

# Distribution Cost Analysis

FMCG Brands & Distribution

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This guide explains what the tool produces, how to use the output, and what to watch for. The actual output (draft/report) is generated on the tool page.

## Background

Computes distribution/supply-chain cost-to-serve from discrete lines — primary freight, depot/CFA cost, secondary logistics, damages, and channel margins — as a percentage of sales, benchmarks it, and flags where cost leaks. Use it to attack distribution cost. For MT-specific cost use the MT Account Profitability Analysis.

## Purpose of this tool & output

Find your cost-to-serve across the chain

## How the output is used

Use it to find your cost-to-serve across the chain — a distribution cost analysis across freight, handling, damage and channel.

## Who should vet it

Your supply-chain or finance lead, to confirm the cost allocation in the cost-to-serve.

## Important cautions

Benchmarks are indicative; confirm figures and attack the biggest cost-to-serve leaks first.

## Companion documents

- Demand Forecasting & Inventory Planner
- Primary vs Secondary Sales Alignment
- Production Planning & Scheduling
- Raw Material Sourcing & Vendor Plan
- Cold Chain / Temperature-Sensitive Logistics
- Stock Norms & Days-of-Inventory Policy

This is AI-assisted guidance. Verify with a qualified professional before any binding decision. Fees, authorities and processes vary by state and change over time — confirm with your state authority.