Minimizing Delivery Costs With The Saving Matrix Method (Case Study At Pt Sei).

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- **Abstract:** Distribution is one of the important factors for companies to be able to deliver goods correctly to the project site; the accuracy of delivery of goods to the project site must have the right route so that the goods can arrive in good condition and on time to the project site. PT SEI experienced problems from in Delivery of goods to the project site. The process of distributing goods in one delivery of goods to the project site is carried out without first looking at the transport capacity with the existing fleet. Therefore, the company needs an appropriate delivery route to reduce waste in transportation means (fleet), transportation costs and get a more flexible time. The purpose of this study is to obtain the most appropriate and optimal product delivery route that can minimize distribution costs and find out distribution cost savings. To minimize costs, the determination of an efficient shipping path execute using the Saving Matrix Method. Saving Matrix is a method used to determine distance, route, time or cost in the delivery of goods by determining the path that must be traversed, using the Saving Matrix method, distribution routes are obtained that are more efficient from the initial route of 8 distribution routes to only 6 routes. With only 6 PLTS goods delivery routes in the West Java area, a shorter distance is also obtained by cutting 359 km from the company's mileage. This also making the recommendation route 23.22% more efficient than the company's route, with more efficient mileage and routes making costs transportation is 21.73% more efficient than transportation costs, and the company can save IDR 5,000,000 from current transportation costs.
- **Keywords:** minimize distribution, West Java area, transportation costs