DELIVERING THE GOODS

HOW A KENYAN COURIER BUSINESS IS MOVING WITH THE TIMES

By Professor Stuart Read and Robert Wiltbank – July 2012
It only takes a minute of Steve Kiruri’s story to see where entrepreneurial opportunities originate. A recent university graduate in his native Kenya, Kiruri was quick to inventory the things he didn’t have: a job, cash or any assets that might be used to secure a loan. Instead, in his own words, “I didn’t sit back and moan. I focused on things right there in front of me.”

These he established to be: his education, relatives asking him to take care of their errands, available space, a government with bureaucratic and time-consuming processes, voluntary labor from high-school graduates and dropouts who were jobless, friends willing to give him a chance and a national media willing to broadcast his story to the world.

Transforming this assortment of resources, Kiruri launched a venture called ‘Petty Errands’. His value proposition assured his clients (initially friends and relatives) that he would take care of the small tasks that consume a lot of time because of Kenya’s developing infrastructure.

Unplanned Route
Instead of a business plan and $5m in venture capital, Kiruri started right away using what was readily available. And the venture developed as a function of the next resource he added to his list – his clients. Once he had renewed a driver’s license for a client they might ask him if he could pay a bill – a task that can still require a personal visit in Kenya – or courier a package across Nairobi, a chore that could easily cost a morning amid traffic, confusion and construction. New requests grew into new business opportunities, and Petty Errands became more than a petty business.

Next Stop
That was 1995. Since then, the firm has added corporations, non-governmental organizations (NGOs) and government bodies to its client base. Petty Errands is licensed by the Communication Commission of Kenya (CCK) as an Intra-City operator, and Steve has been recognized as the ‘Most Inspiring Business Person’ by Kenya Television Networks. Today, the firm employs more than 50 people and handles over 15,000 ‘errands’ in a year. But Steve’s story isn’t over, and neither is the story of where opportunities originate.

Because today, Steve’s list of things to work with is much longer than it was in 1995. In addition to certifications, clients and employees, he has also added things such as: a recognized and respected brand, knowledge of the current needs (and issues) of clients, operations and motorcycle transportation expertise, extensive contacts within the Kenya courier industry and good relations with bankers.

Indeed, the story of creating opportunities is one that starts again and again as new resources are found, acquired, used and lost through business activity, meeting new people and learning new skills. Similarly, Steve’s own story is still very much in the writing.

Expanding the path
As Petty Errands becomes a business of scale, new opportunities abound. Should Steve take his expertise with the light motorcycles the firm uses for its couriers to offer service, spare parts or leasing of the machines to the general public? Could Steve advance into the cargo business, taking advantage of his operational knowledge and better serving his client base? Or might Steve best create ways to fully use his resources, such as delivering wedding or event invitations on Saturdays when the errand business is slow? These businesses have yet to appear, but the insight into the source of opportunity is already here. Taking what is readily available and transforming what are seemingly mundane resources into something valuable is the ongoing errand of the committed entrepreneur.

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