



Since we wrote about Irish Life in 2008, see: <http://www.customer-insight.co.uk/article/918> the company has maintained its focus on customers and continued to improve customer satisfaction. Achieving high customer satisfaction, especially in financial services, is not an easy task, but continuing to improve it during the biggest financial crisis that Ireland has ever witnessed is nothing short of amazing. Even more admirable is that fact that it has not been achieved by throwing mega-bucks at it but by getting the basics right and by maintaining the momentum behind multiple small initiatives that make a substantial cumulative difference. As Dave Brailsford would say, 'the aggregation of marginal gains'.

Intouch

When we last wrote about Ireland's largest life assurance company, Irish Life had already launched 'Intouch', a dedicated cross-departmental, branded team that took ownership of the customer satisfaction improvement programme. Right from the outset, Intouch had full backing from the top. The CEO personally launched the programme, introduced competitions and handed out prizes. Prizes for staff who went above and beyond the call of duty to satisfy a customer included a trip to Barcelona, preceded by a meal with the CEO in a top Dublin restaurant.

Training

The high profile Intouch campaign was backed up by an extensive training programme, much of which was also branded. For example, 'Sense and Respond' helped staff to build empathy with customers whilst also responding in an appropriate manner, e.g. more business-like or friendlier as the situation demanded. Complaints training focused, very successfully, on increasing (yes increasing) the number of complaints that were recorded and responded to. Sense and Respond helped staff to understand when a customer was even slightly unhappy and to act as a customer champion by logging a complaint about the issue. Which, of course, would then be dealt with straight away, rather than be ignored. The

third significant piece of training was about letter writing, building on Irish Life's commitment to Plain English since 1998. Customer surveys consistently show that trusting their financial services provider and understanding their communications (the two are strongly correlated) are two of customers' most important requirements. By the time of our initial article, Irish Life had already been awarded more Honesty marks by the Plain English Society than any other company in the world and in 2009 they won the Best in the World Plain English award – ahead of 12,000 organisations from 80 countries.

Customer surveys

Irish Life's surveys have also progressed since our previous article. The big change was the move to customer transaction-based surveys. 220 customers are telephoned each month across six transactions, each with their own questionnaire including importance criteria. In addition there is an e-mail survey for self-service web customers and for new business with over 200 customers responding each month. Customer experience questions are also included in the questionnaires for more detail and comments. Importantly, customer satisfaction targets are set for each transaction at the start of each year, aggregating into an overall company-wide target. Monthly results show progress towards meeting the targets.

Transaction Teams

The move to transaction-based research and the formation of Transaction Groups have enabled Irish Life to 'close the loop', i.e. facilitate the process of using regular survey data to feed quickly into effective action. The Transaction Teams are:

- Customer Service Centre Enquiries
- New Business
- Financial Reviews
- Online Services
- Withdrawals
- Complaints

Transaction Teams include a mix of senior management and Customer Champions (see figure 3) from each of the six areas. They meet every two weeks, go through all survey results and cus-

tomers comments for their area and have responsibility (and take ownership) for fixing issues arising from the surveys.

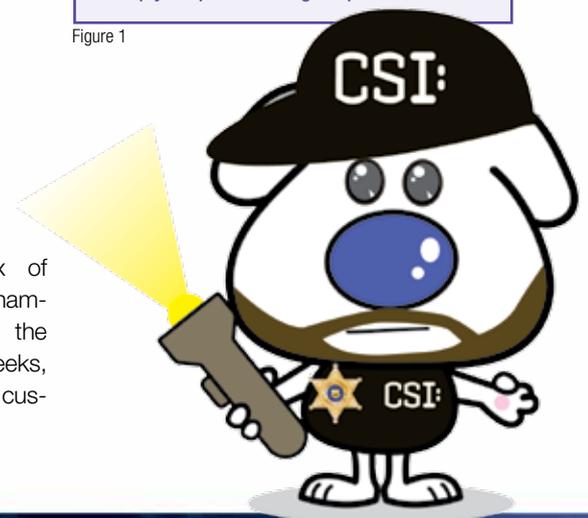
Each Transaction Team has its own CSI target, is responsible for achieving it and is rewarded for doing so. This is one of the most crucial factors in improving customer satisfaction and loyalty. Make sure customer feedback results in action, and you do that by motivating the people who can make the biggest difference. None of the Transaction Teams want to under-perform other departments and they do want to get rewards for hitting their CSI target. Marketing still play a key role by facilitating and co-ordinating all the Transaction Teams, managing the agendas and minutes and, from the survey results, identifying the 'perfect customer experience' for the area, which are explicit actions given to each Team to improve the customer experience. However, while Marketing provide the guidance and support, it's the people "on the ground" who make the real changes and difference.

Figure 1 shows the 'perfect customer experience' for the complaints process. Please see "The Perfect Experience" section for more on this.

The Perfect Customer Experience:

- Easy to contact us to make your complaint
- The exact nature of your complaint clarified
- Receive an acknowledgement letter
- Receive Irish Life's complaints charter with this letter
- Told how long it would take to resolve your complaint
- Keep you updated during the process

Figure 1





Scores going up

The customer satisfaction scores from each Transaction Group are weighted according to the relative volume of transactions handled by each group. This results in a weighted Customer Satisfaction Index for the company. The target in 2012 was 80%, and they reached 81.3%. Figure 2 shows Irish Life's 'improving customer satisfaction' journey that now spans more than a decade.

Customer Champions

Irish Life has no fewer than 60 Customer Champions across the business. Every area has a Customer Champion. They act as the customer's 'eyes and ears' in their department/team and champion the Intouch agenda. There are three Champ Forums each year addressed by CEO Gerry Hassett. As well as bringing them all together, the forums help to motivate and recognise the role of the Customer Champions. They might, for example, hear about a new customer-related initiative before the rest of the business or share ideas on how other areas can best tackle a customer issue. The importance of their role is also recognised more formally through the objectives and appraisals process. The importance of the Customer Champions' role is clearly seen in Figure 3.

Regular communications have always been an important part of Irish Life's ability to keep the customer at the top of the agenda internally and to motivate staff to work on the actions required to improve customer satisfaction. Every month the internal feedback posters are updated with transaction-specific posters updated quarterly. There's also a monthly update given on progress to the Senior Management within Irish Life. Gerry Hassett, the CEO, updates staff each quarter on how the company is doing against its CSI objectives. There's also monthly communications promoting the winners of the Intouch Rewards which play a key role in acknowledging exceptional customer service and customer initiatives.

Intouch Rewards – empowering Customer Champions

Customer Champions can nominate their



team members for Intouch Rewards and have a budget for this, and managers can nominate Champions. €100 vouchers are presented to award winners and more than one person from each team can win in any one month if they have delivered outstanding customer service. In the current climate money speaks so they are very high profile throughout the company and this is enhanced by strong communications. The winners are profiled every month, including the stories behind their nomination and the CEO writes about them in his weekly blog. Importantly, cash rewards also demonstrate to everyone that the company is consistently putting its money where its mouth is. This is rein-

forced by the fact that these rewards have been running for a number of years now. However Irish Life keep reviewing them each year by surveying Champions on how they're working and identifying anything needed to keep them "fresh".

Aim of Intouch Rewards

To recognise the times where you or members of your team have gone to that bit of extra effort to work on something that impacts our PFI or to provide great service to a customer.

Figure 4: Intouch Rewards

Put customers first!	<ul style="list-style-type: none"> You are the driver of the intouch customer satisfaction programme within your team. You encourage your team to be mindful of how satisfied your customers are with the service you provide.
Lead by example!	<ul style="list-style-type: none"> You offer the highest standards of customer service You ensure that all activities/processes in your team have customers needs at the centre Customer Satisfaction is your No.1 priority... Keep asking: is this the best thing for the customer?
Keep everyone updated!	<ul style="list-style-type: none"> You are the communicator for the intouch programme on your team. You take time at a team meeting to update everybody on what's happening with CSI and Intouch.
Drive initiatives!	<ul style="list-style-type: none"> You take ownership for any initiatives that are taking place as part of intouch and ensure that these are being implemented on your team.
Encourage suggestions!	<ul style="list-style-type: none"> You encourage suggestions and solutions from your team to improve customer satisfaction and feed the information back to the relevant areas.
Generate ideas!	<ul style="list-style-type: none"> You look for feedback from customers to identify areas where your team/area could improve the service for customers. This feedback can be gathered through call backs, reviewing the EAR data, review of the Leadership Factor survey, conducting mini surveys etc You attend regular meetings with othe intouch champions to share ideas and find new ways to drive the intouch programme and actions that matter to our customers.

Figure 3 The Customer Champions' role Internal Communications



Team Rewards

As well as the monthly individual Intouch Rewards there is a Team Incentive initiative in the last quarter of every year. Teams work on issues that could drive up their customer satisfaction score. This ensures that the company maintains momentum for Intouch as it heads towards the final CSI score for the year and also identifies ideas/action for initiatives for the start of the following year. Groups work on issues that could drive up their customer satisfaction score. At the end of 2012 for example, Groups worked on improving their scores for individual elements of their Perfect Customer Experience (see below). Teams (or Groups within Teams) could enter for the award and in 2012 there were no fewer than 24 entries. A two-stage judging process narrowed these down to a short list of 10 finalists who present their work to the Executive Management Group in late November. All 10 finalists get €500 for their team and the top five teams get €1,200. The winning team does not get any additional cash, but gets a lot of high profile publicity around the company with pictures of their award being presented by the CEO (who also writes about it, with appropriate praise, in his blog).

To give a flavour of the outcomes of the Team Rewards process, the 2012 winner, the Withdrawals Team tackled a specific sub-segment of customers who the research told them were less satisfied. As well as general improvements in the process and the communications, such as keeping the Financial Adviser informed and involved, they specifically told the customer how long the process would take and kept to the promised deadline. They then produced a training guide and went out and trained groups of financial advisers on the new process for these customers. This resulted in a 10% increase in the customer satisfaction index for this customer segment - a massive gain directly as a result of the actions taken.

Each year, the Marketing Team create a theme for the Team Rewards to maximise engagement and promotion of the rewards. This is implemented and supported with a strong internal communications campaign, as shown in Figure 5 by the original

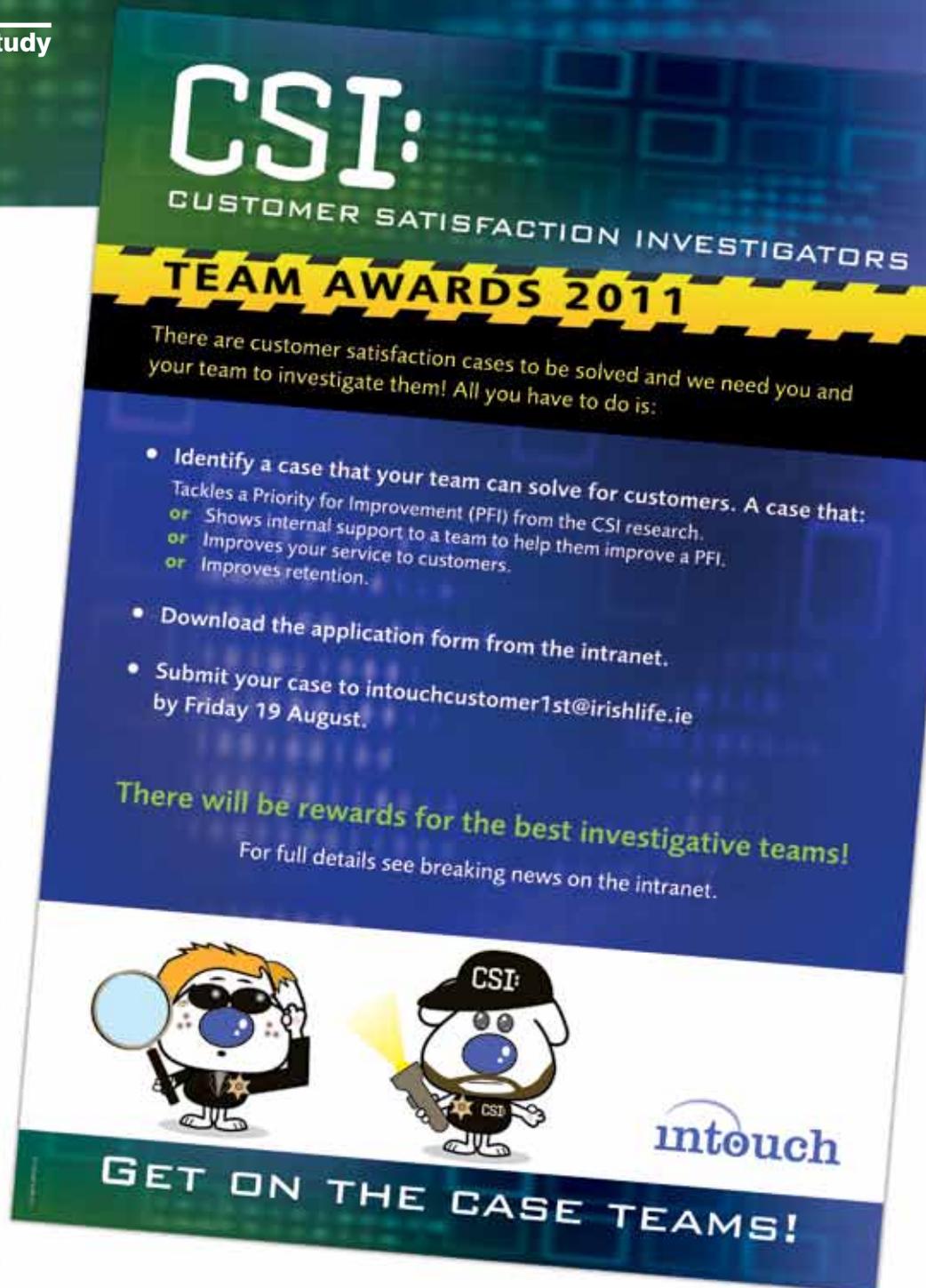


Figure 5: Group Rewards launch poster

launch poster for the initiative in 2012. For example this year each of the members of the Irish Life Executive Management Team (EMG), who are the judges for the Team Rewards, had their own Dragon's Den character created in their likeness – these were so popular that some EMG members put them up in their offices while others took them home to show their family!

Lots of little things

High profile rewards are great for motivating people, for keeping the momentum going on customer satisfaction improvement, and, as we have seen in the Withdrawals example, for achieving real

gains in customer satisfaction. However, to achieve continuous and sustainable gains in customer satisfaction you have to build a culture in which your people are always thinking about how to make things better for customers. The aggregation of marginal gains.

For example, in 2011 the Customer Service Centre moved to a product team structure. This was based on customer surveys showing that expertise of staff was a key driver of customer satisfaction. The CSC was therefore divided into teams such as the Expert Pension Team, Expert Savings Team and Expert Protection Team. Each product team within the CSC was given



Customer Satisfaction Index

Perfect Experience



Below are the actions that our customers have told us make a Perfect Experience for them. When these actions happen our customer's satisfaction score is much higher.

New Business

1. Tell the customer how long it will take to put their plan in place.
2. Keep to that commitment.
3. Contact the customer with a welcome call.

Customer Service Centre

1. Keep promises made to customers.
2. Mean the customer words of security questions.
3. The customer does not have to recontact us.

Complaints

1. Make it easy for customers to contact us.
2. Call the customer with a clarification call.
3. Send an acknowledgement letter.
4. Include a complaint charter.
5. Manage expectations with the customer - how long will it take to resolve.
6. Keep the customer updated.

Financial Review

1. Financial adviser re-confirms the review appointment.
2. Financial adviser tells the customer how long the review will take.

Withdrawals

1. Tell the customer how long it will take to deal with their withdrawal or claim.
2. Keep to that commitment.
3. Financial adviser is involved in the withdrawal or claim.



Irish Life Assurance plc is regulated by the Central Bank of Ireland.

Figure 6: The Perfect Customer Experience

its own customer satisfaction index, its own targets. To maintain reliable sample sizes, monthly results for product teams were rolled up and reported to them each quarter. By focusing on the needs of specific customer segments in this way, you are better able to identify and respond to those needs. This is an approach that Irish Life wants to focus more on in coming years as they seek to do best what matters most to each individual customer.

The Perfect Customer Experience

One of the other key elements in the evolution of Irish Life's customer satis-

faction survey was the addition of more CEM (customer experience measurement) questions. Customer satisfaction questions need to be scored on a scale (a 10-point scale is best) and must be based on what's important to customers, not on what the company wants to ask. This gives a reliable measure of customer satisfaction – i.e. it's an accurate reflection of how customers feel. However, customer contact staff often want to ask their own questions, either to provide more insight into certain aspects of the customer experience or to generate more specific, actionable information about how to address the PFIs (priorities for improvement) from the customer satisfaction

Case study



questions. CEM questions are best if they are closed with a dichotomous scale. This facilitates modelling of the customer experience and the construction of a Perfect Customer Experience – i.e. all the steps of a customer journey that would leave customers delighted if all were performed flawlessly every time.

The big advantage of the perfect Customer Experience is that it pinpoints steps on the journey, 'moments of truth' and highlights those that are detracting most from customers receiving that Perfect Customer Experience. This is achieved by reporting what percentage of customers received the Perfect Customer Experience at each step of their journey. Figure 6 shows the Perfect Customer Experience for each Transaction Team. Each team can then be given targets for improving its Perfect Customer Experience score, with information pinpointing the precise steps in the journey that need to be addressed.

Unlike the customer satisfaction questions, which should be changed only if customers' requirements evolve, the CEM questions can be changed any time. Irish Life is still adding more CEM questions in 2013 to gain an ever deeper insight into customers' perceptions of their customer experience.

The aggregation of marginal gains

Irish Life's success in sustaining its customer satisfaction improvement path is succinctly encapsulated by Dave Brailsford's philosophy of focusing a lot of time and effort on continuous improvement. Putting posters in lifts, and telling customers for example how long their withdrawal will take, may not in themselves seem like big deals but for improving customer satisfaction, lots of small actions will almost always out-perform periodic initiatives, however lavish they are. Another small but good Irish Life example is texting customers. Surveys showed that customers liked receiving texts at key customer journey milestones if it kept them informed or simply showed that Irish Life valued their business. So they now receive texts at key moments of truth such as thanking them for an application or telling them when their claim has been paid. All part of the Perfect Customer Experience. ☐