

Shop Direct Group

Cost effective business change whilst improving customer satisfaction

Shop Direct Group is the UK's largest online and home shopping retailer with brands such as Littlewoods.com, Very, isme and Woolworths. At the heart of its business is its Customer First initiative, aimed at providing an unrivalled personal home shopping experience that delivers outstanding customer satisfaction.



The Challenge

Shop Direct introduced the Customer First initiative, but had no 'voice of the customer' and no way of knowing what to change to improve the customer experience whilst saving costs.

The Solution

Bright Index was used to benchmark contact centre performance. Bright consultants identified specific areas for improvement that would support the Customer First initiative and save money. Shop Direct also invested in Bright Navigator, the Customer Satisfaction tool, to gather and analyse customer feedback, to drive change in Advisor behaviour and improve the CSI score.

The Result

Employee engagement scores have increased from 50% to 70%+. CSI scores for the group are expected to increase by 1% (driven largely by a 20% increase of customers very satisfied with the contact centre experience). Improving the online service experience delivered an increase in online sales by 20% and email response SLA's have been slashed from 24 hours to four hours. The Bright solution delivered an ROI within three months.

“The quality of feedback from Bright was superior and more pertinent to our business.”

Chris Plank, Customer Service and Sales Director, Shop Direct

Shop Direct Group firmly believes that their success depends on what they do for their customers and a key ingredient to achieving this is their people. The large team of 1,700 Customer Service Advisors are crucial to creating a culture where the customer really does come first, especially when they take over 31 million calls annually from 5 million active customers.

This focus on the customer, combined with a change in how consumers shop, has delivered the company an increase in sales; up 5.5% in 2011 on 2010, and an increase in online sales by 20% in the run up to Christmas 2011.

Understanding what to measure

In 2007 Shop Direct didn't have a 'voice of the customer'. Chris Plank, Customer Service and Sales Director at Shop Direct, explains: "With the Customer First initiative underway,

in the contact centre we didn't really know whether our Customer Service Advisors were doing a good job or not. So we started to look at how we could review the service we were providing and how we were measuring the effectiveness of that service both in terms of customer satisfaction and cost efficiency.

"We soon realised that other businesses were measuring service levels differently to Shop Direct – so we assessed our performance against those metrics. It appeared we were delivering the same or better service but costs were high. We still didn't know what our customers really thought and we needed to be sure that any changes we made to processes and technology, and any training programmes we committed to would deliver the right return.

To get this insight Shop Direct joined the Top 50 Call Centres for Customer Service programme and engaged with Bright to deliver contact centre benchmarking using Bright Index. Both programmes ran for one year.

"We quickly discovered that the quality of the feedback from Bright was superior and more pertinent to our business," Chris continued. "Not only did Bright benchmark Shop Direct's performance against other contact centres in the UK, but also against our peers. And Bright didn't just deliver the results, they gave us clear insight into what

they meant, the correlations and trends that could be seen, and advice on where we could make improvements that would positively impact our customers and save us money."

After the first year Shop Direct continued the programme with Bright and used the assessment and intelligence to shape the metrics used to measure the performance of the contact centre and the quality of the customer experience.

Achieving change

"Bright Index gives us evidence into the channels that are fast growing for us; such as interacting with customers through email and the web. We have observed these channels develop over time and have adapted our service offering accordingly. For example, the 24 hour email SLA was too long, so we reduced it to four hours."

Another example of where Bright Index has helped make change is in staff absence. Previously, Shop Direct had a high absence rate in the contact centre, so, the company updated its Absence Policy to attract the right people to work in the customer service environment. In addition, the contact centre management team focused on absence, with a determination to manage sensitively but robustly those individuals that were regularly absent.

Shop Direct also discovered that not enough time was being spent in developing and training team managers compared to the rest of the contact centre industry. Bright highlighted this finding and illustrated the impact a lack of training would cause. Chris reveals the change Shop Direct made:

“We rolled out a front line management training programme and revisited existing programmes to ensure they were delivering value. We took a totally different approach; where we were almost entirely focused on training our Advisor population, we introduced a more balanced approach by delivering training on leadership skills too.

“Since starting to work with Bright, we have seen a huge leap in employee engagement scores from 50% to 70%+, resulting in huge financial savings from lower Advisor attrition to increased customer loyalty. This has given Shop Direct a robust platform in which to ride the current economic storm,” said Chris.

Finding the Voice of the Customer

Making changes within the contact centre was a great achievement. But key to the Customer First initiative was to understand Shop Direct customers and ensure the company delivers a quality service.

Hilary Bennett, Head of Site at Worcester with responsibility for Service Strategy across all Shop Direct contact centres, started to review Advisor Customer Satisfaction scores. These scores were provided by the Quality Team who would go through call recordings and mark the calls, giving each Advisor a monthly score based on set criteria that was heavily process driven ensuring Advisors delivered compliance and a general good customer experience.

“This didn’t tell us what our customers really think,” said Hilary. “Was the customer satisfied? Our own internal audit wasn’t enough, so after an assessment of Customer Satisfaction solutions on the market, I turned to Bright to get an operational measure on customer satisfaction.

Building a business case

Working with Bright, Shop Direct built a business case for the solution to demonstrate to the Group Board a return on investment at a time when budgets were very tight. The business case was driven around changing Advisor behaviour, increasing employee engagement, improving customer experience, achieving FCR (first contact resolution) and call avoidance, and how long it would take to achieve change.

“There were many reasons why Bright Navigator was the obvious choice for Shop Direct’s Customer Satisfaction solution,” explain Hilary. “There was no lengthy software integration process to go through which meant we could deploy it quickly and easily and get the results fast. The system gathers customer

feedback and presents a real time performance dashboard on their screen – they can see what their customers are saying about them enabling them to change their behaviour immediately, or identify development needs instantly.”

Real time feedback for Advisors

After a customer interaction, customers that agree to the survey go straight into Bright Navigator. The customer is contacted within 10 seconds and the Advisor sees the results of that survey on their screen immediately.

This ensures the customer is responding to the call they have just had with the contact centre – so there is no time lapse between the call and the survey to ensure a more accurate response to the experience.

“Bright has become our trusted advisor in measuring and improving our contact centre performance.”

Hilary Bennett, Head of Site, Shop Direct

“This real time and very specific view was the biggest driver for me in adopting the Bright Navigator system,” said Hilary. “In addition, we are getting customer comments converted to text verbatim and analysing them. For example, at the end of the survey customers are invited to comment generally and this throws up insight into elements of the process that need improvement, which may be contact centre related or related to other areas of the business. These comments are tagged and stored to provide evidence for wider business change.”

This feedback is highly valuable in influencing other areas of the business to support the improvement of the Shop Direct customer experience. By understanding why customers are calling, Shop Direct can drive first contact resolution and take out the volume in the contact centre, thereby reducing operational costs.

Change in Advisor behaviour

“The programme drove a change in Advisor behaviour immediately. Seeing the results on screen meant they were very conscious of how they behaved. We saw them trying to get into the high marks because it is a personal achievement – it’s the customer that is marking them!

“For the customer, it improved the service; our Advisors began to be more focused on the customer experience; rapport building with a much softer approach. For example, you could see Advisors taking process driven calls, where they have to read a compliance script, looking for ways to make the experience friendlier to

get a good score; they would try new things to get those better results. It also ensured Advisors continued to deliver excellence right through to the end of their shift! Advisors love it! They are in control and have greater visibility – it has given them a sense of empowerment to improve their own scores.”

Delivering an ROI in 3 months

“Although we had clear objectives, it was the Bright proposition and depth of experience in the contact centre space across all market sectors that enabled us to develop those objectives to be more relevant and to shape our service strategy goals. For example, we knew we wanted to drive customer satisfaction through our Advisors, but Bright highlighted that in doing this we could improve first call resolution and call avoidance without investing further.

“Using Bright Navigator, we achieved an ROI within 3 months, although we started with lower volumes initially before increasing the number of survey’s per Advisor per month, which started to see a more significant return,” said Hilary.

Improving the Customer Experience

Every quarter Bright meets with the Heads of each site to go through the customer satisfaction results, presenting their interpretation and highlighting areas of concern and areas of achievement. This, combined with the insight from the Contact Centre Benchmarking provides clarity on what Shop Direct need to focus on to realise the biggest gains, yet also provides a sense check on what is important and what the company can de-prioritise.

“As a direct result from working with Bright, we anticipate an improvement of up to 1% in our CSI scores across the Group, measuring overall satisfaction with the company, from product to delivery. Already six months into the project we have seen a significant increase in customers saying they were very satisfied with the contact centre experience, from 58% before working with Bright to a consistent 78% very satisfied customers every month. These are great results compared to our peer group benchmark of 45%.

“Making any improvement on CSI scores in a business the size of ours is a massive achievement. We expect to see customer retention and customer loyalty increase as a direct result of this.”

“It’s this on-going consultative approach that makes a huge difference compared to other solutions available on the market,” said Hilary. Chris agrees, “there is no doubt that Bright has become our trusted advisor in measuring and improving our contact centre performance.”

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