

THE BELGIUM POST DELIVERS PACKAGES AND ON DIGITAL TRANSFORMATION

Postal companies worldwide are struggling with a similar set of challenges to be competitive. The traditional letter business has declined, and the parcel business has increased. But the parcel business is lower margin with competition from DHL, FedEx, UPS, and Amazon.

The Belgium Post Group, known as <u>bpost</u> group, delivers mail and parcels in Belgium and wants to be a leading player in ecommerce logistics across Europe.

To offer differentiation, bpost needed to establish an omnichannel experience that connected the physical and the digital world for increasingly tech-savvy customers, providing a seamless experience whether the customer is online from a mobile device, laptop, or brick-and-mortar store.



Bpost



PUTTING THE CUSTOMER IN CHARGE

During my conversation with Sébastien Scarmure, Chief Digital Officer, bpost who is defining and leading several of these initiatives, I learnt that this digital transformation in bpost is taking place in two key areas. The first was to redefine the experience for customers, and the second the employee experience.

With the traditional mail business in decline, the goal was to slow the decline by introducing new services and solutions through an omnichannel. The second objective was to retain and attract new talent within the company. Increases in employee engagement occur across multiple areas, including HR applications, a new postman application, and the call center.

One example is registered mail. If nobody is home when a registered mail is delivered, the customer must go to a bpost store to retrieve it. Today bpost can get the approval from the customer digitally so the postman can leave the registered mail in the mailbox.

Another example is the digital channels associated with the tracking of packages. Today bpost provides an estimate of when the package will arrive. If not at home, the customer can define a safe place for the package to be delivered. In the future, bpost is looking to add more functionality such as calling the postman, redirecting parcels, interacting with the call center.

Sébastien explains how the role of the postman is changing to meet changing customer expectations. bpost introduces new smartphone applications for the postman to establish a link between the customer and the postman. Through this application, the postman will also receive job performance feedback from the customers. The postman will receive an indication of his level of performance as compared to his peers – applying gamification techniques to improve postman performance.

The application can inform about hazards and various situations on his round, such as traffic jams, roadworks—this type of information aids in onboarding new employees.

bpost will move soon their offices to a new premises. The iMove app was created to make this change easier for everyone involved. However, it has now evolved (and it continues to evolve) into a holistic employee experience app. This is in line with bpost's aspiration to digitize employee experience, alongside customer experience, in order to become more future proof. The app includes Covid-19 safety features, office or cubicle booking, a personal assistant and plans to include features such as claims processing,



travel bookings, and hazard notification too. This has been achieved by leveraging the Infosys Live Enterprise framework which comes with ready to use accelerators.

INFOSYS LIVING LABS

Infosys Living Labs represent how Infosys approaches innovation for the clients and how clients increasingly see Infosys as a partner in digital transformation. A Living Labs engagement brings together Infosys experts and the client organization. It is such an integrated team that it is hard to identify whether a person is part of Infosys or part of the client organization.

The process involves identifying a problem, visualizing the solution, creating early prototypes, engineering, large-scale deployment, and the rollout.

One of the key strengths of the living labs is broad coverage on both domains and technologies. Infosys works with clients in the same industry and can bring innovation from other disciplines as well.

bpost utilized the Infosys Living Labs in digitizing the whole process of receiving and delivering a package, with many of the innovations described below coming out of that process.

DIGITIZING A COMPLETE WORKFLOW

The Infosys Living Labs essentially took the entire workflow for the delivery of mail and packages, broke it into multiple chunks, and created a set of mobile-based applications which control the whole process.

The first application is for truck drivers. The application allows them to plan routes and activities such as pickup and deliveries. At a higher level, another fleet management application provides a view of the location of each vehicle using GPS, flagging any deviation from the route or any other anomalies. The fleet application also drives a display showing each truck's status, the arrival time, and the loading dock. Picking up a package from an end-user to bringing it in the warehouse has now been automated and digitized.

Within the warehouse, two very innovative things came from the Infosys Living labs. First was a mobile sorting station to provide extra capacity during peak times such as the Christmas period. The mobile sorting station provided the functionality to read



labels, measure weight and dimensions, generate identifying labels required to proceed to the next step.

The second innovation eliminated the manual errors when placing a package into the wrong container. About twenty percent of the total packages do not get sorted automatically for several reasons. With manual sorting, the package can often get put into the wrong container, which means it goes on the wrong van and wrong route, introducing delays, the potential for loss thereby leading to a poor customer experience.

Infosys Living Labs used a simple solution that used small projectors fitted on the ceiling. After scanning the package, the projector places an arrow on the ground in front of the appropriate container. This simple solution that scans barcodes and uses AI/ML to identify the correct container has eliminated human error.

After the sorting process, the packages go back on a truck for final delivery to the post office. Infosys created a digital application that automates and streamlines the entire workflow and replaces the paperwork needed to deliver a package to its intended receiver.

Finally, a companion application for the postman completes the workflow. The same application used to receive the package from the sender now helps the postman deliver it to the appropriate receiver.

Sébastien acknowledges "We would surely not be where we are today, if it were not for the digital muscle-building we undertook with Infosys"

WRAPPING UP

Infosys is establishing a reputation for helping postal companies on the digital transformation journey. Analysts such as myself might throw this into the transportation bucket and I'm impressed Infosys gets so granular on solutions. I recently wrote an article on the <u>Finish Postal Service</u>, and Infosys is helping <u>India Post with modernization</u>. In Infosys Cobalt, there is a comprehensive solution set that fits the needs of this industry. From what I have researched, Infosys understands the issues postal and logistics companies face and has a proven track record of accelerating digital transformation.



For Sebastien, the most important thing is that the entire workflow now is streamlined, digital, and mobile. For that, he is leading boost charge to use the latest technologies to facilitate and track the activities with a real-time view. That essential foundation now enables boost to do more ambitious projects in the future, such as speech technologies to help the postman or artificial intelligence and machine-learning, improving the customer and employee experience further.

Note: Moor Insights & Strategy writers and editors may have contributed to this article.



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