

Boosting self-service use through smart understanding of customer behaviour.



Case Study: **LOBLAW**

CHALLENGES

- Improve self-service applications
- Analyse authentication rate and opportunities to optimise
- Reduce unnecessary failed calls and costs

SOLUTIONS

- Establish customer behaviour types to eliminate unnecessary failed calls.
- Smart CX analytics to uncover reasons for spike in call transfers
- A new algorithm in the IVR to save handle time
- Data-led insight fed to product teams
- Revised baseline for IVR authentication, self-serve and AHT for accurate ROI

RESULTS/BENEFITS

- 23% increase in authentication within two weeks
- 60 seconds handle time saved per authenticated call
- 166k p.a return on investment
- Product team enhancements
- Cost savings through smart IVR enhancements

OVERVIEW

With its purpose to 'Live Life Well', Loblaw is Canada's food and pharmacy leader, with a network of corporate and independently-operated stores in communities across the country. Canadians make one billion visits each year to these 5000 stores that span the value spectrum from discount to specialty; full-service pharmacies; no-fee banking; affordable fashion and family apparel; and three of Canada's top consumer brands.

As Loblaw's customer management partner, Merchants manages Loblaw's Retail and Digital business lines, PC Insiders, PC Financial Mastercard and PC Optimum Loyalty program (PCO), through its contact centres that use leading technology to support its multi-channel customer service goals.

THE CHALLENGE

Loblaw is focused on providing a digitally-led customer experience that improves customer convenience and optimises efficiency. Building on past successes, Merchants initiated an improvement project for Loblaw's self-service applications that supported its loyalty program PCO.

The team began its review of the IVR process by analysing its authentication rate and how the process could be optimised to bring costs down. To do this, the team needed to establish customer behaviour types (based on the number of card digits entered at authentication) to help eliminate unnecessary failed calls.

THE SOLUTION AND HOW WE DELIVERED

Three distinct types of customer behaviours were identified in driving 77% of all unauthenticated 'fail out' calls, where customers were routed directly to agents:

- Customers entering 1 digit (36%) e.g. typo
- Customers entering 13 digits (30%)
- Customers entering 19 digits (11%)

Data analysis and insights

Smart CX analytics uncovered a spike in call transfers as customers were passed away from self-service options to agents, which had a direct impact on costs.

Using this information, the Merchants team discovered that the physical PCO loyalty card displayed six digits on the first line, and another 13 digits below that on a second line.

Through a post-IVR log analysis, the results confirmed suspicions that customers misunderstood how to read the account number as 13 digits (ignoring the first six) rather than using all 19 digits. And it was this customer confusion that was directly impacting costs.

ABOUT MERCHANTS

Merchants has been designing, building and operating great contact centres since 1981. As leaders in customer experience management, our success is built on the strength of our business partnerships. As pioneers in developing South Africa as an offshore destination of choice, we are committed to understanding your brand and customers' experience, and recommending solutions that best suit your needs.

Our tailor-made approach delivers unique customer service solutions that differentiates our clients from their competitors. As trusted advisors, our clients trust us with their most valuable assets - their customers - for long periods of time. Passionate about creating sustainable futures for our people, we are committed to skills development and job creation for South Africa's untapped talent pool through various partnerships.

Recommendations for improvement

To avoid future failures due to incorrect customer interpretation, the Merchants team proposed two key improvements:

1. A new algorithm in the IVR to enhance the process by auto appending the first six digits for customers who entered only 13 digits, which would allow them to proceed to evaluation. This would save 60 seconds per authenticated call and boost handle time.
2. Feedback was sent to the product team to simplify the PCO card number display

The next step would be to revise the baseline for Loblaw's IVR authentication rate, self-serve rate and AHT to determine its ROI.

Cost savings through smart IVR enhancements

For a relatively low one-time investment, the IVR enhancement project has yielded pleasing results. Within the space of a mere two weeks, the authentication rate rose by 23%, with more customers successfully using the self-service functionality to adjust loyalty points without intervention.

Using Smart CX to effectively pinpoint the exact authentication issues has resulted in a call reduction and a return on investment totally 166k per year.