

Case Study | National Distributor & Retailer of Automotive Parts

Situation

- One of the largest retail distributors of automotive and after-market parts was experiencing increased pressure on pricing as well as demands for service consolidation in a highly competitive market
- To satisfy market demand in several customer segments, an online ordering platform was developed and launched by the client, with an initially positive reception
- Use of the e-commerce platform was intended to be embraced by the majority of users, however, the adoption rate was far below expectations
- To help create a greater awareness of the e-commerce platform, subsequently increase usage, as well as improve overall site functionality and performance; a proactive customer feedback mechanism and early warning system was developed and deployed

Objectives

- Gather a greater understanding of customer satisfaction and loyalty relative to their impact on profitable growth
- Identify service and quality improvement opportunities that will increase customer performance and usage of the e-commerce platform
- Positively impact customer satisfaction and loyalty metrics to increase customer repurchase and retention rates
- Help to create a marketplace advantage for the client
- Proactively identify defectors/decliners to mitigate customer attrition rates

Approach

- Architect the overall customer experience feedback strategy and associated methodology
- Develop and test survey instruments for multiple customer segments to ensure participants meet the desired feedback and detail levels
- Select and customize a data capture tool (CRM) to manage survey feedback, productivity, calling results and escalations
- Develop and generate survey feedback analytics to drive business decisions that gauge customer feedback and drive continuous improvement

Results

- Client reported a 30% rise in profit from the prior fiscal year in conjunction with an overall 4% rise in sales from the previous year
- Customer e-commerce platform usage increased by over 50% in the first year following the launch
- A relatively unexpected result was the high percentage of escalations identified (60% of all completed surveys) that required immediate client intervention to mitigate defection risk
- Escalations included: unreported issues, platform training needs, implied high potential to defect to competition, etc...
- Centralized survey results identify reasons for defection/decline in customer spend
- Client leveraged customer intelligence gained from research conducted by Apexx during initial pilot launch to develop significant system enhancements, which were incorporated into a new e-commerce platform launched one year later