



The **Midcounties Co-operative**

# Where People are as Important as the Profits:

Customer Insights Help Midcounties Co-operative Focus on What Matters Most

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Across the world, co-operatives—member-owned and governed business communities—put their members and communities at the heart of everything they do. The Midcounties Co-operative—a 500+ site, 600,000+ member co-op with childcare, energy, flexible benefits, food retail, funeralcare, health-care, post office, and travel services—is the largest independent co-op in the UK. With annual turnover surpassing £1 billion, Midcounties funds both local and global initiatives, and while members enjoy a share of the profits, its services are available to everyone.

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## Putting Customers First

Midcounties' thriving convenience stores and supermarkets offer an endless selection of ethically and locally-sourced, honesty-labelled products. Early in 2015, Phil Ponsonby—an accomplished grocery industry expert—was appointed Group General Manager for the co-op's Food Retail division. His strategic expertise and in-depth knowledge positioned him to focus the group in a new direction. "Traditionally, decisions were more process-driven and based on operational factors rather than the needs and wants of the customer," said Ponsonby. "To provide the best possible shopping experience, become a customer-centric business, and learn how to consistently meet customer expectations, we needed to place customer insights at the heart of our decision making."

Midcounties turned to InMoment to launch a comprehensive customer and member listening programme. Ponsonby wanted to harness customer insights to drive more significant gains for the business while staying true to its roots. Before long, the company launched the *Customer First* programme.

## Talk to Us

At 229 stores, customer feedback is collected through the company's *Talk to Us* web platform, and over 25,000 responses were collected in the first 12 months. All comments—both positive and negative—allow customers to point the company toward a shopping experience more in line with customer expectations.

Yet, when experiences fall short of expectations, Ponsonby says, “real-time alerts allow our team members to respond quickly to resolve customer issues. By turning complaints into positive interactions with our colleagues, we’re able to retain loyal customers and build high-value relationships.” Midcounties takes the feedback seriously, using programme insights to drive operational improvements at both the location and brand levels.

*Talk to Us Ambassadors*—comprised of store managers from each district—present monthly customer feedback reports at management meetings, discuss areas for improvement, and suggest courses of action. Additionally, custom reports are sent directly to regional managers and ad hoc analysis is completed using InMoment’s robust platform. “Our transparency and involvement at all levels empowers colleagues to make the changes required to increase customer satisfaction in their own stores, from lowering the height of shelves, to introducing a wider range of trolleys, to increasing gluten-free options, to opening the coffee shop earlier in the morning,” says Ponsonby. These improvements, and more, have come as a direct result of listening to and acting on customer feedback.

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**Phil Ponsonby**

**Food Retail Group General Manager**

Feedback is also leveraged in Midcounties’ marketing. Through *Share What You Love*—a marketing campaign that showcases what customers love about their local stores—Midcounties leverages customer feedback to drive personalised marketing messages. The ads feature real customers at their local stores promoting specific products they buy at the co-op—and why—giving a personal touch to the company’s outreach efforts. “This helped further build relationships by making our customers feel involved in their store’s marketing and success,” says Ponsonby.

## The Customer Experience Framework

By running advanced text analytics on unstructured (i.e., open-ended) customer feedback data, InMoment helped Midcounties’ insights team identify *store first impressions*, *customer service*, and *till experience* as the touchpoints likely to have the greatest impact on customer experience (CX). “We were surprised to discover that over 60 percent of our customers were dissatisfied with queuing times, and that store first impression was next in line among drivers of negative experiences,” says Ponsonby. Armed with this knowledge, Midcounties initiated a labour scheduling project—a programme that ensures proper staffing levels in key areas at key times—so queues are managed more efficiently thus increasing customer ease and satisfaction.

Midcounties also designed a *Customer Experience Framework*—a visual tool which illustrates key touchpoints along the customer journey (e.g., first impression, availability and range, customer service, and till experience). By using feedback to identify customer expectations at each touchpoint, the company can clearly inform colleagues of the operational requirements (e.g., keep areas free of litter, ensure baskets and trolleys are available, and check “best by” dates on products) needed to meet and exceed customer expectations at each stage of the customer journey.

## Creating “Wow” Moments

The company introduced a new set of service standards alongside a revamped customer service training programme. The programme—shaped by both customer *and* employee feedback—includes a store-specific view of customer demographics, drivers of satisfaction, and focus areas for improving the customer’s shopping experience. Midcounties employed a “train the trainer” model, having trained professionals teach instructors how to deliver CX workshops to their colleagues. Workshops are customised to include insights and focus areas specific to each store.

Real-time Wow Alerts—positive staff mentions in customer feedback—delivered by InMoment are not only a great opportunity for Midcounties to recognise and reward colleagues for excellent customer service, but also serve as a key aspect of the customer service training, showing colleagues what makes for a “wow” experience for customers (i.e., how to exceed customer expectations).

The training has had a significant impact on CX according to store manager, Adam Quinton: “It has been great to see the difference in our customer service delivery since our colleagues have undergone customer service training. It has supported colleagues in understanding not only how to deliver exceptional customer service, but the importance of good customer service. In our last period we reported a Customer Loyalty Index of 93 and had no detractor comments, which highlights the impact it has had in our store.”

## What the Future Holds

Since partnering with InMoment, launching its *Customer First* programme, and providing enhanced and focused training for colleagues, Midcounties has seen an increase of 11.7 percent in its *Talk to Us* NPS, a 6.6 percent increase in OSAT, and a five percent year-to-date increase in its Customer Loyalty Index. It also earned the “Best Customer Focus” award at the 2017 *Best Business Awards* which highlight business excellence in the UK across the private and public sectors.

### By the Numbers

Partner Since 2015

600,000+  
members

6.6%  
increase in OSAT

11.7%  
INCREASE IN NPS



However, Midcounties Co-op is not content. It knows continuous improvement and ongoing training is critical to maintaining a customer-centric culture. It hired an Insights Manager (part of the Senior Retail Team) to ensure business decisions *always* consider the voice of the customer. It's also added a Customer Experience Coordinator to bridge the gap between insights and action in stores. With a singular focus on CX, this key staff member helps each store set tailored survey response targets and guides colleagues on best practices to encourage customer participation. In turn, Midcounties has seen a significant increase in response rates along with a markedly improved customer satisfaction score of 75 in March 2017—its highest since the programme's launch.

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**Phil Ponsonby**

Food Retail Group General Manager

According to Ponsonby, “our partnership with InMoment allows us to listen to what our customers are saying in a way we never could before. We can now shape the future of our business based on customer feedback and strong, reliable data.” The Midcounties Co-operative's culture and future plans are built upon customer insights—insights which drive its ability to deliver a personalised and meaningful shopping experience.