shortages. "It's not that companies want to lay off people. They need to work smarter to keep their operations running with the existing workforce. For example, if you run a business where planning is constantly changing, it's smarter to let 'a machine' handle it; it can do that better, smarter, and faster."

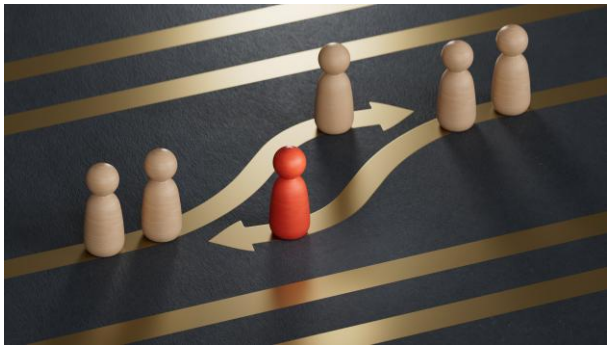


Start with the vision

According to Van den Tillaart, an AI solution does not begin with technology. "Many companies want to jump on the AI train, but organizations first need to be clear about where they want to go. What is the strategy? What differentiates you? Which processes are crucial for that? Only then can you determine where data and AI add value. Start with your big vision, but work toward it in small steps. That allows you to demonstrate results and build enthusiasm."

Practical applications

In e-commerce and fulfillment, the role of AI is also growing rapidly. For example, Pipple helped Bol. map out AI applications within its logistics services. “Many companies already work in a data-driven way but are still looking for where AI truly adds value,” says Van den Tillaart. At Bol., this involved various challenges in inventory management, supply chain optimization, and forecasting. “And the key question: what is needed to successfully implement these solutions within the organization?”



Adoption, leadership, and change management

“A good model does not automatically mean a working solution,” Van den Tillaart continues. Pipple learned this firsthand over the past ten years. “At first, we created great mathematical models and told the client: ‘here you go.’ But then the model wasn’t used.” By now, Van den Tillaart knows that adoption, leadership, and change management are just as important as the technology itself. “End users need to understand what is changing, why it is happening, and what their role remains. If you don’t involve people, they form their own perceptions. And that is often where resistance comes from.”

People remain essential

This also applies to ownership. An AI solution should never be implemented without a clear owner in the organization. Someone must continue to assess whether the outcomes are logical, usable, and responsible. Systems can calculate faster and more accurately than people in complex planning scenarios or with large volumes of data. But humans are still needed to oversee, interpret, and set boundaries. “You have to understand what the machine is doing and ensure nothing strange happens.”

Reverse logistics

Within the Service Logistics Forum, Van den Tillaart sees the value of collaboration between companies, research institutions, and technology providers. Pipple is involved in an SLF initiative focused on reverse logistics. The same lesson applies here: optimization across supply chains requires trust, data sharing, and a shared business case. “You need each other. Within SLF, companies bring in the challenges, research institutions provide the theory, and parties like us deliver the application.”

In the coming years, AI will fundamentally change service logistics, according to Van den Tillaart. More standard tasks will be automated, both in analysis and planning and eventually in physical processes. At the same time, new challenges will arise. “We will continue to need people who think ahead and figure out how to organize a company for the future.”

Text: Pieter Pulleman

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>
> **Joep van den Tillaart** | Partner
> Pipple

