

Delivering a UX driven digital transformation for logistics leader



CASE STUDY

With logistics providers around the world grappling with disruption, a major New Zealand organisation which touches nearly every citizen faced a dilemma: how to adapt to an e-commerce world requiring product returns through courier services. For guidance on how to stake its claim and turn adversity into opportunity, the organisation looked to partner with Assurity Consulting. In an ambitious multi-year engagement, Assurity co-designed a series of ‘experiments’ designed to lift performance within a new parcel-driven paradigm. Through the engagement, Assurity pioneered new ways of working, enabling rapid prototyping and the delivery of new functionality created solely on the client’s existing technology platforms and infrastructure.



Situation

Traditionally, providers of postage-style services distributed small items to domestic mailboxes countrywide. Those items were and are largely one-way traffic: once delivered, a return is unlikely. With the rise of e-commerce giants including Amazon, ASOS, AliExpress and many more, not only have the items being handled increased in size and variety, but 'reverse logistics' has become essential. For example, e-commerce customers routinely order multiple items with the intention of keeping a select few, returning the rest.

Solution

Assurity Consulting started by establishing a startup lab for the customer, taking up an entire floor of its Auckland office. In the co-design lab environment, Assurity's project team augmented the customer's own business units to enhance its delivery capacity and pilot new ways of working.

This proved enormously beneficial and created a 'flat' operating structure where both executives and team members regularly interacted to unlock value and run rapid design experiments.

Adopting a flexible delivery approach was essential, explains Assurity's Head of Design & Innovation Simon Holbrook: "We had to deliver a strategy, but as always there are constraints, and these are rarely clear when an engagement kicks off. We needed to operate in an agile manner, fail fast, behave like a startup and run an experimental lab inside a traditional iconic institution."

Assurity's preference is to ignite innovation within the client's existing technology and processes. "We were able to pioneer new ways of working and create bespoke digital transformation artefacts such as 'feasibility maps'. This is a process of understanding the client's technology systems and processes necessary for the delivery of any desired customer experience," explains Holbrook.

He points out that while an obsession with customer experience is often the key to success in the digital world, 'theorising' rather than developing within existing constraints can cause more problems – and costs – than a client can handle. "You can quickly create technical debt. When designing with the constraints faced by technical teams, you're moving away from the theoretical and creating solutions which are deliverable."

He adds that if 'innovation' takes place as a purely theoretical exercise, "You're going to create problems for yourself. Failure is everywhere, and the intent of experimenting is to fail and learn explicit lessons. If that process is drawn out, it can lead to slow and hidden failure that can carry more severe consequences."



Results

While there are practical outcomes from the engagement, some of the greatest results from Assurity’s work with the client relate to the processes developed during delivery. This included creating a single operating team and mandate with its own distinct culture to launch ideas at speed.

“We called it the ‘Oceans 11 team’ which consisted of a Technical Lead, Scrum Master, Software Engineers, Test Engineers, Performance Engineers and DevOps Engineers, constantly swarmed by the client’s people. This resulted not only in the contribution of multiple views and insights, but also an exchange of knowledge. And with full access to the client’s operational environment, it meant innovations set up within the Objectives & Key Results framework which explicitly work for the client’s business without having to integrate back into the core technology stack,” explains Holbrook.

For example, the Startup Lab targeted improving the experience for parcel recipients by prototyping changes to delivery addresses while goods are in transit. This was an example of a rapid innovation experiment with a goal set by the Board to ‘improve first-time delivery rates’.

With the client board approving the concept, it was left to the team to deliver.

Assurity’s Design & Innovation approach included a series of ‘alpha experiments’ designed to replace organisational assumptions with facts. Experiments progressed into a ‘beta’ build to create a chat-bot service experience connecting customers’ with their deliveries. The final design enabled customers’ to proactively manage their deliveries ensuring any parcel gets to them the first time, every time.

“That’s just one delivery item, but the broader purpose of the engagement was a bold, ambitious effort bringing innovation into heart of the organisation, creating a more resilient, opportunity-based business,” says Holbrook.

“This depended explicitly on trust. With that achieved, and with access to the very core of the organisation – not only systems, but key personnel – lasting change is the result. And that’s set this client on the path to stake its claim for continued success in these changing times.”

At a glance

Industry:
Freight & Logistics

Situation:

In response to disruption within the logistics industry, the client (a major NZ organisation) faced a dilemma in adapting to the demands of e-commerce. They were seeking a way to turn adversity into opportunity, and understand how they might capitalise on providing courier services for in-home product returns. The organisation looked to Assurity Consulting for guidance on how to stake its claim in the rapidly maturing e-commerce delivery industry. The goal was to solve challenging problems and embed new ways of working internally; co-designing with customers' to rapidly deliver value.

Services provided:

- Designed and operated an innovation Lab environment for running design experiments
- Rapid prototyping, product development and data science
- Pioneered new ways of working
- Managed Agile Delivery from Assurity Lab

Outcomes achieved:

- Design and build of an innovative 'dynamic delivery' service for parcel receivers, built with existing technology teams and digital infrastructures
- Building a bespoke innovation 'lab' to co-design solutions at speed with client teams
- Delivering change through live experimentation in parallel with 'business as usual', always-on activity
- Creating bespoke visual-working assets designed to operationally align technology, customer, operations and finance teams together for effective cross-functional delivery
- Unlocking business value rapidly by moving from 'experiments' to measurable 'beta builds' in weeks