

## Operational Decision Support - Allied Express

### Background

Allied Express is the largest, independently owned courier and express freight company in Australia, with offices in all major mainland capitals. They have a fleet of over 1000 vehicles covering the entire country with a comprehensive range of fast, efficient, express freight transport services ranging from inner-city bicycles to line-haul semi-trailer vehicles.

One of Allied Express' main differentiators is that as long as there's a road to it, there isn't a place in Australia to which they can't deliver to, or from where they can't pick up. It's what the company does beyond its courier service that sets them apart from its competitors. More than simply moving freight from one point to another, most organisations need a Logistics Transport Partner that operates in step with its specific industry and can respond quickly to its changing needs. One that mirrors a company's service ethic, delivery regime, and a sense of commitment to an organisation's clients.

With the rapid growth of online retail, it is fast becoming the preferred way to shop for many Australians, the demands on Allied's business have grown significantly in recent years.

Particularly during peak periods such as Christmas, where on time delivery is non-negotiable for many. Till now, Allied Express' team of job dispatch specialists have been excellent in ensuring ad-hoc job requests get routed to the most appropriate driver, so the end customer is happy. When those jobs increase in number and frequency, the team of specialists can be challenged to keep pace with the increasing flow of requests that come through their various channels.



### Approach

Effective job dispatch depends on a number of variables. The obvious metric is on-time delivery, however, there is a range of other considerations, such as:

- The level of service a customer has selected (for example VIP service);
- The combination of set runs and ad-hoc requests a driver may be assigned to working towards happier drivers by tailoring their delivery path so they operate closer to home;
- Route optimisation for selecting the best path;
- Consideration to vehicle type, item shape and weight, and many others.

Considering this range of variables and allocating jobs to drivers 'on the fly,' as new requests are coming in every minute and sometimes every second, this reaches the limit of human capacity.





## The Solution

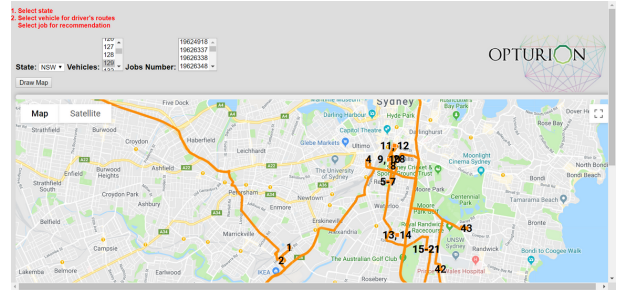
Opturion worked closely with the Allied Express Team, and TM1 to establish critical components such as trusted information foundation, reporting and scenario modelling capabilities leveraging IBM's renowned planning analytics and Cognos analytics platforms. These components have provided Allied Express with a new level of automated statistical and financial reporting. Opturion then used these foundational elements by adding open source technologies for the optimisation elements. In the near future, it is expected optimisation recommendations that will be fed back into the forecasting and reporting layers for improved planning, and the measurements of effectiveness.

## The Result

Commenting on the often-cited concern that such a system will replace humans in the future, Colin McDowell offers a pragmatic, real world view.

"Rather than replacing humans, this technology offers an excellent complement to their deep experience. By combining specialist knowledge of the industry, with an increase in efficiency, we are achieving a compelling harmony of people, process, technology for the ongoing benefit of our clients.

Allied Express' team of dispatch specialists are now helping train the optimisation models, particularly for unusual cases where their algorithms haven't captured a specific scenario. Over time, this means the system is getting smarter every day. So far, we are seeing evidence of up to a 30% improvement in on-time delivery. People out there need to know, that each time Allied Express delivers your package, some very sophisticated things are going on behind the scenes to optimise how they get it to you."



Advanced optimisation models offer great flexibility, whereby the multiple variables of constraints can be adjusted through levers, on the fly, so that optimisation recommendations can move with varying business priorities. When coupled with a trusted data foundation and planning and reporting capabilities, major steps can be made.

With the busy retail period leading up to Christmas upon us Colin McDowell reminds us, "Santa only comes once per year, and we have a job to do to make sure he is there on time!"

## Further Information

Please contact Opturion for a demonstration, or give us some data that we can use to identify potential benefits.



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