What is the Difference Between a Provider and an Aggregator?



Understanding Key Roles in the Logistics and Service Ecosystem

- The logistics and courier industry operates through a mix of service providers and aggregators. Both play critical roles in connecting businesses with delivery solutions, yet their functions differ in structure, technology, and customer approach. This presentation explores these differences to help businesses choose the right model for their needs.
- With the rise of <u>logistics aggregation solutions</u>, businesses can now integrate multiple courier and shipping partners under one platform, ensuring costeffective, transparent, and faster deliveries. These solutions simplify management, improve scalability, and offer real-time visibility across diverse logistics networks, making them a cornerstone of modern supply chain efficiency.

Introduction - The Evolution of Logistics Models

- ► The shift from traditional courier systems to tech-enabled logistics has created two key models:
- ▶ **Providers:** Companies that own and operate logistics infrastructure such as fleets, warehouses, and workforce.
- ▶ **Aggregators:** Platforms that integrate multiple logistics providers, offering users a unified interface.
- As eCommerce and SME shipping needs grow, understanding these distinctions becomes crucial for efficiency and cost optimization.

Who is a Logistics Provider?

- ► A logistics provider directly offers delivery or shipping services using its own operational assets.
- Key Characteristics:
- Owns or manages vehicles, warehouses, and delivery staff.
- Controls end-to-end operations pickup, transit, and final delivery.
- Usually offers a fixed set of services and routes.
- Examples: Blue Dart, DTDC, Delhivery (in direct operational roles).
- In essence, providers focus on execution and physical movement of goods rather than platform-based management.

Who is an Aggregator?

A logistics aggregator is a platform that connects multiple courier or transport providers under one system.

Core Functions:

- Uses technology to integrate service APIs from various providers.
- Allows customers to compare rates, transit times, and coverage.
- Offers automated booking, tracking, and billing in one dashboard.
- Works as a mediator rather than owning vehicles or warehouses.
- Aggregators simplify logistics management by offering multiple shipping options from a single interface.

When to Choose Each Model

- Choose a Provider if:
- Your operations require consistent routes or bulk transport.
- You prefer a single dedicated partner with full control.
- Choose an Aggregator if:
- You want flexibility and cost optimization.
- You manage diverse delivery volumes or destinations.
- You need centralized tracking, automation, and analytics.
- In short: Aggregators help businesses scale without managing multiple courier relationships manually.

The Role of Shipdaak as a Modern Aggregator

- ▶ Shipdaak exemplifies how logistics aggregation empowers businesses to access the best courier and delivery networks through one platform.
- It integrates multiple logistics providers to offer:
- Faster dispatch and delivery options
- Unified tracking and performance analytics
- Competitive rates and nationwide coverage
- By bridging the gap between providers and businesses, Shipdaak acts as a single-window logistics aggregator, enabling efficient, transparent, and scalable shipping across India.

Thank You!

For more information, visit us at - www.shipdaak.com