

Talisma™

Customer Success Story

NetGrocer.com Eliminates One Percent Revenue Loss by Adding Talisma eCRM

"Before Talisma, it cost NetGrocer ten dollars to redirect an order because of a change. Now, Talisma pre-qualifies all incoming mail, prioritizes and forwards change requests and cancellations, and even enables us to process cancellations remotely. This change-cancel-refund cycle created a one percent revenue loss, which Talisma has eliminated."

-Paul De Sousa
VP, Customer Care



NetGrocer.com. No lines. No carts. No hassle.

Customers who shop at NetGrocer.com today find a rich, easy-to-explore Web site, designed to expedite selection, ordering, transaction, and tracking activities. Shoppers can simply click a mouse to see a shelf of similar products, or arrange a screen of goods by brand, size, price, or even unit price. But, things weren't always hassle-free at NetGrocer.

Challenge: faster response, total tracking.

At the end of its first three years of operation, NetGrocer employed six customer service representatives (CSRs) who answered telephone inquiries and processed approximately 160 customer e-mail messages a day, with an average response time of 72 hours. Each day the backlog of unanswered e-mail grew because the traditional e-mail client software they used didn't allow them to respond quickly to high-priority issues.

Growth emphasized lack of control.

During many months, NetGrocer experienced 100 to 200 percent sales increases, with a similar increase in e-mail volume. Customer service was inconsistent. There was little control over e-mail response and sales were lost due to slow or incomplete replies. Furthermore, customer information was patchy, dimming the prospects for targeted direct marketing. Order fulfillment had insufficient follow-through.

NetGrocer went through a self-imposed overhaul, assigning a new CEO, redesigning the Web site, and taking a long, hard look at how they handled electronic customer relationship management (eCRM).

NetGrocer's requirements for an eCRM solution were straightforward. It had to provide:

- Low-hassle deployment and maintenance.
- Ease of use, learning, and administration.
- Improved response time and accuracy.
- Superior tracking of interactions and customers.
- Personalization to build lasting relationships.
- Higher CSR productivity without added head count.
- Accountability, trending, and datamining.
- Ability to easily categorize inquiries.
- Means to track and report e-service statistics.

Solution: NetGrocer installed Talisma and took control.

Customer service reps began using the Talisma eCRM solution the same day it was installed. With no special integration, Talisma imported all existing customer e-mail records and other database files into the Talisma database. Customer histories were started for each unique e-mail address and messages with matching customer e-mail address and subject lines were automatically threaded into a unique case history.

Web site: www.netgrocer.com

Business: Online grocery, drugstore, and general store

Situation: NetGrocer, a rapidly growing Web business, was unable to:

- Identify and prioritize incoming electronic customer requests.
- Respond quickly to customer e-mail.
- Maintain periodic, proactive e-contact to cultivate lasting, profitable online relationships.

Solution: NetGrocer deployed Talisma eCRM solutions that offered:

- Fast deployment (one to five days).
- Extreme ease of use and administration.
- Powerful rules and database management.
- Seamless extensibility to other eCRM modules, such as Talisma Campaign for e-marketing.
- Support for multi-channel support environment: phone, e-mail, and so forth.

ROI: Results were immediate. Using Talisma, NetGrocer:

- **Eliminated** one percent revenue loss previously caused by rerouted shipments.
- **Increased** individual CSR productivity by 134 percent.
- **Decreased** average response time from 72 hours to 12 hours—with 25 percent of all inquiries answered in 30 seconds or less.

"Talisma is simple, effective, and reliable, with impeccable tracking. We have never ever had a day of downtime because of the product. It's all good. I'd score it 9.9 across the board."

-Paul De Sousa

NetGrocer CSRs hit the ground running.

Talisma gave CSRs instant access to customer information. By simply opening a piece of customer e-mail, they could see a complete audit trail of all previous communication or actions relating to the issue. A simple click of the mouse showed a full history of the customer's previous interactions with the company. NetGrocer also prepared canned responses of accurate, detailed answers that CSRs could access and send with a click or two of the mouse. Productivity gathered momentum.

Customer service management configured Talisma to automatically route general customer service mail based on CSR availability. They could just as easily have routed mail based on workload, specialty, or round robin. Change orders went immediately to the head of the queue so that the order could be modified before shipping. E-mail about damaged goods was automatically routed to both the accounting and shipping departments. Accounting issued a refund and notified the customer via e-mail. Automatic e-mail follow-up was scheduled. Shipping logged the notification of damaged goods and used the information to make positive changes in shipping methods.

NetGrocer's IT team uses Talisma to test Web form operations on their site. According to IT manager, Ari Sabat, "We even use Talisma e-mail to identify where site problems occur."

"Due to Talisma's easy learning curve and clarity of design and use, the newest customer care representatives can begin working our queues as soon as three days after starting their new position."

-Paul De Sousa

Looking ahead.

Today, NetGrocer uses the Talisma Enterprise eCRM solution, which supports multi-channel communication—chat, phone, Web self help, and wireless—as well as electronic direct marketing, and full integration with other business systems.

Talisma Enterprise Suite comprises robust, modular eCRM products and services that can easily scale to meet all of NetGrocer's needs. Built on Microsoft® Windows NT®, SQL Server™, and Internet Information Server (IIS) technology, Talisma is built from the ground up to be Web-enabled and integrate with any tool running on any ODBC-compliant database and operating system, including e-mail servers, knowledge bases, e-commerce systems, and e-business software. Talisma Enterprise offers extreme usability in a powerful solution that is easy to deploy, scale, integrate, and extend to serve NetGrocer's rapidly growing customer base.

"Using Talisma for electronic direct marketing helps us attract new shoppers and increase retention of our existing customers."

-Paul De Sousa

Company-wide deployment of Talisma Enterprise took less than a week, with no disruption of e-service delivery.

Bottom Line.

Before installing Talisma, six NetGrocer CSRs processed 160 customer e-mail inquiries a day. Today, eight CSRs use Talisma to resolve 500 e-mail inquiries daily and keep a record of customer telephone calls. All e-mail is answered within 12 hours, and the majority within minutes. Back-end support and follow-up are essential for maintaining high customer satisfaction and retention. NetGrocer expects to double the current number of CSRs within a few months to handle up to four times the volume of e-mail they currently receive.

"On the Internet, three minutes is three years. Talisma lets us respond to 25 percent of our customers in 30 seconds or less."

-Paul De Sousa

About NetGrocer.

Established in 1995, NetGrocer.com is the largest grocery store in the world, with approximately 100 employees and 400,000 registered shoppers, and is frequently seen on best-of-the-Web listings. Excluding fresh produce and other perishable items, NetGrocer clerks fill more than 1,000 orders a day, shipping 20,000 items from their base in North Brunswick, New Jersey. Clerks fill orders from a warehoused inventory of 25,000 grocery, drug, and general products. Nielsen//Net Ratings reports that during May 2000, NetGrocer welcomed 255,000 unique visitors to their Web site.

NetGrocer does no traditional advertising, relying on direct marketing to their customer base and referral from customers by word-of-mouth or through consumer sites, where they receive consistently high marks from online shoppers. ZD-Net® and Creative Good® selected NetGrocer's innovative "instant coupon" for their Best Practices List. 400,000 Internet consumers in Forrester Research Power Rankings™ Survey named NetGrocer among the Web's top five "Health" sites.

The NetGrocer business model is based on households that stock up on non-perishable items on a regular basis. The store's average customer purchases \$150 worth of goods twice a month, which are delivered by Federal Express within one to four working days to addresses within the 48 contiguous states.

An increasing number of orders—15 percent and growing—are coming from U.S. military bases and embassies overseas. NetGrocer gives easy access to favorite—and impossible to find items, while giving suppliers—stateside and abroad—a needed distribution network to reach customers where traditional supply chains are not viable.

**TALISMA**
Relationships were never so easy.

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