

Trent Courier Services



Andrew Langston looked out of his office window and smiled when he saw another of his bike messengers pedal in from a delivery. Had it really been a decade since he began Trent Courier Services? He'd come a long way from his early days in the business, when he got a phone call, hopped on his bike, and made the deliveries himself.

During his university days in London, Andrew competed in the cycling club's races. A friend told him that he worked part-time for the local bicycle delivery service to keep in shape, so Andrew decided to sign up, too. He could use a little extra cash. That was how he'd learned the ropes of the messenger delivery business. His employer had been operating for a long time in the City of London, and working there gave Andrew a taste of a different career option. After graduation, Andrew had moved back to Stoke-on-Trent, his hometown, and started Trent Couriers. It was the best way he could think to combine his love of cycling with the need to earn a living. Besides, at the time, Stoke-on-Trent had only a handful of small messenger services.

It was slow going at first. With such a small business and few funds, he had to watch every penny. But timing had helped him survive. With the business boom in the 1990s, the pace of business transactions skyrocketed. Firms of all sizes needed additional services to carry out their day-to-day transactions, so deliveries needed to increase, too. 'Instant service' became the watchword of business in the Information Age. Meanwhile, traffic on Stoke-on-Trent's streets had grown heavier and heavier. Delays throughout the area became a frustrating fact of life. Andrew found he could zip by the cars in heavy traffic as if they were parked. He loved pumping his way up the hills and coasting down to deliver his packages safe and sound – and always on time. He was proud that he'd built his business on his reputation for reliability. Now, here he was, owner of a company with nearly 50 employees making deliveries by both bicycle and car. He'd met each challenge with the determination he'd had when he was racing. And as with his bicycle, he tried to keep

his business running smoothly, although it didn't always run the way a well-oiled machine should.

Bumps in the road

There was the time that a quickly opened door of a parked car had flattened one of his first messengers and landed him in Accident and Emergency. With no way to communicate except a pager, Andrew didn't know where his messenger was until he regained consciousness and had the nurses telephone him. Andrew spent the afternoon worrying, calling local police stations, and trying to placate his customer about her missing delivery. Also, he remembered the time high winds had brought down trees all over the



city. No traffic – including his car messengers – could get through for a day. Trent Couriers had no system for traffic alerts then, so some messengers were stranded in the chaos. Mobile phones and emailed delivery notices had certainly helped him maintain better contact in the field. Now if a messenger didn't arrive on time, he knew it sooner and could check the problem out directly.

Early expansion and growth

Trent Couriers had expanded rapidly over its first few years as demand grew for its services. Businesses found it cheaper to use a delivery service than to waste their own employees' time running across the city to make deliveries. The price for the service was another advantage – customers could get same-day delivery at prices much lower than the large package delivery services could offer. So, Trent Couriers definitely had a niche to fill in Stoke-on-Trent's business community.

As Trent Couriers grew, Andrew gradually added staff to his payroll – both messengers and dispatchers – to handle repeat customers and routine route deliveries. The company served a variety of businesses: solicitors needing contracts signed or papers filed, architects sending plans to their clients, medical and pharmaceutical companies and suppliers to the ceramics industry who needed rush deliveries, public relations firms sending their copy to poster and sign suppliers, and other businesses needing quick deliveries to satellite offices, suppliers or clients.

Andrew set up routes within the city to handle his regular customers' needs. He also accepted requests for special deliveries from drop-off or call-in business. Standard delivery was two-hour service, with premium rates for faster service. If a business only needed same-day service, then it could opt for the economy rate. Trent Couriers made deliveries all year round, in any kind of weather. Regular service operated Monday to Friday, from 7 a.m. to 7 p.m. During the high-technology boom, Trent Couriers also added premium service delivery on Saturdays.

Moving beyond bikes

After a few years of building Trent Couriers' clientele, Andrew noticed that revenues began to plateau. His competitors were offering the same type of service, and there was only so much business to go around. He needed to think of some way to separate his business from the pack – and soon.

In looking over the customer feedback his messengers entered into their report forms, Andrew saw patterns emerging. Messengers said several of his customers that had satellite offices outside the conurbation and in nearby towns had requested expanded routes. He also had repeated enquiries to serve several pottery businesses in the area. Handling fragile ceramics and other one-of-a-kind, irreplaceable items definitely called for a safer delivery method than bicycles. So, Andrew had investigated the feasibility of adding van deliveries to his business and decided to make the move.

Maintaining a fleet and drivers took the business to an entirely new level, but it also allowed Trent Couriers to deliver a wider and more profitable range of services – deliveries no longer had to fit in a backpack or bike basket. Ultimately, adding a van service allowed Trent Couriers to double its size. It now made about 500 deliveries per day and generated revenue of roughly £500,000 annually.

With the addition of a van service, Andrew needed to develop new pricing scales and schedules. He used his financial information system to calculate all the costs that went into a delivery – such as van purchases and maintenance, fuel costs and driver wages. Then he added a profit margin. Next, he used a mapping system to compute delivery route mileage based on the post codes of sending and receiving parties. To cover the new territories, he added even more employees, especially to the central office staff to handle customer orders and other business functions. Finally, he set special rates for 'white glove' service for pottery companies and medical centres.

Customers come first

Still, even with the expansion, the key to Trent Couriers' success remained its service quality. Andrew insisted that each of his employees provide the same on-time deliveries and courteous service that he had when he biked the routes himself. Messengers were on the front lines, and they represented the company to customers, so their attitudes and hard work were critical to Trent Couriers. Over the years, he'd had some run-ins with messengers over slack work habits, and a few had quit or just didn't work out and were let go. Andrew had documented problems in employees' computerized personnel files when necessary. But overall, he considered his employees part of an extended family and valued their loyalty. Ongoing training for messengers and

dispatchers was important to maintain service levels. Above all, he wanted all his employees to enjoy the work they did.

Increasing reliance on information systems

Throughout his expansions, Andrew had turned to information systems to increase his efficiency and handle growing amounts of data. Information technology had helped him in so many areas:

- Automating payroll and accounting services.
- Streamlining customer paperwork.
- Tracking equipment maintenance and supplies.
- Routing deliveries.
- Maintaining customer and messenger contact.
- Providing customized services on the Web.
- Handling customer and employee database files.

In fact, for a business that many considered low-tech, Trent Couriers has relied on very high-tech computer hardware and software.

Handheld computers had rescued quite a few new messengers who became lost in Stoke-on-Trent's back streets. They'd found their way by bringing maps up on their handheld's screen. So, information technology was certainly critical to his employees. A couple of years ago the company even added a website offering online ordering to

handle increased customer demands. Customers were pleased with the new option. For his own work, there were the useful databases – without which Andrew wouldn't know who his customers were or what their needs were. He'd also lose track of his employees and their productivity. The company had certainly followed the digital wave. Looking back, he knew he wouldn't be able to sustain his business without these technologies.

Back to business

Andrew's thoughts were interrupted by Mary Thomas, his administrative assistant, who was knocking at the door.

'Andrew? Sorry to bother you. Time for our meeting with the tyre supplier. They want to discuss our upcoming needs for the year.'

'Maybe we can get a volume price break on our fleet this year', noted Andrew. 'We added two new vans, you know'. He had used the same tyre supplier since the addition of the firm's first motor vehicle. His business relationship was strong and long-lasting. He'd heard that the supplier had offered some quantity price breaks to other businesses, so he was going to pull the entire purchasing history of the supplier and use the information to squeeze out better discounts this year. Savings made could be ploughed back into the company to make it bigger and better.