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THE WEB ISSUE

HOW I MADE
THE WEB
WORK



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LOVING LIFE ONLINE

From working in an office and having no technical knowledge three years ago, **Tom Allason** has become the man at the top of one of the fastest growing online companies in the UK, eCourier.co.uk

After a bad experience too many with a courier company, Tom Allason set up his own – eCourier.co.uk. With the help of an old friend, Jay Bregman, and top universities in the US and Italy, he developed a courier company that allowed customers to track their deliveries online. “I had a particularly bad experience, which exemplified all that was wrong with couriers,” says Tom. “I decided enough was enough and set about trying to provide a better solution by myself.”

Formed in 2004, eCourier.co.uk has been growing at 25 per cent per month over the last 27 months, and was named ‘Most Inspirational Business’ by the *Evening Standard*/02.

Q. When did you first think you might be able to run your own business?

A. I got angry with the MD of the courier company that I’d had so much trouble with, and may have told him that I thought I could do a better job and, in a round about way, he encouraged me to do it. I felt there was a gap in the market and that if you could create a courier company that actually made customers happy, it’d have very good prospects.

Q. How did you move from annoyed customer to business owner?

A. We knew nothing about the courier industry, but started over a few drinks to discuss what was wrong, without ever seriously thinking we’d start a business. But we started to do some research and the more we learnt, the more we thought we could do something. We got to know what was limiting established players, and came to understand that there was a great gap between customers and couriers; we thought that if we could connect customers and couriers, we could overcome the limitations of the industry. →

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Q. Are you all computer whizzes?

A. I like gadgets, but don't know how they work and Jay's a bit of a nerd, but he has no formal technical background. Jay, though, is very good at picking things up. We wrote what we thought the problem was and the sort of software we might need, put it into a proposal and sent it to universities. We also went to see who was writing in logistics journals, found 15 names and sent our proposal to them. Almost all responded, but we had no way of assessing the merits of what they were suggesting – it was written in a language we didn't understand. We decided to get in touch with the one person who hadn't responded, got her interested and she reviewed the proposals for us. She told us that two from Italy were special and that we should go for it. That had all happened in eight months.

Q. How did you cope with the costs of starting a technology-based company?

A. We had a very good deal from the developers and loaded the contract at the back end to pay on delivery. We'd covered expenses up to that point on credit cards, but then we needed some real money. We had a business plan that had been evolving and when we got nowhere with banks, we started talking to angel-type investors. We went to anyone we knew – we didn't have the proven management team at that stage, so had to rely on people who kind of knew us and trusted us.

Q. What advice would you have for other businesses looking to raise finance from outside?

A. It's important to make sure your interests are all aligned, that you have shareholders who are all looking for the same thing and keep the deal simple.

Q. What are the pros and cons of concentrating your business online?

A. Our delivery times are half those of our nearest rival in London, because the system is so much quicker and easier, and we don't have to maintain the same numbers of staff on phones. But it's important to recognise that you're in the service industry and in any service industry, the customer is king, so we do a lot to make up for not having that phone contact and daily interaction. We've made our website as intuitive as possible and also have what we call a 'head of happiness' to be very proactive on that front. For instance, if our system flags up any kind of problem with a delivery, we'll call before a customer knows it's a problem, and that helps to build trust. We also send out bits of news once or twice a month.

Q. What advice would you have for other businesses thinking about going online?

A. It's important not to just look at the cost-saving implications of going online, you have to think about the wider, possibly negative, impact on your business.

Q. Did you make any mistakes at the beginning – what's the biggest lesson you've learnt in running your own business?

A. We made dozens of mistakes – as soon as you stop making mistakes, you stop learning

and challenging yourself. Although we've grown pretty explosively, at the start we knew we had the best product and thought we'd just keep growing without working too hard at it, but it's not the case. You need to get an experienced management and sales team; if we'd had a balanced team at the start, we'd have made much better progress.

Q. How have you had to change your approach to the business since setting up?

A. Our first phase was proof of concept, getting the business up, and getting the technology up and working; once we knew we were there, we took it to the next stage – there'd have been no point having lots of customers at the start if we couldn't cope; we're now at the phase where we can cope.

Q. Has that also made you change how you market to customers?

A. Our old branding was very functional and focussed on the technology, but then we realised that the customer doesn't care about the technology, only what it delivers. In our case, it delivers happiness.

Q. And how about your own role – how do you see that changing?

A. I long for the day when there's no longer a role for me, because that's when you know you've made it.