NICE ®

THE HOME DEPOT ®

Boosting Sales Effectiveness, Customer Satisfaction and Operational Efficiency

Customer Profile:
Retail

Website:
www.homedepot.com

Location:
Atlanta, GA; Kennesaw, GA; Austin, TX; Ogden, UT

Business Need:
The Home Depot wanted to increase sales effectiveness, customer satisfaction and operational efficiency by:
- Increasing sales conversion rates, average order value and revenue per contact
- Improving business processes, policies and systems
- Reducing average handle time

NICE Solutions:
- NICE Interaction Analytics
- NICE Interaction Recording
- NICE Voice of the Customer
- NICE Quality Management

The Impact:
- Gained $10.8 million in realized additional revenue after improving close rate by 31.8 percent, average order value by 12.1 percent, and revenue per contact by 40.4 percent
- Improved customer service Net Promoter Score by 15 percent
- Increased average resolution satisfaction by 3.9 percent
- Experienced a 26 percent improvement in agent soft skills
- Cut average handle time by 27 percent, translating to a savings of $106,000

On The NICE Solution

"Having worked in the world of Quality Assurance for over 10 years, my observation is that the NICE monitoring system is head and shoulders above any other system in reviewing calls and reporting findings."

Deborah S., Quality Supervisor,
The Home Depot

About the Home Depot®

The Home Depot is the world's largest home improvement specialty retailer, with 2,257 retail stores in all 50 states, the District of Columbia, Puerto Rico, U.S. Virgin Islands, Guam, 10 Canadian provinces and Mexico. In fiscal 2011, The Home Depot had sales of $70.4 billion and earnings of $3.9 billion. The company employs more than 300,000 associates. The Home Depot's stock is traded on the New York Stock Exchange (NYSE: HD) and is included in the Dow Jones industrial average and Standard & Poor's 500 index.

The Challenge

The Home Depot has four contact center sites supporting its ecommerce activity with over 900 agents handling up to 6.5 million ecommerce-related voice interactions annually.

The Ecommerce Quality Assurance Department sought to gain important insight into its customer interactions in order to improve sales effectiveness, customer satisfaction and operational efficiency during the customer's online purchasing experience. To do so, the company wanted to improve business processes, policies and systems, and boost agent performance. They wanted to help agents increase sales conversion rates, average order value (AOV) and revenue per contact (RPC) while maintaining high levels of customer satisfaction. They also wanted to reduce average handle time (AHT), eliminate wasted time such as wait time and multiple hand-offs, and better utilize resources without decreasing customer satisfaction or sales effectiveness.

The Solution

Although The Home Depot collected voice of the customer information, the reports they generated needed more detail to drive actionable change in the organization. Their leadership team was able to view high level information but none of the drivers that contributed to the measured results. Increasing visibility into the voice of the customer business intelligence and holding employees accountable to this data was a fundamental objective of the quality program redesign.

The Home Depot selected NICE solutions to capture their customer interactions, perform in-depth root cause analysis for the different stakeholders, and translate that information into actionable results. With NICE Interaction Recording they recorded their customer interactions and then built categories in NICE Interaction Analytics according to various metrics to measure sales effectiveness, customer satisfaction and operational efficiency. With NICE Quality Management, they were able to leverage the information gathered to take the appropriate action to meet their objectives.

As an ecommerce contact center, the primary responsibility of the organization is to generate new revenue for the company. A secondary role is to resolve customer service issues related to online purchasing. During the NICE implementation, it was critical for The Home Depot to utilize the NICE solutions in a way that could convert their contact centers from a "service recovery center" to a "revenue generation center." To measure sales effectiveness, they used conversion rate, AOV and RPC metrics to identify ways to enhance agent performance as well as improve business processes, policies and systems.

The company revised its interaction evaluation forms, developed with NICE Quality Management, to include a section that determines sales effectiveness. This section was utilized on sales call types (product availability, place order, item specifications) and determined if the agent used probing questions to determine the scope of the customer's project, made appropriate product recommendations based on the project's scope, and offered to place the order for the customer (especially on returns). When sales opportunities for improvement were identified, the quality analyst provided the agent with immediate feedback via coaching packages. Supervisors and managers were also copied on the coaching packages to provide the agent with additional input. In addition to the coaching packages, quality analysts also conducted targeted coaching sessions for agents by using tools such as role play sales scenarios, providing insight into how to effectively determine the scope of the customer's project, determining applicable product recommendations, and creating an effective sales offer. To analyze trends and performance, the company defined categories in NICE Interaction Analytics for sales-related issues including probing questions, sales attempts and successful sales. After implementing the NICE solutions, The Home Center increased its close rate by 31.8 percent, AOV by 12.1 percent, and RPC by 40.4 percent. This success translated into an impressive revenue gain of $10.8 million in just four months.

In order to measure customer satisfaction, the company used Net Promoter Score® (NPS), one call resolution (OCR) and resolution satisfaction. They were able to identify improvement initiatives for business processes, policies and systems by creating quality plans for targeted call monitoring instead of the random selection method they previously used. By defining key business categories, they were able to pull relevant interactions and perform queries to target the most business critical interactions. To improve agent performance, they created tailored views for agents and supervisors to take personal ownership for their team and personal quality scores. Agents could now immediately improve behaviors and performance by reviewing coaching packages, tracking personal performance over time, comparing individual results to their assigned line of business, and accessing question-specific feedback from weekly reports which they received. Supervisors could quickly determine team quality performance by viewing the team summary, recent evaluations, and failed evaluation portions of the view. They could also compare their performance to their peers and to the overall line of business. As a result of these changes, The Home Depot was able to increase its NPS by 14.9 percent, OCR by .4 percent, average resolution satisfaction by 3.9 percent, and agent soft skills by 26 percent.

> "I have found NICE to be most beneficial in the quality/ops relationship. I can now shine a light onto what areas the management should focus."
>
> Zach D., Quality Analyst, The Home Depot

To measure operational efficiency, The Home Depot used AHT as their primary metric to determine ways to reduce it, eliminate waste (wait time, multiple hand offs, etc.), and better utilize resources without impacting customer service. AHT reduction was a critical concern as two new contact centers were brought on-line. AHT had to be significantly reduced in order to meet staffing requirements for the holiday without exceeding budget targets. To reduce AHT, they developed three main initiatives using the AHT information generated by NICE Interaction Analytics. Firstly, they conducted AHT command center meetings with the quality and operations team. Once they determined common trends, the quality team created and distributed job aides for the agents explaining how to more effectively and efficiently handle specific call types. Supervisors then reviewed this information with their teams in daily huddles. Agents with the highest AHT were pulled into workshops where the materials distributed were reviewed in person and role plays were used to improve AHT. Secondly, the company set up weekly analyst/ supervisor trending meetings to discuss team quality performance based on the AHT trends generated by NICE Interaction Analytics. After this information was shared in the meeting, the supervisor and analyst created a plan to help increase the team's quality score while eliminating unnecessary handle time from interactions. Finally, they continued providing critical AHT information to the floor via an AHT reduction report. These reports helped supervisors quickly identify agents on their team who needed extra coaching or professional development. The combination of the AHT command center initiative, the weekly trending meetings, and the continued AHT reporting resulted in an impressive AHT reduction of 27 percent since the contact centers were launched.

By leveraging their NICE solutions, The Home Depot was able to garner valuable insight, share it with all of the relevant stakeholders, and take action to achieve their business goals. By improving their sales effectiveness, customer satisfaction and operational efficiency, they were able to deliver a better customer experience while enjoying significant financial benefits.