

Customer experience: 7 secrets for working at pace

Gather customer intelligence, act on it and release the potential of your people. This has delivered results fast at RS Components, putting the customer truly at the heart of the business.



Summary

Voice of the Customer started a continuing cultural movement at RS Components, a global market leader in electronic distribution. The new CEO has positioned ownership of the customer at the heart of the business, a critical move to embed an outside-in view of what customers need and want, and RS is now growing four times faster. Customer Services & the Customer Experience team work closely together; they challenge thinking & empower people. In the UK, Project Triumph has changed the customer services operating model, driving a positive culture and already delivering £2M in incremental revenue. Planning has been fundamental, giving flexibility for individuals. £150,000 efficiencies each quarter have been re-invested. E-commerce is growing twice as fast as the core business, addressing specific customer feedback.



Key initiatives

You grow when you focus on what matters to your customers

The founder's passion for customers was reignited at RS Components, by a Voice of the Customer (VOC) programme in 2015, the change in culture taken further by a new CEO. 'Customer' language is the new norm & feedback is actively used (see below). Already the strategy is driving double-digit revenue growth and market share gains in Europe. Based on customer priorities, £20m+ of capital investment addresses 9 key areas to improve and plans to deliver £25m annualised cost savings were announced. Rebalancing a historically high cost base means, for instance, a new website is no longer in plan, but VOC surfaces specific issues, previously not visible, which are fixed fast. Significantly, 60% of the global business is online, a correlation is proven between regional NPS & profitability and all functions now share a 'customer' target. Led by a Customer Experience (CX) team of just 4, the £1m VOC programme creates both NPS & Net Easy metrics, using an IT platform from ConfirmIt. VOC was delivered in 10 months end-to-end in 32 global markets, twice as fast as any previous project. "If it's not right, change it" "Place the big rocks first".

Transformation at pace: the seven secret ingredients

- **Challenge thinking:** change the language, break rules if necessary. "Don't be afraid to fail" "Get used to being Marmite"
- **Hand-pick talent:** for experience & attitude. "Ask yourself: what's stopping you?" "Be swans – calm on the surface, fierce activity underneath"
- **Source a supplier you trust:** on time, on budget & in-scope. "Less conversation, more action" "Engage the right people"
- **Journey mapping:** become customers, live their experience. "I travelled with parcels" "I saw it being used"
- **Stakeholder engagement:** Interviews, roadshows, board-level exposure. "We hired a theatre" "Flush out gaps in understanding"
- **Signs of breakthrough:** language & behaviours change, everyone wants to be involved. "Success has many fathers"
- **Cultural movement:** empower people to care, take risks & challenge each other. "Think outside-in" "Find a simpler & faster way"

"There's a new mind set in the business, we are taking action on customer feedback, not just storing it, and our people are now empowered."

Emma Botfield,
Head Of Customer Services,
Northern Europe

"If you don't know how what you do impacts the customer, then you need to go and find out. Distribution is simple. We had made it complex."

Lindsley Ruth,
CEO

"We have a huge belief that we will make a difference, we work hard, have fun and I love getting up in the morning and coming to work."

Louise Mole,
Customer Experience Team

"I put myself in my customers' shoes – is this going to help or hinder?"

Shane Jaconelli,
Customer Service Engineer

Results

- Double digit revenue growth & market share gains
- NPS up 36% globally and Net Easy 37%
- 60% of the global business is online
- UK online growing twice as fast as core business
- £25m saved from cost budget, by focussing on customer needs



5 Operating Principles

- Timely
- Reliability
- Knowledgeable
- Ease of Use
- Personalisation

“There was a change of mindset. All functions ... are important in delivering service.”

Roberta Arioldi
Delivery Manager, Italy

“Now we understand why we do things – sharing and explaining made the difference.”

Theresa McCabe,
Team Manager, Customer Service

Triumph: empowering and releasing potential in the UK

In the UK, the new Head of Customer Services (CS) established a cultural transformation that's helped a declining business grow 4% in a year, e-commerce twice as quickly. Project Triumph, alongside VOC, has changed operating model and roles, delivering £2m pure incremental revenue. Energy is infectious and people are empowered, using customer feedback daily. 26 phone numbers were cut to 8 and with LiveChat, outbound contact and other new functions, people learn from each other and value the freedom to try new roles. Crucially, Resource Planning has been fundamental to success, responsible for half of the Triumph workstreams, made possible by growing & training the planning team, via The Forum's partnership with Ulster University. A major change in shift patterns created 2,000 hours of capacity for skills development; new flexibility on time off means everyone has a story to tell about how it's helped them personally. What's more, the way resource changes are introduced builds up empowerment, with 'planning' reps from each team, 'power of one' and re-investment of capacity. "Investment in us is huge". "Nothing has hit the mark like this". "We 100% knew the message".

Customer intelligence: a platform for action and market growth

VOC gives visibility to real customer pain points, web search, local stock availability & delivery being the biggest. Surveys are short & simple; granular detail comes from tagging free-text comments. Currently, this is manual (c1 FTE), calibration ensures 95% consistency & each category has a business owner, accountable for taking action, who 'watches' feedback on their VOC dashboard. The platform provides processes & closed-loop checks to manage at a customer level, with same-day dial back for non-promoters & case management for significant issues. Crucially, leaders now trust that RS Components is on top of issues; they no longer rush to make a call when they see VOC comments! What's more, frontline CS teams generate vital customer insight, especially in e-commerce. For instance, a 'dial-out day' dug deeper with 'promoters' and, in webchat, agents & customers can click on a link to highlight errors on pages or search results for the web team to action. 3 CS specialists, with a background as engineers & RS Components customers, support Search Optimisation. They prioritise the most common searches (from google), put themselves in the customers' shoes and then modify the search logic or add pages/information. Incremental revenue is already the annual equivalent of £600,000. "I want to go straight to the right products, not irrelevant things".

“Customer experience is central to the organisation ... the Exec Team trusts their people to take action. People are empowered.”

Paula McKillen,
Head of Customer Experience Global Development

“It helped that I was new, from a different background, I wasn't awed by the hierarchy.”

Kathy McCallum,
Customer Experience Lead

“Everyone understands what is happening, why and how it all works.”

Carrie Lawson,
Planning Analyst

“VOC was truly a catalyst, an enabler; now everyone is banging on the door. Delivery was at warp speed, it wasn't easy, I'm proud of the tenacity of the team.”

Scott Jayes, CCXP
VP Business Transformation

“I can't remember a day in the last half year where people didn't talk about NPS.”

Klaus Goeldenbot,
President Industrial Division

“What the Customer Experience team have done in such a short period of time has been phenomenal.”

Dan Stewart,
VP Marketing & E-Commerce, USA

RS Components operates in 32 countries, offering 500,000 electronics & maintenance products for engineers, online and at trade counters to over 1m customers. £1.3bn turnover is mainly B2B. The Customer Services team of 104 agents for N Europe is based in Corby. Systems include: Adobe web tracking, Confirm-it for VOC. Aspect e-WFM & Avaya Telephony.