Information technology in the package delivery business

Technology

In the package delivery business, information technology has transformed the industry by allowing companies like UPS to operate in a near real time environment. The speed of delivery has increased through the use of computer systems which connects companies directly to their customers. According to Lauded (2013), by utilizing technology such as bar-coded labels and handheld communication devices like the UPS Delivery Information Acquisition Device (AID) companies can plan for the most efficient means of delivering a package based on a customer's needs before that package is even picked up.

Packages can even be tracked from pick up to delivery by customers using information transferred from a company's tracking systems to corporate Internet websites. These advancements through the use of information technology have reduced the time it takes to deliver a package from days to, virtually, whatever a customer's schedule dictates. As the global leader in package delivery, UPS invests heavily in advancements in information technology to achieve operational excellence.

According to Lauded (2013), " UPS spends more than $1 billion each year to maintain a high level of customer arrive while keeping costs low and streamlining its overall operations. " Customer and supply intimacy is met through the use of UPS' handheld computer system, the AID, and their Schnabel bar-coded labels. According to Lauded (2013), customers can use downloaded software or the Internet to create their own shipping labels. The information contained in these labels allows UPS begin to create the most efficient delivery route for the package before it is even picked up.

Customers can also track the package information transmitted by the AID and monomaniac with UPS instantly through their website. The package tracking system and the handheld AID are two of the tools which allow UPS to achieve improved decision making. Wireless communication through the AID keeps drivers in contact with distribution centers. The information received by the AID allows for changes in routes or schedules to be made based on traffic, weather conditions, and location of stops. This information saves UPS delivery trucks 28 million miles and 3 million fewer gallons of gas each year (Lauded, 2013, p. 9). UPS also uses its years of experience in the package delivery business to branch out and create new products and services for their customers. One example is the UPS Store, a retail operation where customers can purchase packing materials or ship and receive packages. These retail locations also offer things such as post office boxes, business copy services, and Notary services. References Lauded, Kenneth & Lauded, Jane (2013).