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Delivering the future: How Icorp transformed Yodel's billing and payment system

An interview with Ashraf Adil,
Director of DevOps & IT Operations at Yodel

Yodel, one of the UK's leading parcel delivery companies, handles millions of deliveries every week. With over 49 sites nationwide and a wide-reaching network of partners, Yodel prides itself on efficiency, reliability, and customer-centric services. From fashion and leisure to health, beauty, and specialist handling for delicate items such as wine and flowers, the company continues to refine its operations. This strong position today has been achieved through a complete transformation of the IT landscape. A major aspect of this transformation has been the overhaul of Yodel's billing system. Billing is a crucial yet often overlooked element of logistics that drives both efficiency and accuracy in operations.

To explore this evolution, we spoke with Ashraf Adil, Director of DevOps & IT Operations at Yodel who has been with the company for over ten years. Having worked with the system throughout his tenure, Ashraf offers valuable insights into the journey from fragmented legacy systems to a smooth, automated invoicing process.

A partnership built on necessity

Yodel's collaboration with ICORP began in 2013, at a time when the company was looking to modernise its billing system. Having emerged from a merger between two companies, Yodel inherited multiple disparate systems that struggled to handle the intricacies of parcel billing and surcharges. Recognising the need for a more robust solution, the company initiated a project to consolidate its billing operations.

As Ashraf recalls, "It was two separate companies which merged together. We had what we called a master saver, a legacy billing system, and a system called track and trace. Even with those two main systems, we also had off-the-shelf software like Sage, Access databases, and Excel spreadsheets. It was a raft of third-party systems and in-house systems that built up over time."

Recognising the limitations of these patchwork systems, Yodel set its sights on a centralised, efficient billing solution.

The first major milestone in the ICORP implementation came in late 2013 with the introduction of a surcharge billing application. This marked an immediate win, unlocking a previously untapped revenue stream worth hundreds of thousands of pounds annually. From there, the project expanded in 2014 to include parcel billing, ultimately leading to the integration of both applications into a unified platform.

Streamlining complexity: from fragmentation to automation

Before ICORP, Yodel's invoicing was quite a slow process. The lack of a cohesive system meant surcharges often went unbilled, and pricing adjustments were cumbersome to implement. With ICORP, the transformation was striking.

"The flexibility of ICORP has been a game-changer," **says Ashraf**. "The way the ICORP system is designed gives us the opportunity to be responsive to changes in business needs. The system's flexibility, its schema and ability to input data quickly, allows us to rapidly respond to business requirements. There's no need for lengthy development cycles to adjust our billing structures or payment models. We can adapt as the business evolves."

Automation played a major role in eliminating inefficiencies. "In legacy systems, we did a lot of manual checks before invoices were sent out. With ICORP, those checks are done systemically now. We've automated the process, saving time and reducing errors. Also, clients now have access to back-end data, which wasn't available in the old system. They used to only receive invoice summaries, and any detailed queries had to be handled manually. Now, the information portal fed by ICORP enables self-service, cutting down on ad hoc requests and making the entire process smoother."

Managing complexity at scale

Yodel's billing process isn't just about sending out invoices, over 50 variables per parcel need to be considered to determine the delivery price. ICORP's configurable system makes this far simpler, allowing Yodel to adapt quickly to changing business needs.

"We've always scaled the system to cope with future volumes. We've formally planned for up to one million parcels per day, and informally, we've scaled up to three million. For peak times like Black Friday, we've stress-tested the system in advance. Because we've prepared, it's just business as usual for us from a billing perspective," **Ashraf explains.**

This ability to handle enormous volumes with ease has been essential for Yodel's success during high-demand periods. "We have tested these volumes extensively," **Ashraf adds**. "For each project, we make sure the system can handle new volumes. We've always worked towards managing up to three million parcels per day. Formal and informal tests alike."

Beyond billing: the evolution of driver payments

One unexpected but highly beneficial outcome of the ICORP integration has been the development of a Driver Payment Solution. "It's essentially the reverse of billing," **Ashraf explains.** "Instead of invoicing clients, we're calculating and processing payments for our drivers. This flexibility has been invaluable as driver payment structures are complex, relying on mileage, delivery volumes, and performance-based factors."

Using an event-driven architecture and integrating with various systems via Kafka, ICORP ensures accurate, timely payments for Yodel's drivers, streamlining operations across the board.

The road ahead: AI, machine learning, and future challenges

Looking to the future, Yodel is exploring ways to integrate artificial intelligence (AI) and machine learning into its financial systems. "One of our biggest challenges moving forward will be enhancing real-time analytics and predictive capabilities," **Ashraf notes**. "ICORP could play a key role by expanding its functionalities to incorporate AI-driven insights, particularly for revenue assurance and payments assurance."

Ashraf also sees opportunities for further integration with third-party systems. "It would be profitable to use ICORP's integration tools with AI solutions, especially as AI continues to gain momentum. Additionally, integrating with Salesforce would present a valuable opportunity."

Conclusion

Yodel's partnership with ICORP has not only streamlined its billing system but also futureproofed its operations. The company now enjoys greater flexibility, scalability, and automation, positioning it to meet future demands. "What started as a solution for billing inefficiencies has grown into an integral part of our business operations," **Ashraf sums up**. "ICORP has helped us future proof our financial systems, giving us the agility we need to continue delivering for our customers."

Does your business deal with complex billing challenges?

Whether you're in logistics, finance, or any industry with intricate invoicing needs, we're here to help you simplify your processes and streamline your operations. Discover how ICORP can future proof your financial systems.

Learn more at icorp.nl or contactus at
info@icorp.nl or +31 850 642 435