



CARRYING ON

HOW AUSTRALIAN CARRIERS ARE
SUPPORTING ECOMMERCE, AND
WHAT'S IN STORE FOR THE FUTURE

INTRO

eCommerce is in the spotlight like never before in 2020. With COVID-19 forcing people around the globe to stay at home for weeks or even months on end, shopping online has been the only way to access goods for millions of shoppers.

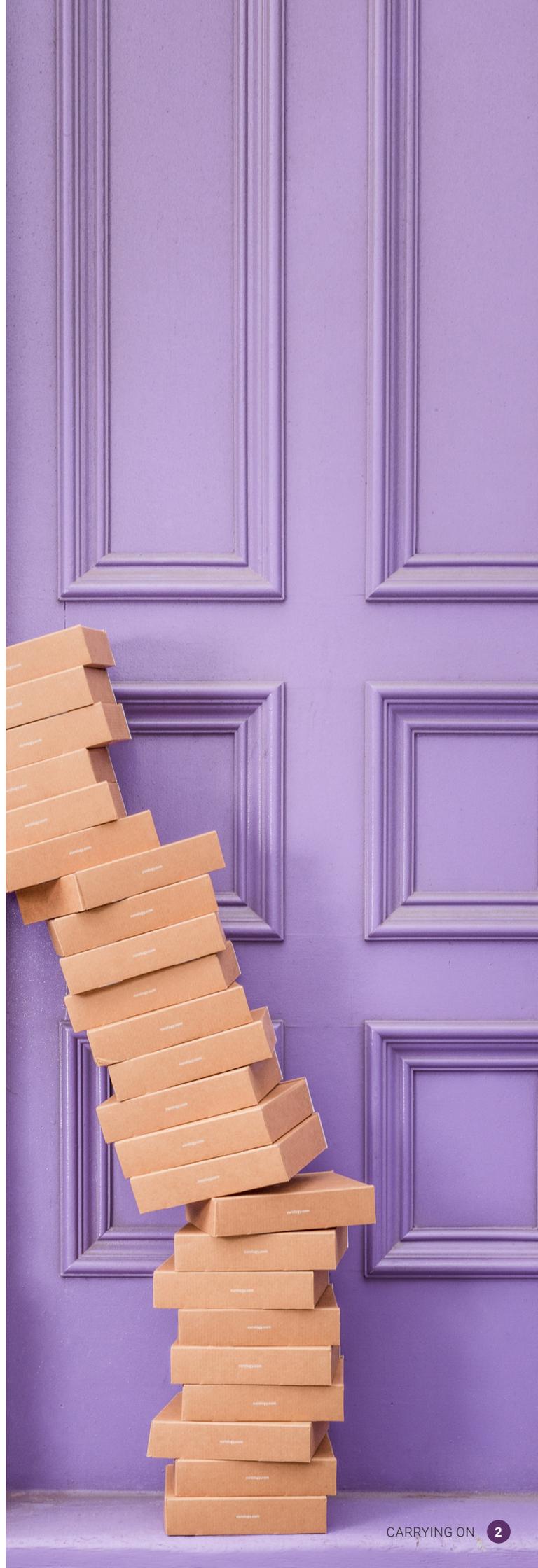
While eCommerce retailers have been pleased to witness their sales and profits booming, it's important to note that their success is due to their networks and associated service providers as well as their products.

Ordering an item online is just the first part of the customer experience. Receiving it in good condition and in a timely way is just as important to encourage that all-important repeat business and positive customer reviews.

This is where parcel delivery services, aka 'carriers' come into their own. These service providers and their teams of staff and drivers have a major role in the growth of eCommerce. For retailers, choosing and working with the right carrier is essential. It's also a good idea to stay in touch with what's happening in this industry, both right now and in the future.

To give eCommerce retailers some insights into the world of carriers and parcel delivery, Steven Visic, Director of Sales at Smart Send sat down with management from four different providers. He asked each one how their carrier business operates and what they have to offer the retailers and customers they serve.

Keep reading to find out how carriers have managed to keep operating and meet increased demand during COVID-19 and what's in store for customer experience when it comes to eCommerce.



OUR EXPERTS

“

**BEN FRANZI, GENERAL MANAGER
PARCEL & EXPRESS SERVICES AT
AUSTRALIA POST, STARTRACK**

“StarTrack specialises in speed services. The carrier provides a road transport speed function, which handles a lot of the big B2B volumes into retailers, spare parts.

The other service offered by Australia Post, StarTrack is a premium air function. This offers next day delivery to consumers and takes care of a lot of B2B urgent deliveries. There is also a smaller segment around courier and same day urgent deliveries.”

“

**MICHELLE MCDOWELL, MANAGING
DIRECTOR AT ALLIED EXPRESS**

“Allied Express has two direct parts of our business. We’re in one part of our business a metropolitan courier and taxi-truck business that operates in every major capital city across Australia. The other part of our business is an interstate business.

We deliver overnight to every postcode across Australia and we provide a really good mix of services. We come to the market saying it doesn’t matter when you want your products delivered or what location or what postcode, we can go anywhere in Australia in any timeframe.”

“

**SIMON SPROULE, PARTNER MANAGER
AT FASTWAY ARAMEX**

“Fastway was started in New Zealand and then brought over to Australia over 30 years ago. The premise of the model is that it’s a courier company based on being franchised.

Our depots aren’t run by managers. They’re run by business owners. So it makes them a lot more accountable and a lot keener to get a result and provide good service.

We have 28 regional franchisees or depots, and we have over 800 drivers across Australia, stretching from Cairns down to Hobart and across to Perth. In the last few years we were purchased by Aramex, a global freight company and we’re in the middle of transitioning from the brand Fastway to the brand Aramex. Over the next few months, you’ll see nearly everything being Aramex.”

“

**MARK MCGINLEY,
CEO AT COURIERSPLEASE**

“CouriersPlease was founded in 1983. We’re a last mile eCommerce logistics company. We have 300 staff and 750 franchisees. Our franchisees operate with a designated territory and they generate their income from their activity. It’s a really good business model with a focus on eCommerce logistics.”

1

WHICH CARRIER AND WHY?

The first thing eCommerce retailers need to know when they're choosing a carrier is the suitability of that carrier for the task at hand.

Take a look at how our parcel delivery specialists meet your needs as an eCommerce retailer.



“

**MARK MCGINLEY,
CEO AT COURIERSPLEASE**

“Our focus at CouriersPlease is eCommerce.

Where other businesses might do pallets, B2B or store fulfillment, our energy has solely been directed towards eCommerce in Australia for the four years that I have been CEO. It is our core competency.”

“

**MICHELLE MCDOWELL, MANAGING
DIRECTOR AT ALLIED EXPRESS**

“Allied Express has been working with the eCommerce industry for many, many years. I think we got our first customer in this part of the market probably 15 odd years ago so we have lots of good experience in doing deliveries here.

I think there are a couple of reasons why we do this part of the market well. First, we can offer our eCommerce customers lots of different options in terms of delivering to homes. So we're able to go in all sorts of timeframes. From AM or PM delivery to next-day, pick a day, there are lots of different delivery options. We can deliver during the day, in twilight, or during periods over the weekend. This gives customers lots of different options.

With that being said, I think the most crucial part of why Allied Express is successful in the marketplace is we're really able to deliver when customers want us, how customers want us to. We're also able to make sure that the receivers are staying home for their deliveries for those first time delivery hit rates.

Our delivery hit rate is really, really high. We're very successful at getting receivers to know when their products are coming and to stay home for those deliveries.”

“

**BEN FRANZI, GENERAL MANAGER
PARCEL & EXPRESS SERVICES AT
AUSTRALIA POST, STARTRACK**

“eCommerce is really continuing to ramp up [when it comes to] speed. Even post COVID we expect speed to be one of the battlegrounds for eCommerce.

Consumers really want their parcels to arrive quickly. StarTrack is a good fit for this because you can get same-day delivery through our courier network and next day delivery through the premium network. Continuing to provide that almost in-store type experience for online is now very important as we continue to see massive growth rates for online.”

“

**SIMON SPROULE, PARTNER MANAGER
AT FASTWAY ARAMEX**

“For us, it comes down to ownership of the businesses. I think that means you’ve got a group of people who are looking to find solutions, not a lot of people who are just looking to see what’s in their job spec.

With Fastway Aramex, you end up getting service that goes beyond the normal career business model. On top of that, we’ve got coverage, across Australia and to regional areas like Cairns, Townsville and all the way down to the Gold Coast. We also have couriers and depots out at areas such as Orange and Young so we’ve got broad coverage for our retail customers.”





2

CARRIER SPECIALTIES

Different carriers specialise in different products. Take a look at which products some of Australia's leading carriers handle and deliver best.

“

**BEN FRANZI, GENERAL MANAGER
PARCEL & EXPRESS SERVICES AT
AUSTRALIA POST, STARTRACK**

“In our premium network we are a small parcel business that is really driving out speed.

The road business of Australia Post & StarTrack is quite a bit different. StarTrack really handles pallets very well and handles big bulky items and install drops. This side of the business does a lot of the time specific deliveries into the big retailers and the big warehouses. There is quite a difference between StarTrack Premium and StarTrack Road in terms of the products that they focus on. With Premium it will be B2C. Road really does only a little bit of B2C.”

“

**SIMON SPROULE, PARTNER MANAGER
AT FASTWAY ARAMEX**

“We move smaller freight. We'll go up to 25 kilos dead weight and 40 kilos cubic, but that smaller end of the spectrum really suits Fastway Aramex.”

“

**MARK MCGINLEY,
CEO AT COURIERSPLEASE**

“CouriersPlease is a small parcel company. We've got a 32 kilo limit per parcel, 1.8 meter per parcel. So we're very much a small parcel company, which fits in really well with eCommerce, where the average size is about two kilos.

We're able to do same day deliveries through our current infrastructure. That's part of our core competency and it includes same day deliveries at scale.

Next day delivery is also part of our suite of products. We just launched our new returns platform called Boomerang which is going really well. We also have a partnership with HUBBED, which is our pick up and delivery network. We now have over 2000 locations throughout Australia where you can drop off freight, pick up freight, and if there's no one home we can leave the freight there. It's a very convenient, 24/7 service.

We're continually evolving but they are the core products we offer right now.”

“

MICHELLE MCDOWELL, MANAGING DIRECTOR AT ALLIED EXPRESS

“Allied Express is able to carry any type of product under the sun.

When I go out and have a look in our depot, we’ve got kayaks, lounges, spas, anything you can imagine. I think the reason why we’re able to do that is obviously everyone in our industry wants to carry the nice, neat cartons because that’s easy freight and you get maximum productivity.

Over many years we have become a specialist in carrying those big, bulky, fragile, unusual types of items. They take a very different type of care when you’re moving them through your networks. We’ve got all the conveyor belts and all the electronic equipment in our depots, but we also handle a lot of things manually... because you can’t put a kayak or something fragile like wine on a conveyor belt.”



3

INCOMING INNOVATIONS

The question “What’s next?” is on everyone’s mind in business. Take a look at the answer from our leading parcel carriers.

“

**SIMON SPROULE, PARTNER MANAGER
AT FASTWAY ARAMEX**

“We’ve got technology around our Blu Courier network, which is a crowdsourced network of couriers who really can be brought in and out to assist our couriers in peak.

Anybody being involved in this industry will understand that the days and the months change in terms of the volumes. It’s hard to increase and decrease according to that.

Blu Couriers allows us to bring in crowdsourced people very quickly to deal with those peaks. We’ve got development around a parcel connect network, which are our drop off points in conveniently located locations around the suburbs so that people can send from there or pick up parcels from that network.

Now that we’re part Aramex, we’re also working with their international partners to make sending parcels overseas much easier.

“

**BEN FRANZI, GENERAL MANAGER
PARCEL & EXPRESS SERVICES AT
AUSTRALIA POST, STARTRACK**

We continue to do quite a large integration at Australia Post and we’re looking at how we integrate the ‘last mile’ across Australia Post and StarTrack.

Part of that is a complete new scanner technology platform that we’ve rolled across both processing and delivery that will let us optimise our delivery within the model channels we have. Whether that be an Australia Post driver, whether it be a StarTrack driver or a StarTrack road driver, we’re able to optimise to get the best service to the customer across both.

From a technology point of view, scanning is critical. We’ve made a massive investment in what we’ve called the next generation scanning program.”





“

**MICHELLE MCDOWELL, MANAGING
DIRECTOR AT ALLIED EXPRESS**

“There’s always a thousand things going on here. Right now we are looking at using technology to provide better ways of doing our job for customers.

A lot of new things centre around how we communicate with customers while deliveries are in transit, but scheduling that works a whole lot better. We want to make sure that we can predict when deliveries are going to happen better for our customers.

With this in mind, Allied Express has just developed a great piece of software that we call the ARC. It’s Allied Run Creation software and it really lets us get deliveries from a customer, feed them in through our routing software and come out with really great run structures, predictions of the sort of vehicles we need to use and costing structures. Really importantly for people in the online market, we’re now able to predict as a driver goes through his route on a day, what order he’s going to do his work in and the predicted times that we’re going to be at delivery points.

The whole aim is to make sure our first time delivery hit rates are really high, that really helps us predict when we’re going to be at a front door. A lot of time, work and effort has gone into it.”

“

**MARK MCGINLEY,
CEO AT COURIERSPLEASE**

“In the last 12 months, we’ve invested multiple millions of dollars in our optimisation and technology development.

CouriersPlease has recently had automation in our Sydney facility for the first time. This really has been a game changer for us and allows us to scale up and down really quickly. It’s much more efficient than our current manual processes.

We’ve also just launched a new delivery app for our franchisees which has involved new hardware and software. We call it CPGo; an interactive delivery management system that puts the consumer front of mind.

With CouriersPlease, the consumer is now in control of their delivery. They can see and they can manage the timing of the delivery, the flexibility, and the different options around signatures. Our delivery people can drop in a hub location, or can drop with a neighbor.

We have been working on putting the consumer right in front of the whole delivery experience for the last 12 months. It’s been a real game changer for us.”

4

THE VIRAL LOAD

COVID-19 has impacted businesses across the board and while eCommerce and carriers have seen an upswing in demand, the situation has not been without its challenges.

Our carrier professionals share the impact on operations from COVID-19 and how they have adapted to the changes.

“

MARK MCGINLEY, CEO AT COURIERSPLEASE

“I’m really proud of what we’ve been able to achieve over the COVID-19 period. Obviously we’ve had to invoke our social distancing protocols and our BCP protocols, and it has had an impact on the operation.

We’ve had to extend our sortation times into night shifts and weekend shifts so as to allow less people in the facility at any one time.

We’ve also had to stagger our depot times so there’s less franchisees in the depot at the same time.

The company has introduced contactless deliveries and contactless pickups which I have to say the public and the consumers have really been very accepting of, as have our customers. As with other companies, we’ve had to introduce new sanitation protocols around hand sanitisers and face masks for franchisees and our staff. We’ve put van sanitation stations and we’ve had to invoke work from home policies.

During COVID, most of our staff are working at home, except for essential staff. We’ve had to extend our operating hours to cope with the huge volumes that we’ve experienced over the last few months.

Where a lot of businesses have been negatively impacted, that’s been more than compensated

by others. We’ve seen a lot of spikes in categories like office equipment, sports equipment, food, alcohol and pet food, where other categories like fashion have obviously declined. Discretionary spending has decreased so we’re seeing those impacts.

As a courier company, we’re really appreciative about our central service status. We’re very grateful that our teams are allowed to work. We take those responsibilities really seriously, but it’s had a massive impact over the whole courier industry.”

“

**SIMON SPROULE, PARTNER MANAGER
AT FASTWAY ARAMEX**

“It has been a double hit. On one side of the ledger, we are doing all we can to keep our couriers and our employees safe as well as our customers, with things like not accepting signatures and a lot of measures in the depots to make sure people aren’t cross-contaminating each other.

We’ve done a lot of things that are probably impacting some of our efficiencies, but at the same time we’re getting this massive increase in sales due to a lot of bricks and mortar retailers moving their business to the online environment. We seem to be handling it pretty well and so far, we’ve managed to keep our teams safe from the virus.”

“

**BEN FRANZI, GENERAL MANAGER
PARCEL & EXPRESS SERVICES AT
AUSTRALIA POST, STARTRACK**

“There’s probably been three big impacts from COVID-19. The first one is the dramatic rise in B2C volume. You’re seeing anywhere between 60 to 80% growth in B2C, which is impacting the demand for products across all the Australia Post and StarTrack networks.

The second big one has been the lack of passenger flights flying in the country. With QANTAS and Virgin grounded, there’s very few passenger flights and a big component of (our) air network was using passenger flights.

We’ve brought on more freighters to get more planes in the air to be able to cope with the volume, and upped our freighter fleet to try to replace some of that passenger capacity we were previously using.

The final challenge has been implementing social distancing in our processing sheds. This has meant changing the way operations do their job. It has included smaller workforces that work specifically on specific tasks so that if one of those team members is identified with COVID, we’re able to isolate that team, not isolate the whole facility.

We have been trying to make sure a facility can be up and running as quickly as possible to be able to get that isolation process done within a matter of hours, rather than actually having to take the facility offline for a day or two to deep clean the whole facility, which would mean we’d lose a large chunk of the workforce.”

“

**MICHELLE MCDOWELL, MANAGING
DIRECTOR AT ALLIED EXPRESS**

“It’s been an incredible period of time. On the first level, there’s a lot of sympathy for the businesses and the people who the coronavirus has affected quite personally. We sit in a position that you see a lot of businesses that unfortunately have seen demand fall and a lot of people that have been personally affected by the circumstances. So obviously that’s difficult. But if you look at it from a commercial point of view, a couple of things have happened.

As a transport company, we knew early on that people would be relying on us. So we did a lot of work to make sure that our people were safe. This included good social distancing and hygiene measures. We were temperature controlling people entering our facilities very early in the piece, both in the offices and the depots. All our deliveries, from very early on, were contactless.

What we tried to do was set up very well at the beginning of the pandemic. And I think that stood us in good stead for actually moving through the weeks and months that came after that. All our online customers, we hope, will come out the other side of this having seen their receivers have a fantastic experience and then continue to buy online.

We’re all time poor and we’ve all come to value a little bit extra time at home. I think that will translate to people wanting to buy online more as we come out of this because the experience has been a great one. So that’s been really important for us to do things the right way for our customers.”

5

WHAT'S NEXT FOR CARRIERS & ECOMMERCE RETAILERS

Our carrier executives discuss what their businesses have on the horizon for the next twelve months.



“

**MARK MCGINLEY,
CEO AT COURIERSPLEASE**

“Over the next 12 months, obviously after COVID, we need to normalise and stabilise our operations.

CouriersPlease are really focused on our service, to meet the demands of the market. We are introducing some new products to meet those demands, specifically around twilight deliveries. We are seeing an increased demand for that speed of delivery.

We're also working with various crowd sourcing companies around the need to scale up and down to meet the volume demands. And we're also continuing to expand on our technology transformation journey, which is pretty well advanced, but there will be more automation and more digital transformation. It's enough to keep us going! We're very busy, but we're very appreciative to be in work at all during this time.”

“

**BEN FRANZI, GENERAL MANAGER
PARCEL & EXPRESS SERVICES AT
AUSTRALIA POST, STARTRACK**

“For Australia Post, StarTrack there will be a big increase in capacity over the next 12 months, especially around the premium side.

We're watching closely from a customer perspective around Toll at the moment, given a lot of the conversations in Toll and Japan Post, and their recent cyber attacks.

There's a big 'watching brief' around what the industry does overall from a capacity point of view. We're interested to see what actually will be the demand plan post-COVID of eCommerce and how we will be able to scale our networks up to be able to cope.”

“

**MICHELLE MCDOWELL, MANAGING
DIRECTOR AT ALLIED EXPRESS**

“As a business, we have our own future plans and things and goals we want to achieve, but we’re always very driven by those goals and plans of our customers. So at the end of the day, our view is always to talk with our customers and see what they want to achieve in the marketplace and then be able to be in a position to support that growth or all those goals.

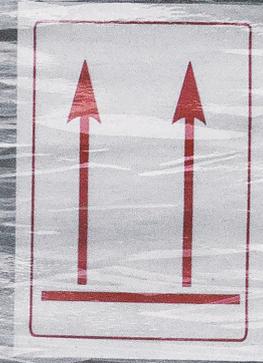
A lot of what we do is based on the challenges our customers bring to us. So obviously a lot of those are in the online space. So how do we continue to improve that experience? How do we continue to get products from their point of origin, to their destination in the quickest possible time for our customers? But some of the changes will involve going into businesses, understanding where their difficulties lie at the moment and trying to get new solutions and new opportunities for them to fix those challenges.”

“

**SIMON SPROULE, PARTNER MANAGER
AT FASTWAY ARAMEX**

“I think the biggest thing for us is to complete the transition from a Fastway to Aramex, and the rest is really to be looking for how we can help make eCommerce easier for our customers.

When we come out of lock down and our isolation, I think we’ll see a continued growth in the retail space. Fastway Aramex needs to be there looking for solutions so they can make it really easy for those people to enter that market.”





CUSTOMER SERVICE AND RELIABILITY ARE KEY TO BRAND SUCCESS

The COVID-19 outbreak has been stressful but it has given brands an opportunity to stand out and even grow.

If you're a vendor who relies on the delivery of products, now is the time to shine. With so many more people spending extra time at home and away from the shops, having items delivered to their home or business is more important than ever.

When your business provides outstanding products, delivered as expected and on time, your brand will thrive. To ensure this happens, choose a delivery partner with a focus on customer service and a commitment to reliability.

Smart Send can help you elevate your brand to the next level when it comes to product delivery. We're Experts in Shipping for eCommerce.

**Contact us today
to find out more:**



sales@smartsend.com.au



shippingsmarter.com.au



smartsend.com.au

smart  send