

CASE STUDY



How we delivered a better customer experience and saved money at the same time - really!

The Challenge

Back in 2011, the Snapper scheme had been operating for three years. We had engaged a call centre to handle basic customer enquiries and to escalate more complex refund requests to our in-house customer care team to resolve.

However, that year, the addition of a new client doubled the volume of our business virtually overnight. And the number of refund requests referred to our in-house customer care team doubled also.

Analysis of the previous year's customer care records revealed that refund requests were less than a quarter of all queries, and were almost always a result of the customer forgetting to tag off



the bus. Yet these calls took more than seven times longer than the average call to resolve: up to a whopping 160 hours of customer care time per month!

Additionally, the process involved multiple contacts over several days, and required the customer to help us track exactly where they were overcharged and by how much (\$4.31 on average). The user then had to collect their refund from our office or by purchasing a Snapper Feeder and downloading the My Snapper app. This was not always convenient.

Our customers were less than delighted. It was time to look at this differently.

Our Approach



The first thing we did was ask ourselves 'How did we get here?' The refund process had been set up with good intentions when we were a start-up. We were very conscientious about protecting the revenue of our client,

Go Wellington, and we believed that the process also served to alert us to any technical issues. However, in practice, the refund amounts were minimal and this process rarely alerted us to any issues with our cards or hardware. We had simply never reviewed the process once it was set up.

Meanwhile, refunds were a significant pain point for our customers. Our default position assumed that the customer was, at best, incorrect, or, at worst, deliberately trying to get money they weren't owed. Closer examination showed that we had absolutely no evidence that this was the case.

Key challenge

The lowest-value customer service issues were proving the most expensive to resolve.



Approach

Let's stop asking the customer to prove the issue and take them at their word.



Outcome

Happier customers and a 15% reduction in cost to serve.



Key takeaway

Trust pays.



SNAPPER

SNAPPER SERVICES LTD

Level 11, Kordia House
109 – 125 Willis Street
Wellington 6011
New Zealand

services.snapper.co.nz

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So, we stopped. Stopped trying to nail down what happened, when. Stopped referring customers on. Stopped the whole laborious process.

Instead, we decided to trust our customers – after all, we ask them to trust us.

Now when we receive a refund request under \$10 (80% of all refund requests), we simply refund the amount immediately at the first point of contact, and make a note on the customer file. No questions, no referrals, no investigation.

The file note serves to alert us to any repeat requests. We adopted a policy of three strikes before the customer is referred to our team for further investigation. There has never been a customer who has been referred.



The Outcome

- Our customers are happier. Refund requests are resolved quickly at the first point of contact. We trust them. And they love us - as demonstrated by our average Net Promoter Score for customer service, which shifted up seven points and stayed there.
- Our CFO is happier. The average time to issue resolution has dropped significantly, and cost to serve has dropped by 15%, which impacts our bottom line.
- Our in-house customer care team are happier. Now they spend their valuable time, on valuable issues.
- Our client, Go Wellington... well, they didn't really notice, as the aggregated refund amount did not change, and is, as before, minimal.

These outcomes make every day easier.

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