

Case Study

Building Customer Loyalty through Performance-Based Learning Methods

Pain Points:

"I need to create a better experience for our customers."

Industry:

Retail

Solutions and Products:

Customer Innovation, Learning Innovation

Overview

By redesigning the approach to training new hires, TeleTech helped a major big box retailer increase customer satisfaction scores by over 17 percent during the busy holiday shopping season while reducing training costs by more than 41 percent during that same period. Using innovative eLearning solutions, role plays, and unique software simulations, learners graduated from training more quickly and with improved customer service metrics.

Business Challenge

During any holiday season, when the number of holiday shoppers grows quickly and exponentially, the customer experience typically suffers. For this TeleTech retail client, customer satisfaction had typically decreased 15 percent each year during this timeframe.

Solution

To help the client combat falling satisfaction levels during peak seasons, TeleTech launched Operation Big Box. The primary goal of the program was manifold—to reduce the overall training timeline, to redesign training to mirror the experience of customers and associates, and to incorporate the client's brand vision. An additional program goal was to train seasonal associates on just the top customer inquiries, further speeding the associates' learning curve and boosting their productivity.

To accomplish these goals, TeleTech created a blended learning program focusing on best practices in adult learning and a proprietary methodology for designing performance-based learning. Learning industry studies recognize that job-based practice increases worker performance substantially. An Interactive Data Corporation (IDC) study showed that aligning learning with real-world performance can boost performance up to 55 percent. Similarly, the Huthwaite Research Group found that learners remember more than four times as much from training sessions they perceive as highly relevant to their jobs.

TeleTech's proprietary methodology for creating learning programs involves:

- Analyzing the critical business objectives of the client (such as increasing wallet share or improving customer delight)
- Pinpointing the top reasons for customer inquiries
- Understanding the approaches workers take to their everyday tasks

This methodology has proven a recipe for success in supporting TeleTech's clients across a broad spectrum of vertical industries and skill sets.

Results

For Operation Big Box, TeleTech analyzed call patterns throughout the year and throughout the holiday season. The company then incorporated the retailer's business objectives for the holiday season and built a brand-new training program using role plays, simulations of everyday tasks, and courses designed to help learners connect with customer emotions and resolve customer issues expediently. Using this approach, Operation Big Box was not only able to improve the caliber of training, but also trim expensive classroom-based training time. The program reduced training time for new hires handling online shopping inquiries from 10 days to just 7.5 days. For new hires handling calls for the retailer's loyalty program, training time was shortened by seven hours.

For retailers who must hire temporary holiday help each year, even these seemingly nominal reductions in training time have a hard-dollar impact. For Operation Big Box, training costs for seasonal associates were reduced 41 percent.

In addition to the dramatic improvements in customer satisfaction and measurable savings in training costs, Operation Big Box produced additional benefits by improving performance on a variety of call-handling metrics. For associates handling inquiries about the retailer's loyalty program, average handle time (AHT)—how long it takes an associate to resolve a customer's call—improved 17.8 percent as a result of the new training, based on data measuring associate performance 30 days after training. Operation Big Box-trained associates also experienced an improvement in their quality scores—which measure how well an associate exemplifies the client's brand in dealing with customers. These associates demonstrated a 10.9 percent improvement at 30 days. In addition to the customer satisfaction improvements for online shopping associates, Operation Big Box improved average call handling time by 18 percent, which translated into a reduction of more than 10 million handle-time minutes during their busiest holiday season.