Case Study: Building a Customer-Centric Program Meituan Dianping



The COPC Customer Experience Standard is entirely customer-centric, and it provides us with a solid foundation for the optimization of our customer experience program. We are proud of our recent COPC Certification, and the team and I look forward to even more program improvements in the future.

Sun Yuan,Vice President of Meituan Dianping

About Meituan

Meituan's mission is to "help everyone eat better and live a better life." As China's leading e-commerce platform for life services, the company has Meituan, Dianping, Meituan Takeaway and other well-known consumers' apps. The service covers more than 200 restaurants, providing a variety of services, including takeout, taxi, shared bicycle, hotel travel, movies, leisure and other entertainment categories. The business covers 2,800 counties, districts and cities nationwide. For the twelve months ended December 31, 2019, the total number of Meituan's annual users reached 450 million, with the total number of active merchants on the platform reaching 6.2 million, and an average user transaction count of more than 27.

The Challenge

Meituan's business is highly diversified and very complex, providing many different product types that serve a wide variety of customer groups. Building an intelligent customer service operation poses a huge challenge, requiring the right solutions in key areas including people, processes and technology. Given the company's rapid business growth, the service operation team needed a solid plan to keep up with an abundance of product updates and business requirements, as well as ever-increasing customer expectations in regards to service experience.

At the start of 2018, Meituan assessed the organization's ability to resolve customer issues, assigning four levels of capability. At the time, the resolution rate of customer complaints sat at 25%. Based on this result, the company resolved to put greater emphasis on issue resolution and development of a customer-centric service operation.

Working with the Operational Experts at COPC Inc.

In July 2018, Meituan turned to the experts at COPC Inc. to begin the certification process. As a first step, COPC Inc. conducted a comprehensive Baseline Assessment (BLA) of Meituan's key operations. The assessment focused on the Meituan Dianping Experience Platform, headquartered in Beijing, as well as three other self-operated contact centers across various locations. Personnel from COPC Inc. evaluated the operations of each center, examining critical program functions such as strategic planning, assisted and unassisted channel process management, people management and overall performance management. COPC Inc. consultants benchmarked the operational performance of the centers using the COPC Customer Experience Standard as a guide. The mission of the COPC Inc. team was to identify performance and process gaps.

Following the BLA, the COPC Inc. team provided a detailed readout, highlighting key opportunities for improvement, while also delivering a list of recommendations aimed at helping Meituan achieve new levels of high performance. COPC Inc. helped Meituan realize the transformation of its service operations through two specific offerings: **Structured Support** and **Management Training.**

Structured Support

Through 17 structured support sessions (five on-site and 12 remote), COPC Inc. consultants and Meituan management worked together to improve key program functions, including:

<u>Cross-Channel Customer Experience Management</u> — The team deigned an overall experience management process spanning multiple channels. Through the collection of customer feedback across channels, the team was able to gain insight into the main drivers of customer satisfaction (CSAT) and dissatisfaction (DSAT), leading to the development of a new customer survey capable of revealing new opportunities for channel design and targeted improvements.

<u>Quality Management</u> — Based on the key CSAT drivers, the team redesigned the quality scorecard to better align with the voice of customer (VoC). Quality items were divided into key components, including Customer Errors, Business Errors and Compliance Errors. Moreover, Meituan also started quality monitoring for artificial intelligence (AI)-powered solutions, while improving its knowledge base.

<u>Performance Management</u> — Based on metric requirements within the COPC CX Standard, the team established a complete metric system to ensure accurate data collection and calculation. Targets were set using quantitative analysis and plans were developed to track data on an ongoing basis, measuring results against targets while also monitoring for continuous improvement.

<u>People Management</u> — The team provided an evaluation of existing people management processes, and established new processes around recruitment, training and verification, assessment, coaching, attrition and absenteeism management. Efforts covered key positions such as front-line agents, knowledge base maintenance staff, trainers, quality inspectors and schedulers. The team focused on improving the recruitment and training process to reduce early attrition, while also designing a new performance scorecard that emphasized the importance of customer experience. During coaching sessions, Meituan also helped agents analyze missed targets, while providing a structured improvement plan.

<u>Forecasting, Staffing and Scheduling</u> — Meituan reviewed and adjusted the forecasting process for more than 50 business lines, setting up targets for forecasting accuracy measured at the interval level. The ErlangC tool was used to measure the manpower requirements at the interval level, and rules were established to have a positive impact on cost, service level and employee acceptance. A real-time management mechanism was also established for on-site emergencies.

<u>Knowledge Management</u> — The team analyzed the processes used for updating the knowledge base for both assisted and unassisted channels, ensuring customers get timely and effective information regardless of their channel preference. The process design team worked closely with the on-site delivery, quality and training teams, closing the loop on the service process, helping operation delivery meet the needs of business departments and customers, even in the face of a rapidly changing Internet environment.

Management Training

In addition to Structured Support, the team at COPC Inc. also provided hundreds of class hours of CX training for Meituan management and staff, including the following COPC Inc. courses:

<u>COPC® Best Practice for Customer Experience Operations</u> — More than 100 members of the Meituan management team participated in COPC® Best Practice for CX Operations training and were named as Certified COPC Implementation Leaders. These individuals became the core members of the transformation team, and participants within the Structured Support sessions.

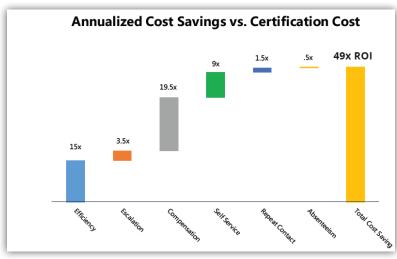
<u>COPC® Lean Six Sigma for Contact Centers - Yellow Belt</u> — The key management team from Meituan participated in COPC® Lean Six Sigma for Contact Centers - Yellow Belt training, learning how to apply basic Lean Six Sigma analysis methodologies within the contact center.

<u>COPC®</u> <u>Customer Journey Mapping</u> — Select members from the Meituan team participated in COPC® Customer Journey Mapping training — a three day course that teaches participants how to map out the end-to-end customer journey and identify opportunities for process improvement.

The Results

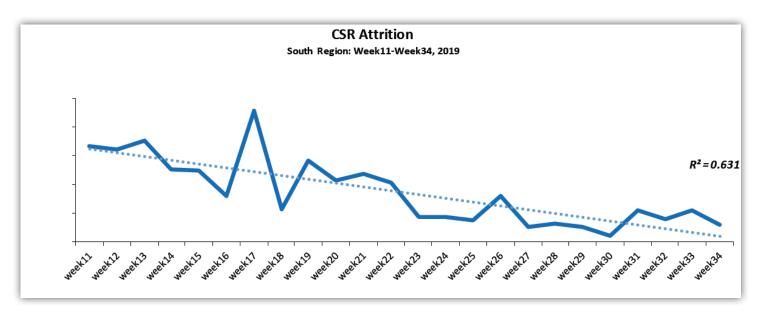
Return on Investment

By achieving certification to the COPC Customer Experience Standard, Meituan was able to optimize the customer care process, leading to a significant reduction in operating costs. Annualized cost savings, spread across areas of impact, amounted to a return on investment (ROI) of nearly 50 times the cost of achieving COPC Certification.



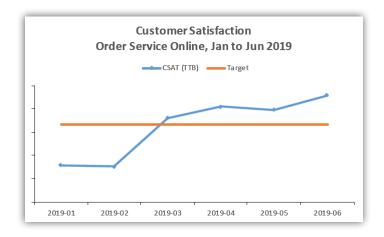
Reduced CSR Attrition

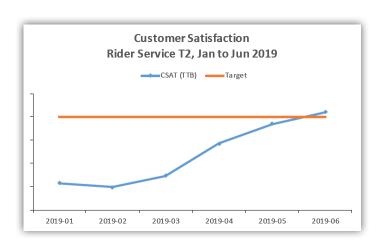
By optimizing recruitment, training and coaching, career development channels and performance assessments improved for tenured employees. Furthermore, the annualized attrition of front line agents was greatly reduced.

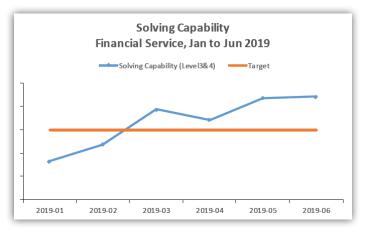


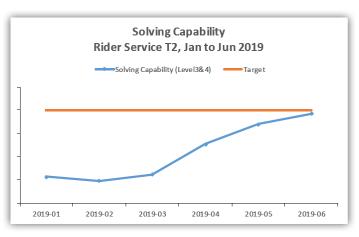
Improved CSAT and Solving Capability

Overall customer satisfaction of assisted and unassisted channels met or exceeded newly established targets, or showed continuous improvement. Solving capability was also positively impacted, either exceeding new targets, or demonstrating sustained continuous improvement.



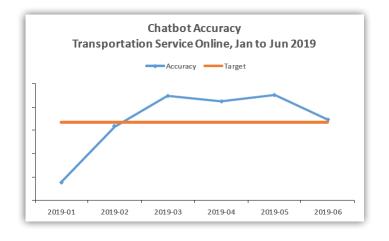


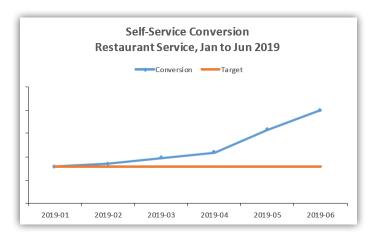




Unassisted Channel Accuracy and Conversion

Chatbot Accuracy (Transportation Service) and Self-Service Conversion (Restaurant Service) both exceeded newly established targets, with the latter showing strong continuous improvement.





Conclusion

Meituan achieved COPC Certification for several sites in July 2019, capping nearly two years of focused effort, was also realizing an ROI of nearly 50x.

Today, "Customer-Centric" is the core value of Meituan, and the Meituan Service Experience Department will continue to cooperate with internal business units to instill a common language, achieve strategic unification and design the best possible experience for customers while always striving to offer the fastest resolution possible once an issue occurs.

About COPC Inc.

COPC Inc. provides consulting, training, certification, benchmarking and research for operations supporting the customer experience. The company created the COPC Standards, a collection of performance management systems for customer experience operations, customer experience management, vendor management and procurement.

Founded in 1996, COPC Inc. began by helping call centers improve their performance. Today, the company is an innovative global leader that empowers organizations to optimize operations to deliver a superior service journey. COPC Inc. headquarters are in Winter Park, FL, U.S., with operations in Europe, the Middle East, Africa, Asia Pacific, Latin America, India and Japan. www.copc.com.

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