

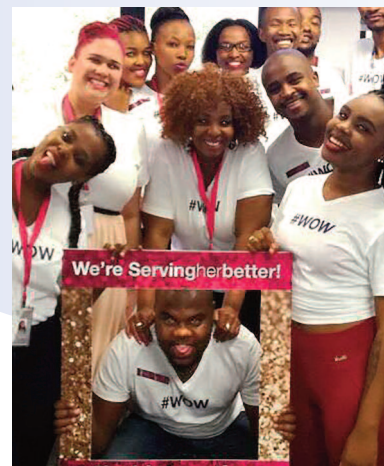
Easy, personal and solved: a digital journey

See how analytics, insight and agile methodologies have helped Shop Direct treble digital-assisted contact, so that half of all customers now self-serve and inbound calls shrunk 7%.



Summary

Shop Direct has transformed from catalogue company to successful online retailer, with a pivotal role played by outsource partner Webhelp in this achievement. Fast-paced change was delivered throughout 2016: the first stage in a 3-year transformation roadmap that has already trebled digital-assisted communication from 'Miss Very' (the customer) while shrinking inbound contacts by 7%. Half of all customers now self-serve, with channel-shift for others coming by removing email and promoting webchat. Insight and Analytics has been a critical success factor, alongside empowerment of frontline colleagues, which makes possible more personal service experiences, encouraging 'Miss Very' to return again and again. What's more, cross-functional 'skunkworks' projects sanction teams to work in unconventional ways towards more ambitious outcomes.



Key initiatives

Transformation: early wins and steps to success

In realising their ambition to become a world-class digital retailer, and build on a rate of repeat business, leaders at Shop Direct created focus with a representative 'customer persona': the tech-savvy 25-45 year-old 'Miss Very'. Fuelled by customer verbatims, the need to transform her experience took centre-stage in the culture. They stopped producing catalogues. Inbound contacts, and costs, were slashed by developing digital channels and fixing the 'root causes' of key problems. Guiding principles were set up in the customer service team: Easy, Personal & Solved. Proactive contact is also initiated. A critical step was the selection of Webhelp UK as outsource partner. This was because of their values, documented success with customer analytics and offshore capability, in South Africa. A 3-year transition and transformation roadmap was developed jointly. "Miss Very wants to be digital" "We're one team, delivering on her needs" "We have closely aligned principles".

Building a complete picture: insight & analytics

Actionable insight & analytics have been crucial drivers in improving customer experience and developing the digital journey – for instance:

- **Speech analytics:** Webhelp's 3-strong, onsite analytics team mine calls to establish key themes. They analyse these issues by call type & repeat rate. They correlate AHT & negative NPS.
- **UX Lab:** An innovative in-house customer experience lab uses methods such as eye tracking to analyse how Miss Very engages, in real-life, with discrete changes to the online experience.
- **Analytics dashboard:** A highly visual portal used to identify the opportunities raised through speech analytics and UX Lab initiatives.
- **Boston matrix:** A business modelling tool that helps Webhelp categorise demand, highlighting the impact of specific actions on demand, customer effort and CSAT.

"This is about doing the digital journey properly" "Having tools like this means we fail forward; we learn from mistakes and develop better solutions" "We're unlocking insight to drive change".

"Digital is all we do, but as it relates to customer service, we were playing catch up. We needed to change. Cultures take time to properly embed."

James Mitton,
Customer Service Director

"We needed to bring Miss Very to life for frontline colleagues in South Africa. So we took time to explain what she earned – the equivalent in Rand – and where she would shop, if she were shopping there. Creating the persona and using that in training helps in delivering on our three principles: easy, personal and solved."

Karen Dooley,
Head of Customer Service Transformation

"We consciously took AHT out of the mix for WebHelp teams ... Their key goal is to resolve the customer query, which may result in longer enquiries."

Ray Browne,
Forecast and Planning Manager,



Raising Standards in
Customer Operations

Results

In the first year of the transformation, issue resolution C-Sat scores of 81% have been sustained, while significantly reducing costs by:

- **Tripling digital-assisted contacts, to 15% in year-1**
- **Cutting inbound contacts by 7%**
- **Enabling 50% of customers to self-serve**



"Skunkworks provides a safe place to try risky things. It acts as an incubator. The buy-in we've seen for digital on the frontline has been amazing."

Kate McDonald,
Customer Service Programme

"We want to drive discussion & action within the business. Not just surface bits of information, but rather deep, burning issues; we focus on those."

Jimmy Hosang,
Insight Analytics Consultant,
Webhelp

Fostering innovation with 'skunkworks'

Crucially, some of the issues raised – through analytics, frontline feedback and customer verbatims – are tackled through Skunkworks. This methodology has seen the customer service team bring together loose groups of colleagues at different levels as 'challenger teams'. They research and develop discrete projects with a view to improving Miss Very's experience. Participants depend on the issue and including reps from external partners such as Yodel. Eight projects were tackled in 2016. For instance, reducing 'where is my return' (WISMR) queries coming into service centres. By analysing contacts, the challenger team here identified that 52% were repeats. This is now down to 25%, due to measures that included identifying inefficient courier depots and engaging customers to return items via the Post Office rather than waiting for a home collection. "We needed to go skunk" "It's great to be part of this slightly crazy journey" "Big goals lead to the best outcomes".

A joined-up approach to technology and training

Crucially, this is a holistic approach to change. A number of steps combined to deliver powerful results (see panel on left). Technology advances include the introduction of webchat, better online FAQs and the replacement of email with webforms. Targeted coaching means that high CSAT scores for issue resolution have been sustained, despite the reduction in cost to serve. A highly-engaged 'V Team', based in South Africa, are building omni-channel skillsets through online coaching and their frontline colleagues have been empowered by replacing AHT targets with customer centric measures, such as Bright NPS, across the multi-channel customer journey. They have access to a prototype website, so they can experience the customer journey by placing 'dummy orders', and feedback through bi-monthly and quarterly surveys to inform future changes to Miss Very's digital experience. Significantly, suggestions are qualified through insight & analytics, before becoming BAU. "The V Team have become brand ambassadors" "Engagement with Miss Very blows me away" "60% of all contacts will be digital by the end of next year".

"What's different is how we take ownership, personalising the experience while solving their issue in the simplest way possible. It makes a big difference to them. And it makes a big difference to me – being able to help that way."

Dora Mokhutshwane,
VE Team Adviser

"Why Webhelp? They embrace digital and use analytics to improve the customer journey. That aligned with our own strategy, to have more colleagues in South Africa, drive the digital agenda, and use analytics to improve the customer experience."

James Mitton,
Customer Service Director

"We can see that agents are really keen to get into the social media world. Digital is aspirational for them, as well as the future for us."

John Davis,
Partnership Delivery Manager, Webhelp

"Skunkworks are purposely built around what psychologists call 'high, hard goals'. Shooting for the stars and trying out 'crazy ideas' means bucking 'expert' opinion and taking big risks; it means not being afraid to fail, because you will fail."

Karen Dooley,
Head of Customer Service
Transformation

"Having exec support for Skunkworks was crucial. But so was having the freedom to explore and try new ideas. That's what Skunkworks is all about."

Ray Browne,
Forecast and Planning Manager,

"We brought customer experience research in-house, using the UX Lab, so we could be truly customer-focused and data-led."

Peta Court,
UX Researcher

Shop Direct Group is an online retailer; brands included very.co.uk & littlewoods.com. The multi-channel customer service operation, outsourced to Webhelp, manages c12m contacts pa, with c1,500 advisors in South Africa, Aintree & Cardiff (2,000 in peak weeks). IT includes: Vodafone IPCC, Chordiant Connect CRM & LiveEngage's LivePerson digital platform.