Focus on the middle aged to win extra bus customers, says new analysis

There is a fantastic opportunity to attract additional bus patronage from people aged between 30 and 59, according to demographic analysis undertaken for Flash Forward Consulting (FFC), a recent bus industry conference was told last month.

The analysis, undertaken by FFC associate director Chris Cheek, is based on the latest National Travel Survey undertaken by the Department for Transport, published in August this year.

The survey shows that, outside London, bus trip rates fall sharply once people reach the age of thirty, and stay low from then until the age of 60, when they start to rise again.

Cheek told the conference that trip rates fell from an average of 28 journeys per person per year amongst people aged from 21 to 29 to less than half that—just twelve a year, amongst 40-49 year olds.

“There are 18.3 million people in England outside London in the 30-59 age group,” he said. “If we can persuade each of them to make just one more trip a year, that would be an extra 950 million passenger journeys a year.”

FFC CEO Alex Warner told delegates that there were a number of practical steps that could deliver more business from this age group, including:

- Making it easier and cheaper people to travel as a family
- Special offers for clubs and societies
- Destination marketing and combined offers to give people a reason to travel
- Pre-retirement promotions, special offers and post-employment planning.
Welcome...

...to our very first Flash Forward Consulting magazine. I hope you will enjoy it!

In this and future issues, we'll be bringing you some interesting debate and insights from the fabulous world of public transport and logistics, as well as some exciting guest columnists. We'll also be telling you a bit about what we've been up to and about how you can maybe join us on our journey.

It certainly has been a momentous few months for Flash Forward Consulting (FFC) as we work with our great clients to ultimately drive satisfaction amongst their customers and as we try and enhance the great sectors in which we serve.

More and more transport operators have benefitted from our Customer Experience Health Assessments. Most recently we've been working with a flagship inter-city rail business, and they've joined inter-urban bus and rail operators, along with companies in the light rail, taxi and ferry sectors. All these firms have received support from us, including reviews and ongoing action plan development and implementation.

Our training service goes from leaps and bounds as we are about to complete our "Delight the Customer" training for 1,600 drivers at Bus Eireann and provide ongoing customer service and employee engagement consultancy support. This builds on the training we have provided from customer-interfacing and support teams across public transport for a range of companies.

Meanwhile, we're in the throes of conducting research for several companies around future customer contact channel preferences as well as the needs of existing bus and coach customers and non-users. Last week we had a number of discussions with Irish Rail's customers which we filmed as part of an initiative to understand the deep emotions that they feel when customer services standards are delivered. As with all the research we undertake, there's been some illuminating findings that tell us so much about transport customers views both today and their potential
trends for tomorrow - valuable insights that we are building into the demographic and socio-economic analytical Passenger Transport Monitor tool that Chris Cheek, from our team, manages for our customers.

Our interim management team remain busy and we are filling a number of key roles, from Managing Directors and Operations and Human Resources Directors at three large train operating companies through to key roles for public sector transport authorities and many more! Permanent recruitment has also been an area where we have been active, filling Board level and senior management roles at household-name bus and rail companies. Elsewhere, we have provided strategic advice to two strategic transport owning groups, led detailed global market evaluations and are leading bids overseas.

We've recently launched a Logistics Division and are working with flagship suppliers in the sector to improve the experience that they provide for their customers and ensure that they are more competitive - whether it's taking people by public transport or shipping goods through a process of logistics, the needs are very similar - it's all about delighting customers and being continuously progressive and innovative to keep up to date with changing customer preferences!

Challenging times ahead!

These are exciting times: the Williams Review, the changing face of the big transport groups in terms of their ownership and approach, the constant and gradually more successful drive to provide a more diverse workforce, innovations such as autonomous vehicles and smarter ticketing, as well as exciting new rail franchises recently underway in the UK. The list of initiatives to get our pulses racing as we enter a new year is almost endless. We're delighted and privileged at Flash Forward Consulting to be very much at the heart of it all, in some way, shape or form!
Changing tracks in 2020
Railways may not have figured in the election campaign, but they’re going to be important to the new Government, says FFC chairman John Nelson

The first December General Election since 1923 may go down in history for many reasons but one of those will not be the attention given to the country’s public transport systems. These may well have been referenced in Party Manifestos but they did not feature much in debate and discourse during an election dominated by the twin thrusts of “Get Brexit Done” and “Save the NHS”.

Despite this we know that how public transport - and railways in particular – will be organised is going to be a central plank of the new Government’s policy. Whilst “ownership” tends to be central to the way political parties look at railways, it is in fact “organisation” that concerns transport professionals far more. It should concern passengers too because the way railways are organised determines to a large extent the quality of service they receive.

In my recently published book, “Losing Track”, I detail the various forms of “disorganisation” that have beset the railways over the past half century. The clue is in the title emphasising as it does the separation of parts within the railways which in my opinion lies at the root of the industry’s too frequent failure to deliver punctuality, information, projects, and value for money, either for the tax payer or for the passenger. It is a sad fact that according to the statistics most recently published by rail watchdog Transport Focus, passengers do not feel they get good value for money from their travel experience and that it remains their top priority for improvement. Measured satisfaction in this important aspect has declined significantly over the last twenty-five years.

My own experience is that the optimal organisation of a railway is one in which all the participants (operators, customer service practitioners, engineers, planners) work within a common system of accountability towards commonly shared and quantified objectives. Such a system requires a “boss” or leader who sits atop the management structure and to whom the various functional managers are
accountable for results. It also requires strategic objectives that are clearly specified, supported by budgets and management systems that are aligned to deliver them.

Railways today are widely recognised across the political spectrum as being essential to meet a host of economic, environmental and societal needs that reach way beyond traditional calculations of profit and loss. Whether railways are operated by public authorities or private companies the specifications to which they work are more and more determined by governments and less and less by the trade-offs that companies themselves can make between revenue earning opportunities and cost efficiency. Increasingly too there is a recognition that strategies need to be regional as well as national. We have seen this in the cases of Scotland, London and Wales; and over a longer timescale we have witnessed the effectiveness of the ways in which Passenger Transport Authorities address local needs.

So when a White Paper consultation commences on the basis of the new Government’s plans we should be looking for a number of important elements. Top of these will be the nature of any National Rail Authority that is put in place to articulate, implement and monitor strategy. Fairly near the top of the list will be the structures proposed to more effectively manage the railways on a line of route and regional basis. Where will the lines be drawn between them? What will be the mechanisms to ensure a unified, accountable management within each of them and how will the interfaces between them be managed?

Crucially we should be looking to see how the national requirement to effectively operate the main lines of route that connect the regions of the country with each other dovetails with the equally important requirement for the regions of England to determine the specifications that will deliver their own economic and environmental strategies. The major economic planning regions of the country could easily be aligned with the more integrated railway management structures that are so pressingly needed but if these are to work well central government must allow them the space and the funding to go with it. Experience...
suggests that this will not happen easily and if it doesn’t the whole exercise may come unstuck almost as it begins to unfold.

Looking on the bright side, no fundamental change can be successfully delivered quickly. Existing contracts stand in the way and some industry structures are for the time being fixed; but this gives as the opportunity to approach things in a considered manner. Most notably Network Rail’s emerging regional and route management changes are very positive developments that can be readily built on as more integrated structures affecting train operations are developed and aligned. Progress too can be made in developing the new rail authority (ies) that will overlay the whole industry edifice in time. A wise approach would be to build on the industry’s own professionalism and select people to lead it from within. Too often in recent years fundamental changes have been implemented against the professional advice of people who understood how things could be made to work better. We saw this especially in regard to the early development and disastrous failure of Railtrack. Yet the practice of deliberately selecting people from outside the industry as a matter of policy simply compounded a problem that was only recently recognised with the appointment of Andrew Haines as Network Rail’s Chief Executive. The changes that need to be made to industry structures now need to be led by people who know it already. We can’t afford to have people who are learning on the job.

I started with politics and will end with politics. In my experience most of the difficulties from which the industry has suffered over several decades have been inflicted on it by governments. In my opinion all of these difficulties were avoidable and most would have been avoided if professionals had been properly consulted and their views taken into account. It would be a tragedy if these failures of the past were to be perpetuated.
HOW GOOD IS YOUR CUSTOMER SERVICE?

LET US PUT IT TO THE TEST

Our team will carry out an in-depth ‘deep dive’ of every customer touch-point and the processes & behaviours that influence the experience your business delivers.

We’ll help you create a successful customer service strategy and action plan, so your business can grow and flourish.

FLASH FORWARD
CONSULTING

linkedin flashforwardconsulting.co.uk
Understanding how others see us

Chris reflects on the revolution in the way the transport industry regards its customers.

Anybody who works in transport knows that operations trump everything. Delivering the service is, or should be, the number one priority for every member of the team. But for many years there was a paradox: delivery meant quantity, regardless of quality.

Of course, getting the bus or the train out of the depot and on time always has been a key aspect of customer service, but for too long, too many other features were forgotten.

The sigh of relief every morning when the fleet has left the depot and all duties have been covered is a very special moment – worthy of a cuppa and a sit down or even a full English in the canteen.

Why worry that customer-facing staff could be a bit scruffy and indifferent or worse towards the customers – hell, the depot was fully staffed, wasn't it? And did it really matter that the vehicle sent out on the last duty hadn't been cleaned inside – the important thing was that it turned up, surely?

Back in the days of state ownership and regulated monopolies, this was the attitude that predominated. A sort of “don't you know there's a war on?” approach to passengers that did indeed date from the 1939-45 conflict and the era of austerity that followed it – people were expected to be grateful for what they got, whether it was food, clothing or transport services.

Thankfully, things have moved on since those days. As transport was commercialised and privatised, there was a growing realisation that the customer really was – or should be – the king. At the same time, the act of privatisation liberated ministers and other politicians. From being apologists, they were now critics: no longer saying sorry on behalf of state enterprises but leading the charge for improvement.

Things did begin to change: from the early nineties onwards, some operators blazed a trail –
shaking up their whole approach to customer service, training front line staff in a completely new way and adopting dynamic new branding techniques. Many others (though sadly not all) followed their example.

Then came the internet and – in 2007 – the smartphone. This has coincided with, and partially driven, a revolution in customer expectations – comfort, space, speed and reliability are expected as of right in return for the fare paid, and rightly so. Shortcomings are broadcast instantly to friends and the rest of the world, without mercy, via social media: it’s the old retailers’ maxim “the customer is always right” made flesh.

This means that meeting customer expectations has become a key driver of success in all businesses, transport included.

Meeting expectations is not easy, though: first, it’s vital to understand customers’ attitudes and perceptions. Once that’s done, there’s a whole toolbox of measures we can deploy – changing or adapting products, for instance, or improving staff training. At the same time, it’s possible to use promotional campaigns to influence perceptions.

That’s where third-party consultants like Flash Forward (FFC) come in. Helping you to see your product as others see it, working with customers to understand what they want from your service, and then using audit and mystery traveller techniques to check how delivery measures up.

Making life better for customers is central to FFC’s approach across a whole range of disciplines in the transport industry – in the years since we started, we’ve supported almost every train and bus operating company in the UK and many overseas. Our experience is truly multi-modal – rail, air, bus, coach, taxi, tram, ferry as well as logistics and leisure providers. Experience with these enriches our understanding and enables us to share good practice across the modes.

The combination of audit and research sets out the jobs that must be done to get your business where it needs to be. We can then draw on our experience and expertise, working with you so that you can not only meet your customer expectations but exceed them.
Gestures of goodwill: offering instant resolution
Sarah Dalby of Tracsis TCS on the challenge of keeping customers happy in a tech-first world

Disruptive technologies and trends are changing the way we all work and live. Immediacy - bringing us instant involvement with a sense of urgency - is changing the way we think and buy. We've become impatient and quick to complain via social media. We also want empathy and to know someone cares and understands, but we want our needs fulfilled straight away.

Even within the rail market, passengers’ expectations are growing. At Tracsis TCS we’ve noticed an increasing demand for an instant resolution to passenger problems at the point which they occur, from customers and front-line staff. Real-time, face-to-face solutions are critical to maintaining high standards in times of passenger disruption or dissatisfaction.

This ‘immediacy’ has proven a challenge for many operators when things go wrong, so customer innovation needs to drive change! Otherwise, it’s customer-facing staff on every company’s front line who pay the price for slow or standardised responses.

How can operators innovate to keep customers happy in a tech-first world? As an industry still in its infancy in terms of digitalisation, rail operators are seeking partnerships with flexible and futuristic software development teams. They want people who understand their complex industry’s frustrations who build solutions that integrate with their operation to boost satisfaction.

Our own latest development directly resolves rail operators’ most common problems. The new ‘Gesture of Goodwill’ mobile application enhances customer experience and satisfaction, reduces complaints, and empowers front line staff. At the touch of a button, staff can instantly issue electronic vouchers for a variety of well-known

Keeping the customer satisfied: areas like this station forecourt are free-flowing for most of the time, but can quickly fill up with disgruntled customers if things go wrong. In these situations, ‘Gesture of Goodwill’ software could enable staff to respond quickly and offer an immediate form of resolution.
and popular high street and online brands. TOCs can make up for failed heating with a complimentary hot coffee. They can cover the dry-cleaning bill when a previous passenger’s chewing gum marks a seat occupant’s suit. They can offer on-the-spot solutions for everything from short-formed services and malfunctioning air-conditioning, to a ticketing machine malfunction or a late running service.

We work with an ever-expanding range of brands to tailor the experience specifically for TOCs in a cost-effective manner. Meanwhile, we’ve recognised that the benefits of Gestures of Goodwill, could apply to other industries. We’ve even spoken to several operators within other transport sectors who are interested in how this type of approach could support their frontline staff and customer service teams.

So, while we’re busy designing and building additional modules to Gestures of Goodwill to enable a truly mobile “customer experience toolkit” – such as instant delay repay validation, lost property management, electronic Penalty Fares, and more – we’re considering a bigger future. It’s rewarding and exciting when other solutions come from a development you’ve tailor-made for common problems in one sector. It makes sense because enhancing customer experience is vital for every business and industry to thrive in the 21st century.

If you’re a train operator looking for the next big thing in customer experience, look no further. The same applies if you work in other transport sectors or businesses with a crossover into retail – let’s talk!

To find out more, please contact us

- 01245 396888
- info@tracsistcs.com
- www.tracsistcs.com

Bad weather is often a source of disruption to passenger services, and simple gestures can lift the mood and win friends amongst customers.
How did **you** do your Christmas shopping this year?

FFC director of logistics Roger Morris gives us an insight into the logistics of eCommerce delivery at Christmas

For most people Christmas is an opportunity to take a break, to relax and enjoy time away from work. It also marks the end of the biggest peak of the year in Logistics, which defines whether you've had a good year or a bad one. During this time, reputations can be won or lost, and revenue is generated that will likely make the difference between hitting target for the year or not. Christmas is the traditional peak of the year for most delivery companies, but it’s changed in recent years.

Royal Mail is the UK’s biggest delivery company, employing almost 150,000 people and delivering over one billion parcels a year – just over half of all deliveries in the UK. The next biggest is Hermes, with around a third of Royal Mail’s volume.

With a rich heritage of delivering Christmas cards and presents through 500 years of history, Royal Mail is synonymous with Christmas. But the world is changing and ecommerce is now the engine of growth for postal providers around the world. Parcels generate over half of Royal Mail revenue and most investments in the Royal Mail network and technology are to develop capacity and capabilities for ecommerce parcels. At Christmas these investments are even more important because of the scale of the peak.

One of the biggest challenges is a delivery business is the seasonality of demand, coupled with the scale of network infrastructure required. Too much infrastructure and you have capital tied up in unused assets for 10 months of the year. Too little and you can’t cope with demand at the peak. So investing in flexible capacity for peak is essential.
Royal Mail charters extra planes and trains and leases trucks and vans. It also opens 8 huge warehouses strategically located around the country, hiring huge tents to expand capacity at other sorting and mail centres. This year Royal Mail planned to recruit 33,000 extra staff to deal with the Christmas peak. The majority of these roles are in temporary and permanent mail centres and distribution centres around the country, sorting letters and parcels before dispatching them to one of the 1,200 Delivery offices, where over 60,000 regular postmen and women take over for the final stage. Around 5,000 managers are re-deployed to frontline roles, mostly either in delivery or enquiry offices, located in local communities to deal with the final delivery and collection of letters and parcels. Enquiry offices open later, making extra collections, whilst many delivery offices will also deliver on Sundays.

**eCommerce Delivery**

Online retail has driven huge growth in parcel delivery, with the majority of ecommerce delivery requiring cost-effective, reliable services with faster and premium service options available, often for those that are willing to pay more.

---

**Convenience makes people shop online at peak more than price**

**Key reasons to shop online**

- **68%** I can shop from the comfort of my own home
  - 44% in April
- **63%** I can shop at any time of day
  - 45% in April
- **48%** I can more easily compare prices
  - 55% in April
- **38%** The prices being offered compared to in-store
  - 44% in April
- **36%** I can check availability / levels of stock
  - 25% in April
- **25%** I can buy from anywhere in the world

Trinity McQueen, Delivery Matters
Christmas 2018 / Delivery Matters UK 2018
Amazon has treated (some would say “spoiled”) the consumer with free delivery, usually next day and often on the same day as ordering (to Prime members). That’s because Amazon believes delivery is a crucial competitive advantage that makes customers loyal to them. They’re investing billions of dollars in expanding their capabilities, accepting a hit on their profits in order to achieve this. When a retailer like Amazon exceeds customer expectations, competitors are compelled to improve their offering ideally matching or exceeding them.

**Delivery Matters**, Royal Mail’s annual online shopper research, demonstrates that delivery is an important differentiator for online shoppers. They place their order with retailers offering free delivery and ones that offer fast delivery, accepting they might need to pay for faster option, but there must be a free option for the occasions when it’s not urgent. Potential customers abandon their shopping baskets when they don’t find a free delivery option and they actively go to different retailers if they have a problem with delivery. So retailers must have a range of reliable, free delivery and a selection of premium offers to satisfy the majority of customers.

Last Autumn I presented at eCommerce Expo at London Olympia on “the changing shape of peak”, illustrating how peak season has changed significantly since Amazon introduced Black Friday to the UK in 2010. It was more widely adopted by 2013, with other online and high street retailers joining the festival of discounting. The late November burst of sale activity stimulated demand during what previously was a slow build up to Christmas, when early shoppers had previously bought at full price. Consumers quickly grasped the opportunity to grab a bargain and sales (and order volume) moved: Black Friday became a new second peak – some shoppers waited for

---

Research shows the importance of delivery and return policies to customer choice about where to shop, but also to consumers’ propensity to use a given online web site.
Black Friday to avail of a discount while others (the majority) leapt into their Christmas shopping early. Rather than the previous gradual build-up to Christmas, Black Friday created two peaks four weeks apart, with dips before and between, which has been challenging for retailers and anyone involved in retail logistics.

In subsequent years, retailers started to stretch the Black Friday into the whole weekend, then a week-long event. This year, Black Friday lasted ten days for some retailers.

Overall order and parcel volumes have now extended over a longer time period, with different delivery characteristics. Early orders are predominantly slower transit time, economy deliveries, whereas the orders closer to Christmas normally have premium next day delivery options, so they’re delivered before Christmas.

At Christmas we often think of the overworked postmen and women and parcel delivery drivers - one of the challenges for most delivery providers at peak season is getting enough delivery staff to cope with making many more deliveries within an area than in a normal week. Often we see postmen and women finishing much later, delivering into the evening and on Sundays. This is regarded as part of the normal commitment to serve customers, although there are occasional times when some offices get overwhelmed don't manage to clear their deliveries until the day after getting them.

Getting additional delivery staff drivers isn’t easy, because these roles often rely on local and business knowledge (doing the job), having a driving license and being available to work in the areas that are busy. Many carriers have been having difficulty recruiting delivery drivers especially since recent reductions in workers coming from overseas.

**Delivering parcels at Christmas**

So what’s it like working in delivery? In 10 years working in Royal Mail Senior Management, I worked in frontline Operations on many
occasions, fulfilling our annual requirement to volunteer! These “back to the floor” exercises were timed in the Christmas peak and they were hard work. It was extremely satisfying though to be part of a team, making a difference in your customers’ days, delivering their presents. I normally did my duty in the area where I live, which was both convenient and beneficial because I knew the area and the team, but it was also nice to get to know the team and to work together.

Doing frontline operations duty was also very beneficial in my main role as Head of Royal Mail Parcels, because good knowledge of frontline roles and the details of how things work are vital in developing new services for clients.

Peak season can present problems that are common across industries, but sometimes when you deliver someone the Christmas present they chose for their loved one or received from their loved one, it feels like the most personal thing on earth, whether they shopped around for free delivery on a £10 present, or they paid for a guaranteed delivery service at many times more than the value of the item being sent.

That makes delivery a rewarding experience, but also a challenging business.
All hail Amazon?

Roger Morris reflects on how Amazon has affected our Christmas shopping habits

The advertising invites us to be more generous, to buy some more presents:
“Any more last-minute presents to buy?”

Go to the shops? That might be the sensible choice, especially when it’s gets closer to Christmas, but lots of us will go straight to Amazon, to check when they can deliver. Next day, same day? Yes, that’s a winner, order now! Oh yes, the price was okay - well it might be available a little bit cheaper but not from someone I trust.

Amazon is the most successful retailer in modern times - they have certainly changed the game. Founded a mere 25 years ago, they now earn over $250 billion in revenue every year, and account for 37% (and rising) of US online retail sales. Amazon has been successful by establishing competitive advantage through logistics, stock availability and delivery. In the early days you could guarantee Amazon was cheaper than most other retailers but now, they don’t claim to be the cheapest but online shoppers buy from them for convenience - especially at Christmas as shown in Delivery Matters at Christmas, research 2018.

Since the company established Amazon.co.uk in 1998, selling books to UK online shoppers, backed up by a distribution warehouse in Marston Gate, they have been transforming the UK retail market by raising customers’ expectations and changing the way they shop. The rest of retail has had to keep up with the evolution, or die... And several have indeed died along the way. The changes are very clear when you look at the UK high street and the impact on it over the last five years or so. The fastest
growing names in UK retail are the “pureplay” online retailers in fast fashion, like BooHoo and Missguided. Even the largest high street retailers have been forced to adapt to the new environment by developing their own online sales channels: John Lewis, Next and M&S have done well, but still appear to lag behind the most aggressive pureplay retailers in terms of growth. Even the traditional giant mail order houses with their catalogues: like Shop Direct Group, Grattan with Littlewoods and XYZ, have adapted their traditional catalogue model to selling online and now generate most of their sales via the internet.

Amazon started selling Books and DVDs but quickly expanded to cover every B2C category you can imagine. Even the retail categories like fashion, textiles and fragrance have moved online in significant proportions of their business. This has been a surprise, since most observers thought these items – where size, fit, touch and scent are vital parts of customers’ decision-making – would always require an sensory physical shopping experience.

Is it the end of the high street? I hope not: while I can do some shopping online, it’s not for every item on every occasion. In the UK Online sales now account for 21.5% of retail sales according to the Office for National Statistics but this always goes higher at Christmas. In many ways: selling online is a must, but we do hope retailers don’t forget the humble shop.

So after twenty-something years, Amazon has had a relentless focus on the Customer – from selling at the cheapest price to investing in infrastructure to serve the customer better. They deliver improvements on their offering service and price; they create features that generate competitive advantage and drive customer loyalty. They don’t always charge for these, preferring to build share and loyalty, for example with free delivery. Lots of online shopper research shows that customers expect free delivery; yes they know there’s a cost built into the price, but the retailer doesn’t have to pay high street rent for shop, so it can be offset against that saving. And shoppers love free delivery (and returns)!

So in 2019, after 20 years of phenomenal growth and expansion into many areas from web services to doorbells, where are Amazon investing their money? Their half-year investor presentation says they’re investing in logistics. They have seen delivery as a competitive advantage since the get-go.
The (not so) hidden face of logistics

Firms rely on good customer service for success, but too often forget to train front line staff so that they can help deliver it, argues Shane Walton

There is no doubt that customer service is at the forefront of the logistics profession these days.

Companies can get virtually every aspect of the job correct but in the end their reputations often depend on the face and demeanour of the person responsible for making the final delivery. However, very rarely are those involved in the final customer interaction actually formally trained in areas such as customer service and the customer interface.

In the current economic climate, organisations should look at this area as a way of adding value to the services that they provide: enhancing the customer experience will in turn lead to greater customer satisfaction and retention.

Why don’t employers recognise the need for training in this area?

Margins in all sectors but particularly in logistics are becoming increasingly tight. As a result costs need to be kept to a minimum. All too often training, learning and development are viewed as a cost that companies can eliminate. Mandatory training to ensure compliance with legislation takes priority for any training budget available.

What is not recognised is the added value of staff training: rather than being viewed as a cost, employee development is actually a vital and lucrative investment for the ongoing sustainability of the organisation. Logistics businesses need to be supported to understand better the tangible benefits that training in areas such as customer service can bring—providing dividends in the future.

Logistics is an industry that relies heavily on relationships with internal and external customers. Interactions that are handled well can add value—but become a burden on costs if handled indifferently or badly.
Until recently, customers were secured on the basis of price and quality differentiation, but this is changing as the industry’s customers—particularly retailers—seek to reduce their costs in the face of falling margins. Logistics companies continue to place a lot of emphasis on managing quality and developing their staff. Continuous improvement is an essential tool in the battle to grow the customer base and manage ongoing relationships. As margins become increasingly tight, businesses will have much less ability to compete on price, so that the main differentiator becomes the service that the customer and the end user actually receives.

In this battle to retain existing clientele and win more, organisations often neglect investment in training to improve the way in which front line staff interact with customers. The benefits are difficult to measure and therefore tend not to be recognised as meaningful or tangible.

It is not a surprise to see that those companies that do invest in such training see a marked increase in motivation and retention. Training in the logistics profession is often led by legislative requirements whilst very little importance is placed and little money spent on the continuous development of people in areas such as customer service. Why are such areas neglected? Customer service training can add value to a product or service when competitive advantage can no longer be achieved through price or quality differentiation.

**Development of frontline employees**

Logistics companies need help to understand the value of such development and to invest in customer service training and development for their frontline employees, as so many other industries do.

At the heart of customer service is communication: increases in customer
information and communication will create increased visibility for the firm and greater customer satisfaction.

The key issues often cited by customers of logistics companies are:

- Late / untimely delivery
- Product or quality mistakes

Both issues can often be countered by the provision of better information, so helping to build and maintain good customer relationships. Active management of the customer experience will enable organisations to engage more effectively with clients and end users, so enhancing the company’s reputation. Satisfied customers are much likely to help promote a particular service or organisation - through positive customer reviews, for example, or via social media postings.

Training can also be used to assist firms in optimising service levels and in implementing procedures and processes to improve quality and reduce waste. Efficiency and reduced waste and will impact on costs as well as quality. A well-run, efficiently organised business means that staff are free to focus on the needs of the customer from the moment the order is received through to final delivery. Ongoing communication and proper follow-up will enhance customer engagement, satisfaction and therefore retention.

Provision of training and ongoing professional development will add value to organisations and also have a positive impact on the bottom line. Staff retention, motivation and skills levels will all be improved. As well as enhancing the performance of individual firms, this will also have a positive impact on the industry’s image.

In the New Year, Flash Forward Consulting will be launching a new professional development arm, offering organisational and individual development in all areas of logistics and supply chain, including customer service training that can be tailored to meet specific and bespoke requirements, delivered in a manner that meets the ongoing needs of the organisation and its employees, providing a full professional development career pathway.

For further details on our new and exciting training and development programmes e-mail Alex Warner at alex.warner@flashforwardconsulting.co.uk.
Transport numbers reflect huge changes in society

Chris Cheek looks at some of the latest stats

One of the things which fascinates me about the Passenger Transport Monitor project is how the numbers we see reflect the changes in society that have occurred over the years. This applies to the patronage figures we keep a close eye on, but also other background government research.

Take rail commuting, for example. We all know that demand for national rail services here in the UK has more than doubled over the last twenty years, and I have commented before on what a remarkable success story that is.

Some of the underlying numbers help to explain what has been going on in those two decades. For a start, there are more of us—the population has grown by nine million (16.6 per cent) since 1994. At the same time, the number of people actually working has grown even more rapidly. In 1995 the ONS Labour Force Survey calculated a working population of 21.6 million, of whom just four per cent travelled to work by rail. By 2017, the workforce had risen by just under ten million to 31.4 million—an increase of 54 per cent. And the proportion of those who used all forms of rail for their commute stood at 10.6 per cent. That means that the number of daily rail commuters has more than trebled, from 0.9 million in 1995 to 3.2 million now. No wonder the trains are full.

Two fascinating publications on the UK bus industry


Understanding Buses is a clear, non-technical, jargon-free explanation of how the bus industry works - looking at costs, revenue, the need for profit, demand, competition, customer relations, ticketing and public spending.

Visit www.passtrans.co.uk

- Read our blog
- Follow us on Facebook or LinkedIn

Passenger Transport Monitor is an independent source of analysis and comment on the market and financial performance of the UK’s ground passenger transport operators.

The project produces regular blog posts, major reports and analysis on bus, rail and light rail issues via its web site. For more information, visit www.passtrans.co.uk.
CONSULTANCY WITH A DIFFERENCE

COMMERCIAL, ENGINEERING, OPERATIONS & SAFETY
CUSTOMER EXPERIENCE HEALTH ASSESSMENTS
EXECUTIVE & SPECIALIST RECRUITMENT
TRAINING, COACHING & MENTORING
INTERIM MANAGEMENT
MARKET RESEARCH
HR SUPPORT
STRATEGY

all disciplines & sectors in transport, logistics & leisure

FLASH FORWARD CONSULTING

linkedin twitter flashforwardconsulting.co.uk