

Mechanics of the seminar

The webinar is being recorded, the URL will be sent out to participants and posted at <u>www.coe-sufs.org</u>

Participants from the US and Canada can:

Use Adobe Connect to receive the audio (PRIMARY method)

Dial 1-888-446-7584, access code 1120583

International participants can:

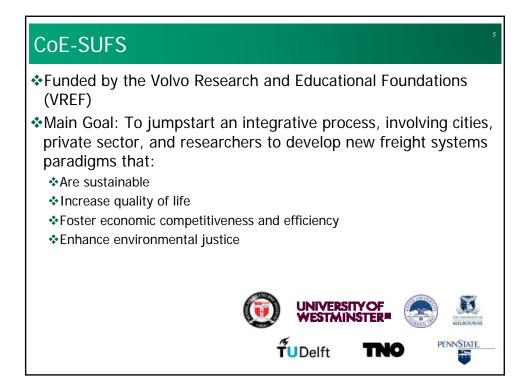
Use Adobe Connect to receive the audio (PRIMARY method)

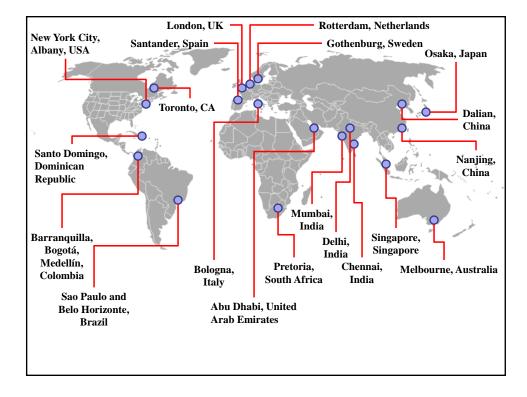
◆Use Skype or similar to dial 1-888-446-7584, code 1120583

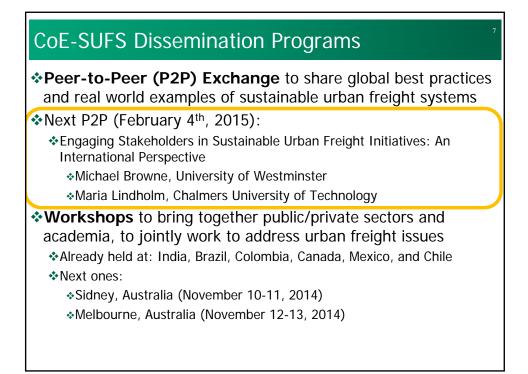
Dial 212-372-3742 (caller paid call)

Submit questions using the Chat feature

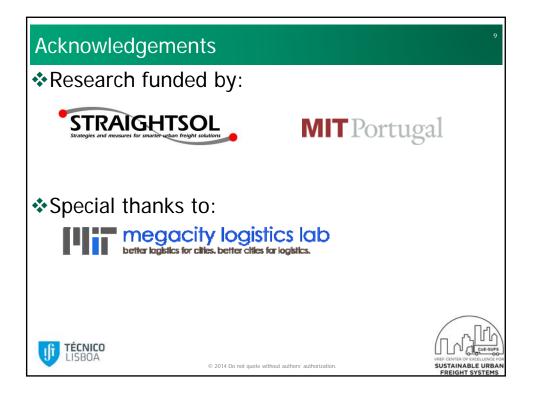
The VREF Center of Excellence for Sustainable Urban Freight Systems (CoE-SUFS)

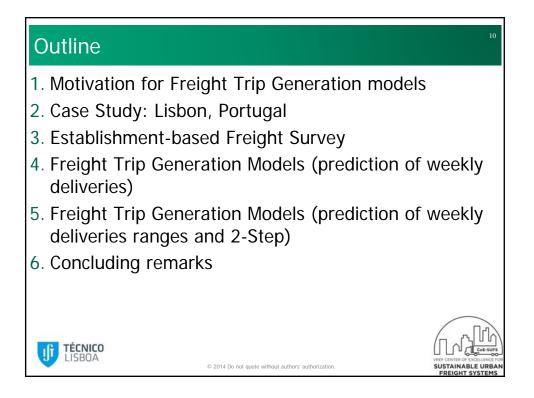


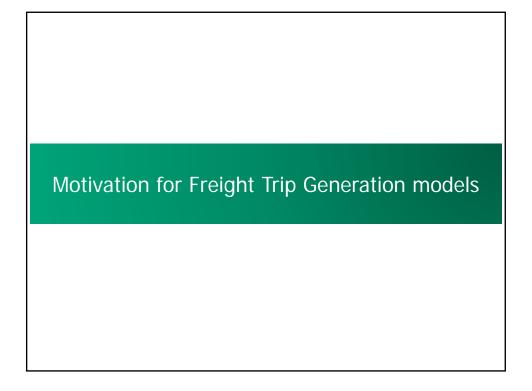


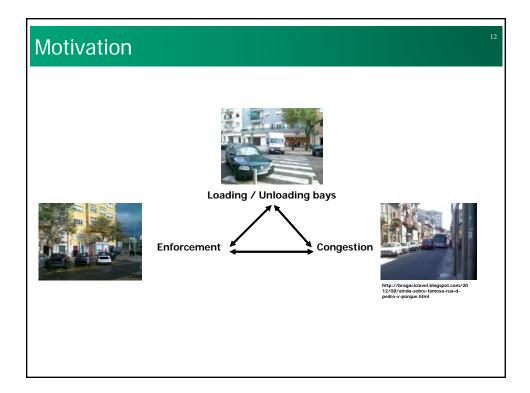


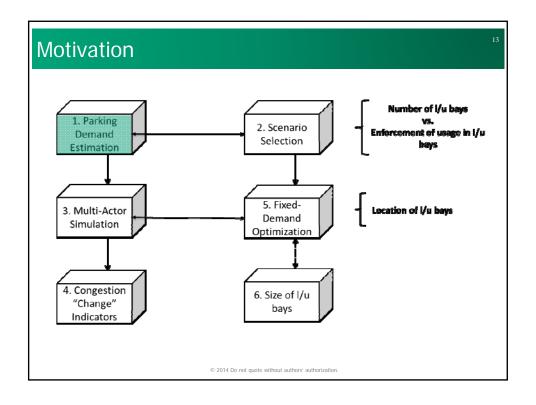










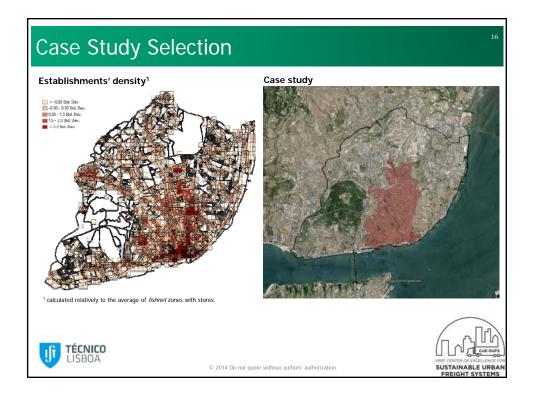






 ♦ 84.8 km² (urba ♦ 547,700 inhabi ♦ 17,346 retail es 	tants (metro: 3,051,000)		
	Industry Category	Case study	
	Culture and leisure	9%	
	Food and drinks	33%	
	Health and hygiene	4%	
	Home appliances	7%	
	Non-specialized	2%	
	Non-specialized foodstuffs	5%	
	Personal usage articles	15%	
	Repairs	6%	
	Specialized foodstuffs	6%	
	Various	12%	





Survey Methodology

First large scale Establishment-based freight survey.

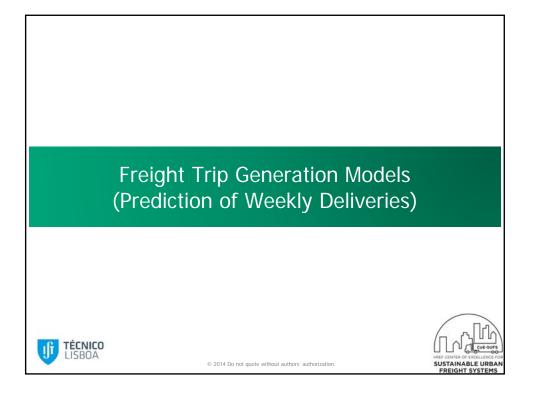
- Random sampling stratified by zones and establishment categories.
- Sample 605 surveys vs. min. sample of 372 (margin of error: 5%; confidence level: 95%; response distribution for the highest sample size: 50%).
- No pre-contact. Single visit, multiple visits only for data correction purposes.
- Targeted solely on-street retail establishments with <500m².
- Focus on establishment characteristics, delivery details (e.g., parking location, vehicle type), and ordering process/supply chain.
- Questions framed to allow use of variables in the prediction of inbound Freight Trip Generation per store in a <u>weekly time period</u>.

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Survey Results

- *82% of establishments independently owned and 79% are $<100m^{2}$.
- 68% of establishments do not own any vehicles and 27% have only one.
- •99% of those with a vehicle own a "light" vehicle and 14% have parking permit.
- Core goods represent 90% of deliveries and 66% of total deliveries are performed by a 3PL (third party logistics).
- 57% of establishments perform visual inspections to assess stock levels.
- 54% of establishments reported that vehicles double parked on the road for over 75% of deliveries

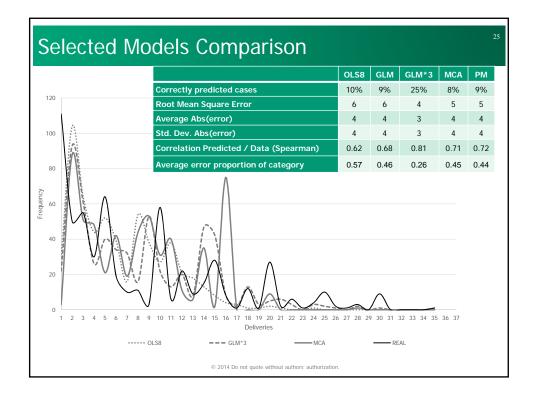
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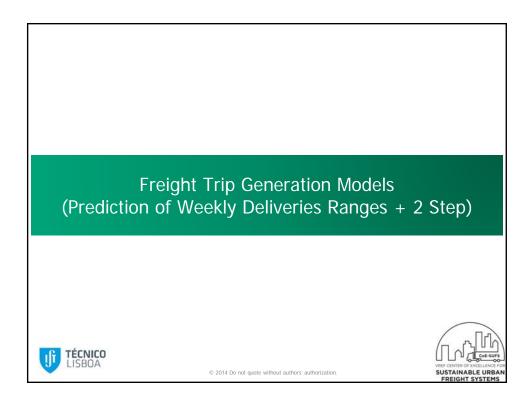


Data Preparation Dataset was subject to removal of unusual and influential (outlier) records. Process was based on two linear regression models with total deliveries per week as the DV and the IVs was the total employees/establishment area. Observations' influence was assessed by examining outliers and the leverage of the predictor variable values. 25 records were eliminated (~4%). Process allowed, in most cases, obtaining superior model quality (fit and statistical assumptions). The dataset was not split according to the industry category. All models are pooled and consider industry as a variable.

/ariable	e Influen	ce Tren	ds (Corre	elations)	2
	Emp X Del	Area X Del	Area X Emp	Value Coefficient	Strength
Overall	0.5	0.1	0.5	1.00	Perfect
Health and				0.7 - 0.9	Strong
hygiene	0.3	0.1	0.7	0.4 - 0.6	Moderate
	0.0	0.0	0.2	0.1 - 0.3	Weak
Foodstuffs	0.2	0.2	0.2	0.00	Zero
Personal usage articles	0.3	0.3	0.5		
Food and drinks	0.5	0.2	0.5		
Others	0.3	0.1	0.5		
TÉCNICO LISBOA		© 2014 Do not quot	e without authors' authorization		VIEF CENTER OF EXCLUSION

Modeling	Approaches		24
Technique	Advantages	Disadvantages	Test results
OLS Linear Regression	Widely documented application, including model quality tests	Relationship between variables not necessarily be linear	Non-normal error distribution; variable transformations partially solves issues
Generalized Linear Models (GLM)	Alternative models with non-normality and heteroskedasticity issues	Needs extensive testing to select right model specification	Mostly ok.
Multiple Classification Analysis (MCA)	Simple application: average trips for combination of variables	Predictions suffer from simplicity of the approach	Mostly ok.
Partition Method (PM)	Recursively partitions data according to variables relation and not always as interpreted	Model resolution depends highly on sample size, especially for higher levels	n/a
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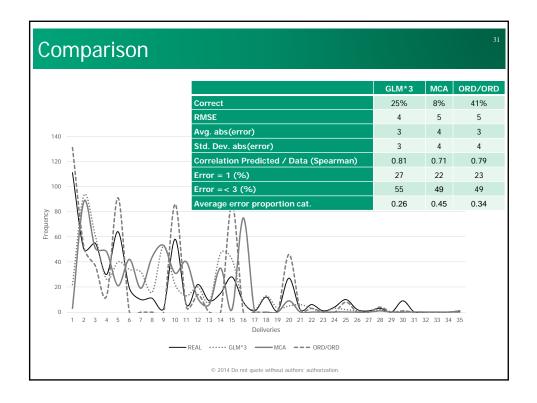


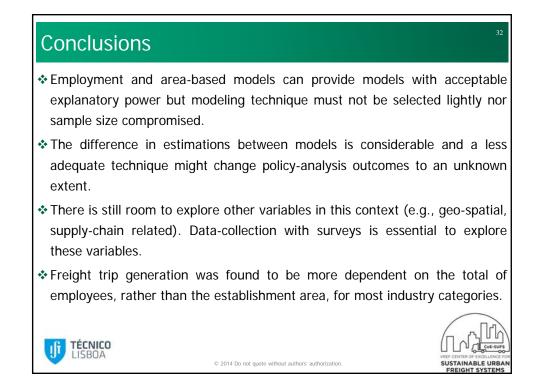
Logit Re	egressione better prece	near /Ordinal Lo on dictions - simplify depend e following ranges:	Ŭ			
		Total weekly deliveries 1 delivery per week 2 to 4 deliveries per week 5 to 10 deliveries per week 11 to 20 deliveries per week Over 20 deliveries per week from the inclusion of value not necessarily in error of		teract	ions, r	esulting in
good prod	1. Range pred Correctly Pred Correctly Pred Correctly Pred	iction models licted licted (Rnd 80%/20%) licted Random/Full Ratio redicted / Data	GLM 55% 35% 0.64 0.77 90%	ORD 59% 36% 0.61 0.78 84%	MLR 62% 35% 0.56 0.73 71%	

Combir	nato	ory Models (2-	st	ep	mo	dels)		
		f ranges and, for a ed number of delive		0	d rar	ige, p	redict t	he	
		Inside Range Models		GLM	ORD	MLR			
		Correct predictions		58%	62%	70%			
		RMSE		1	2	2			
		Average abs(error)		1	1	1			
		Std. Dev. abs(error)		1	2	2			
		Overall quality test results		F	F	F			
		Correlation Predicted / Dat	a	0.99	0.99	0.99			
			OF	RD					
	1+2	= 2-step Models	М	R	GL	M	ORD		
	Corre	ct predictions	45	%	409	%	41%		
	RMSE	:	5		5		5		
	Avera	age abs(error)	3		3		3		
	Std. D	Dev. abs(error)	4		4		4		
	Corre	lation Predicted/Data	0.7	19	0.7	9	0.79		
	Avera	age error proportion cat.	0.3	30	0.2	7	0.34		



			Employees		
Industry Category	1	2	3	4	>4
Category 1 – Specialized foodstuffs	9.8	11.8	10.7	14.5	10.0
Category 2 – Non-specialized foodstuffs	4.8	8.7	10.3	15.8	28.0
Category 3 – Personal usage articles	2.0	2.3	1.5	4.2	8.0
Category 4 – Culture and leisure	4.4	3.1	3.0	8.0	5.8
Category 5 – Various	6.5	8.2	10.1	5.8	3.3
Category 6 – Home appliances	2.5	4.3	4.3	11.0	6.0
Category 7 – Non-specialized	4.3	5.3	n/a	1.0	n/a
Category 8 – Health and hygiene	12.0	8.0	9.0	13.6	19.8
Category 9 – Repairs	1.0	4.7	3.3	7.3	12.8
Category 10 – Food and drinks	6.1	8.6	11.2	13.7	15.9



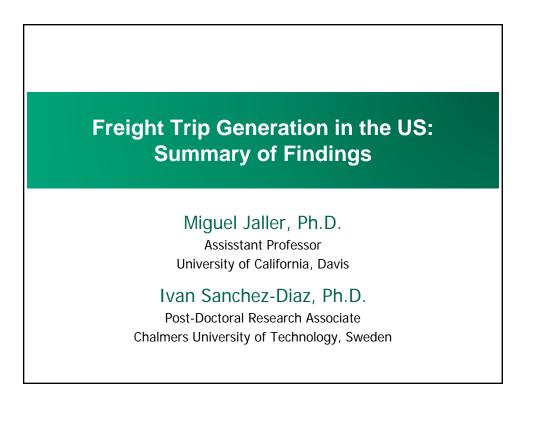


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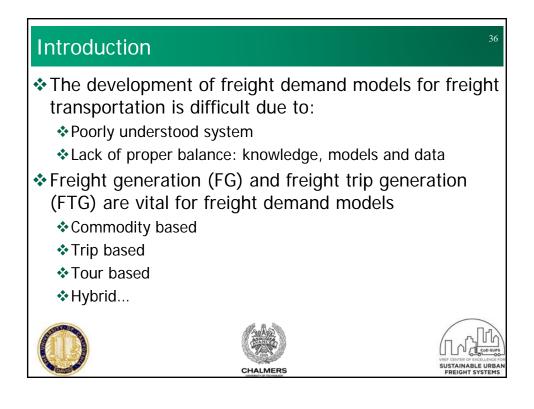


Acknowledgments

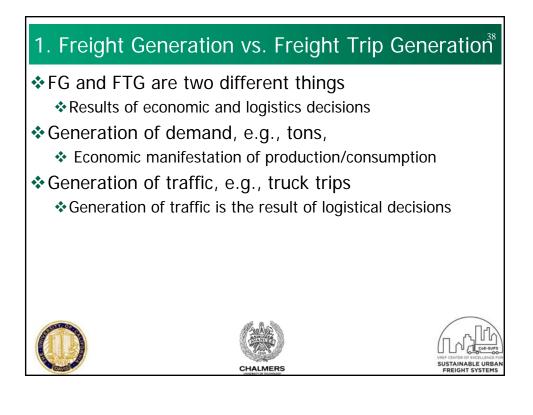
- Co-Authors:
 - José Holguín-Veras
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 - Cara Wang
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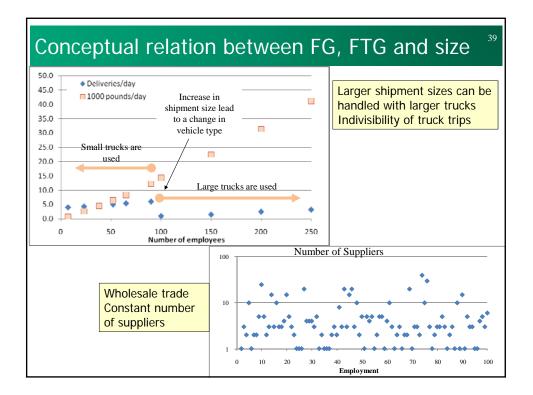
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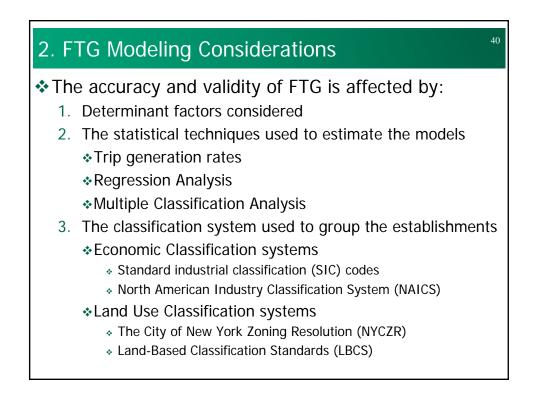
- The authors would like to also acknowledge the support and guidance from Dr. Bill Rogers (NCFRP)
- NCFRP 25 Report is published and available as NCFRP Report 19/ NCHRP Report 739

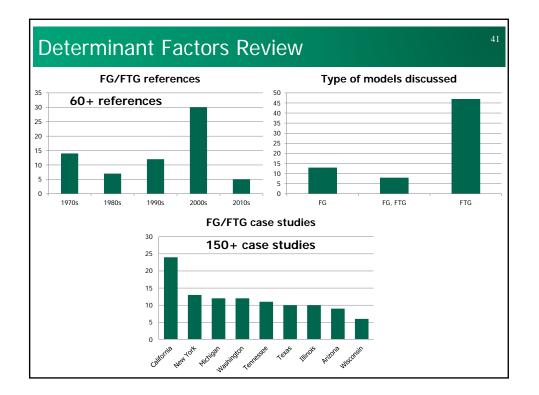












Variables used in FG/FTG modeling

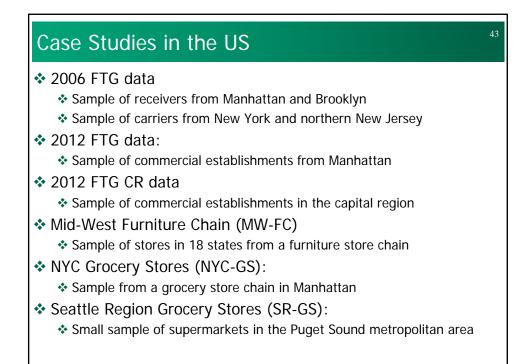
Variables used for FG/FTG modeling in the literature

Independent	variable	Percentage	Independent v	variable	Percentage
Area	786	41.59%	Individuals	15	0.79%
Employment	565	29.89%	Cargo	13	0.69%
Establishment	278	14.71%	Sales	5	0.26%
Land use	211	11.16%	Industry segmer	n 2	0.11%
Household	47	2.49%	Traffic volumes	2	0.11%
Other	41	2.17%	Income	1	0.05%
Fleet	36	1.90%	Parking	1	0.05%









			NI	VICS		
Ī	NAIC	s	19	1103	Trips/ Establishment	
-	23		Constru	ction	2.16	
	31-3	3*	Manufact	uring*	2.83	
Ī			ge, Tobacco, Tex t Manufacturing	ile, Apparel, Leather &	2.40	
			stics, nonmetallic	um & coal products, & mineral product	4.42	
		³³ transportatio	n, furniture & mis	5	2.49	
L		45 Sporting goo	ds, hobby, book, &	k music stores	2.72	
NAI	cs	Wholesale trade (NAICS 42)	Retail trade (NAICS 44-45)	^{Reta} A small (1) establishmen		
۰ ^۱	1-10	2.44	3.39	every day		
	11-20	3.34	4.02			
ш.	21-30	5.69	4.65		6.79	5.14
Regres		2.272+0.069*emp	3.070+0.063*emp	3.070+0	.132*emp 1.307+	0.081*emp

		NAIO	s	NAIC	S	Trips/ Es	tablishment
		3	1-33*	Manufacturing	*		2.21
			31 Food, Beverag Product Manu	e, Tobacco, Textile, Ap facturing	parel, Leather &	& Allied	2.85
		es		t produces 2. ependent frc (NAICS 42)	•	tail:fumiture, ronics, building material, food, beverage, clothing	Transport and warehousing (NAICS 48,49)
						(NAICS 44)	
		2.424	(NAICS 32)	2.046	1.610	1 695	2 201
2	1-20	2.424	(NAICS 32) 1.303	2.946	1.610	1.685	3.381
o y ces	1-20 21-40	1.727	(NAICS 32) 1.303 0.606	2.564	4.830	1.303	2.998
inproyees	1-20 21-40 41-60	1.727 2.061	(NAICS 32) 1.303 0.606 0.939	2.564 3.283	4.830 8.050	1.303 2.023	2.998 3.718
Emptoyees	1-20 21-40	1.727	(NAICS 32) 1.303 0.606	2.564	4.830	1.303	2.998

FTG Mo	dels- Area-base	ed					46
		FT	A		FI	Р	
	Description	Are	a		Ar	ea	
	Description	c	b		c	b	
	Construction*	2.160				1.68	
	31	2.400			2.846		
	32	4.420				0.57	
	33	2.490			1.750		
	Manufacturing*	2.831			2.214		
	Wholesale Trade*	2.272	1.70		1.755	0.89	
	44	2.458	3.27		0.993	0.52	
	45	2.724			n	a	
	Retail Trade*	3.070	1.54	Α	5,000	sa. fe	et (464 sq.
	48				eters)		
	Transportation and Warehousing*	n/a	ı				produces ypical day
	Accommodation and Food*	1.307	1.99		•		51 5
<i>c</i> =	= intercept, b = slope, area in	1,000 sqt	uare fee	et	•		

	of ETA Modala
DUMMALV	of FTA Models
Joannia J	

Group	Classification	Code/Function	Description	Obs.	Const.	/Empl.	Best
Group	System	Code/Function	Description	Uis.	с	b	Model
u	SIC	15, 16, 17	Construction - group model	25	2.160		S
tion	NAICS	23	Construction sector	25	2.160		S
Construction	LBCS	Construction; services; and other	Construction-related business; nstruction; services; Communications and information;		3.919		s
50	SIC	21-39	Manufacturing - group model	45	3.156		S
i.	NAICS	31, 32, 33	Manufacturing sector	51	2.831		S
Ma nufa cturing	NYCZR	M1-1, M1-2, M1-2/R6A, M1-2D, M1-6, M3-1	Manufacturing districts	138	3.216		S
Ma	LBCS	Textiles & Manufacturing	Manufacturing: Food, textiles, and related products; all other	38	3.130		S
ale le	SIC	50, 51	Wholesale trade - group model	117	2.272	0.069	С
Wholesale Trade	NAICS	42	Wholesale trade sector	117	2.272	0.069	С
ΞĒ.	LBCS	Wholesale Trade	Durable and nondurbale goods	114	2.640	0.062	С

C - Combined linear model with intercept (c) and dependent on business size (b)







Group	Classification	Code/Function	Description	Obs.	-	/Empl. Best	
oroup	System		-		с	b	Model
e	SIC	52, 53, 55, 56, 57, 59	Retail trade - group model	84	3.371		S
rac	NAICS	44, 45	Retail trade sector	98	3.070	0.063	С
Retail Trade	LBCS	Retail & Pharmacy	Pharmacy or drugstore; cosmetic and beauty supplies; business, professional, scientific, and technical services; all other retail	89	3.720		s
	SIC	20, 54, 58	Food stores, restaurants and bars	83	1.826	0.090	С
_	NAICS	72	Accommodations and Food	56	1.307	0.081	С
Food	LBCS	Grocery & Food Service	Grocery store, supermarket or bakery; specialty food store; fruit and vegetable store; beer, wine and liquor store; food services	79	1.887	0.085	с
Commercial	NYCZR	C1, C4, C5, C6	Small retail & service shops: grocery stores, restaurants & beauty; large stores with general goods: specialty & department stores, theaters & other commercial and office uses.		2.760	0.063	с
ů		0.08	Small retail & service shops: same as C1 but permits funeral homes & repair services; heavy repair shops and automotive.	7	4.286		s
Residential	NYCZR	R6, R6A, R6B, R7-1, R7-2, R7A, R8	Residential Districts	10	2.660		s

Model Performance

The economic based classifications systems provide more efficient models

Classification System	RMSE
SIC	3.332
NAICS	3.566
NYCZR	4.205
LBCS	4.529

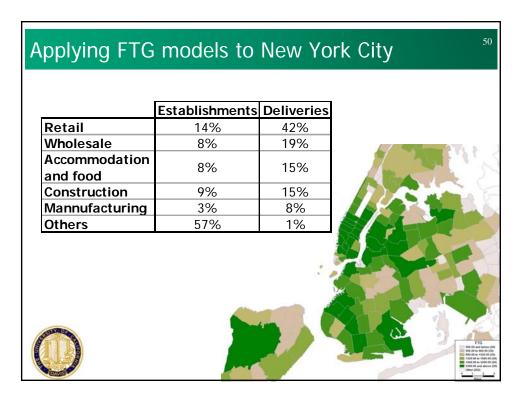
Using models estimated with 2006 FTG Data

MCA models outperform OLS/Rates

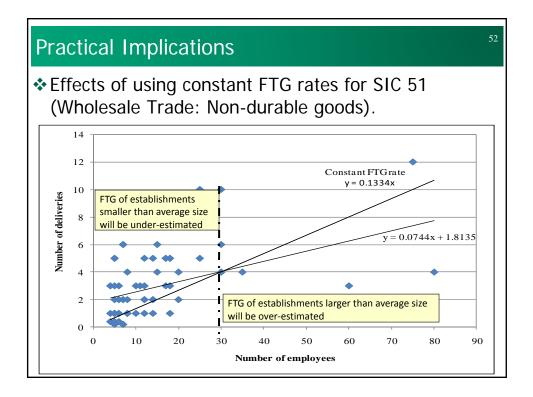
*At the expense of more data

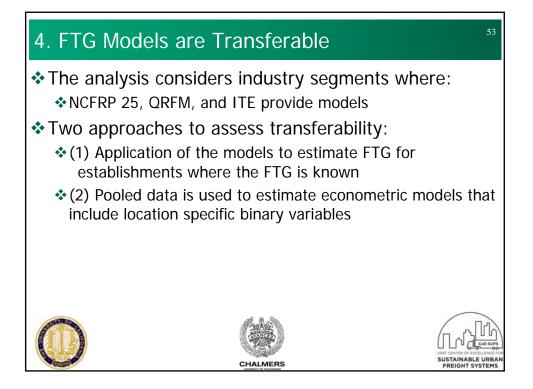


SUSTAIN

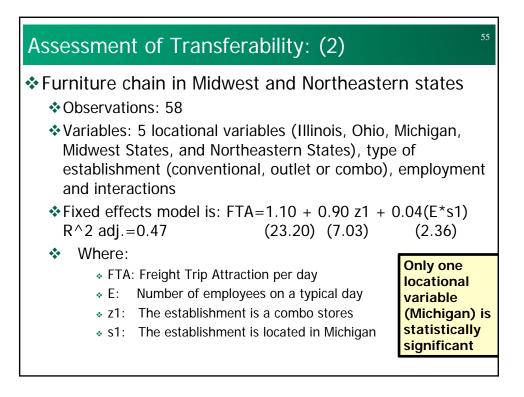


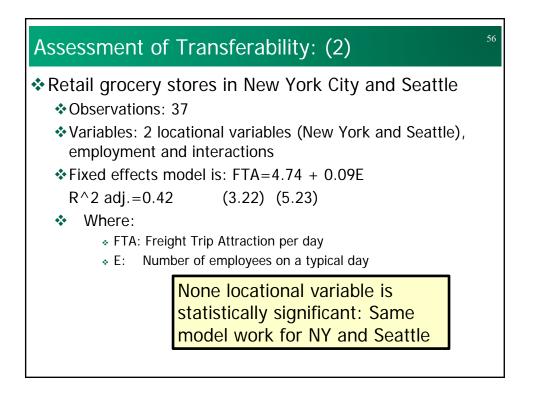
	Type S: Constant FTG per Establishment		to nun	oportional aber of oyees	Type C: C model with and rate per	Total	
	Cases	%	Cases	%	Cases	%	
SIC	12	57%	5	24%	4	19%	21
NAICS	6	60%	0	0%	4	40%	10
NYC Land-Use	13	72%	4	22%	1	6%	18
LBCS	4	80%	0	0%	1	20%	5
Results a	re cons	$ \nabla \Delta n =$				JUUIJI	ant
Results a	re cons	istent -					





		Validation Data							RMSE			
Classification	Description	Sample Size	Mean Employ- ment	NYS- CR	NYC	NYC- GS	MW- FC	SR- GS	NCFRP 25	QRFM	ITE	
NAICS 72	Accomodation/Food	5	5.8	х					1.26	6.51	n/a	
LBCS	Function Food Service	5	5.8	х					1.26	6.51	n/a	
ITE 816	Hardware/Paint Stores	8	10.0		х				1.67	1.99	2.04	
LBCS	Activity Restaurants	5	5.8	х					1.93	6.51	n/a	
ITE 890	Furniture Stores	14	10.0		х				2.09	4.31	3.18	
LBCS	Function Retail	13	8.9	х					2.55	22.46	n/a	
ITE 890	Furniture Stores	58	8.9				х		3.42	5.60	1.25	
ITE 860	Wholesale Markets	102	17.2		х				3.66	12.23	11.66	
SIC 56	Apparel/Accessory	10	10.2	х					4.05	23.25	n/a	
NAICS 44	Grocery Stores	7	15.3					х	4.10	32.06	n/a	
SIC 58	Eating/Drinking Places	5	5.8	х					4.14	6.51	n/a	
SIC 52	Building Materials	6	18.8	х					4.42	36.14	n/a	
LBCS	Activity Goods	21	13.0	х					4.56	23.81	n/a	
SIC 54	Food Stores	8	19.5	х					5.09	26.04	n/a	
NAICS 44	Grocery Stores	30	78.0			х			7.08	41.73	n/a	
NAICS 44	Retail Trade	21	55.0	х					8.02	23.42	n/a	
LBCS	Function Grocery	8	19.5	х					13.89	26.04	n/a	



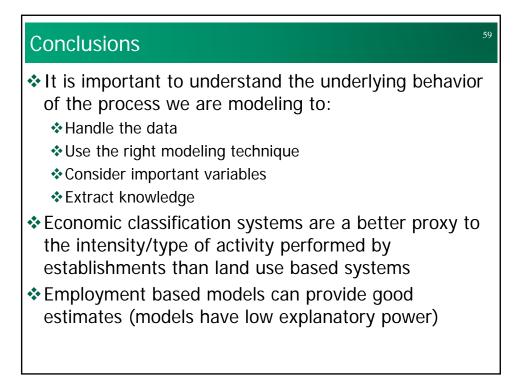


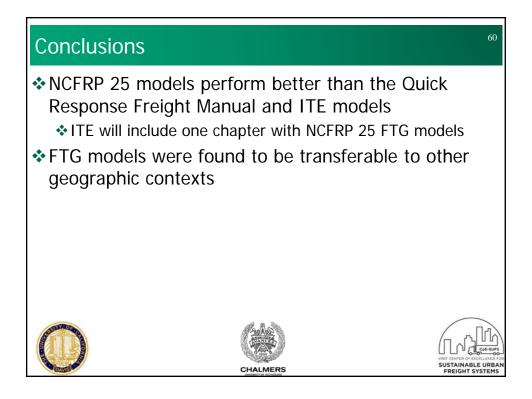
5. The Role of Freight Intermediaries

Pure receivers, those that only receive goods
Intermediaries, those that receive and ship goods

	-		NAICS	Interme- diaries
	Light manufac	cturing	31	58%
Manufac-		Apparel	315	71%
turing	Medium manu	ufacturing	32	67%
	Heavy manufacturing		33	80%
W/le - 1 1		-	42	57%
Wholesale	e trade	Nondurable goods	424	55%
	Furniture, foo	d, beverage, tobacco,	44	42%
Retail trade	textile and others	Furniture	442	67%
		Food and beverage	445	27%
		Health and personal	446	22%
		Clothing	448	54%
	Wood, paper,	printing,	45	45%
	chemicals	Miscellaneous	453	39%
		Nonstore	454	57%
Arts, enter	rtainment, and i	recreation	71	46%
Accomod	ation and food		72	33%
se	ervices	Accommodation	721	50%
Other serv	vices (except p	ublic administration)	81	24%
	G	rand Total		46%

	stimating ag	grega	ite FT	G:					
NAICS	Description	Naï ve RMSE	Correct. Factor RMSE	Logit Model RMSE Binary Logit Mo					
31	Light manufacturing	4.99	4.02	4.32					
32	Medium	12.69	5.65	8.34					
	Heavy manufacturing	5.37	4.86	5.00					
42	Wholesale trade	15.49	15.45	15.45	1				
44	Retail food and others	1.82	1.53	1.54					
45	Retail wood and others	3.90	3.62	3.73	1				
71	Arts and entertainment	0.70	0.56	0.48					
81	Other services	1.85	1.32	1.17					
				External Dataset	NAICS	Description	Naïve RMSE	Discrete Conti- nuous RMSE	Discrete Conti- nuous Model (2 digit NAICS) RMSE
				NY-CR	44	Retail food and others	2.36	n.a.	2.1
				2006	23	Construction	1.40	1.52	1.4
	_			2006	31	Light manufacturing	2.68	1.97	1.7
	Discrete C	contin	uous	2006 2006	33 42	Heavy manufacturing Wholesale trade	77.07	2.75	57.4
	2.00.010			2006	42	Retail food and others	1.57	4.67	1.
	Model			2006	45	Retail wood and others	3.89	1.27	0.9
	INIUUEI			2006		All sample *	20.35	3.23	15.1





Key Findings on FTG Studies

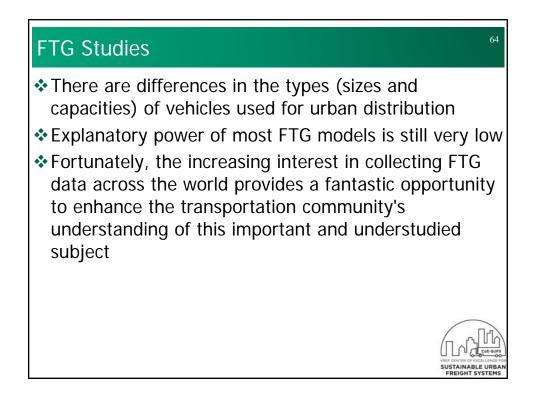
FTG Studies

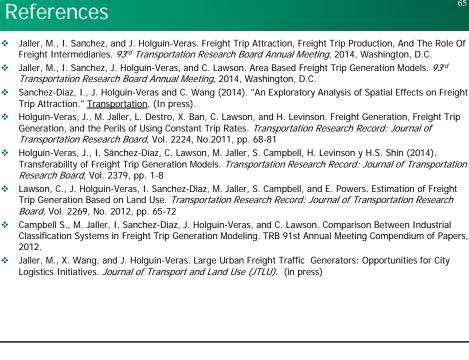
- Studying FTG patterns is key to understand urban freight
- Series of webinars on FTG:
 - Developing countries: Chennai, India; Medellin, Colombia
 - Developed countries: Lisbon, Portugal; New York City, USA

These FTG Studies...

- Are based on establishments surveys
- Study trips attracted and produced
- Use industry classification systems to group establishments
- Focus primarily on retail and food services
- Use employment as explanatory variables









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