

92%

satisfaction
score

Turning on the TV

Supporting market entry for RiksTV

“Transcom’s insights fuel our development plans and keep us in touch with the consumer mind set.”

Nina Sondergard, Head of Customer Service, RiksTV



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Supporting market entry for RiksTV

The switch from analogue to digital changed the face of the television market in Norway, providing the impetus for the launch of RiksTV in September 2007. Today RiksTV provides a wide range of channel choices to almost 500,000 customers – around 25% of all Norwegian households – and is the number two player in the market.

RiksTV got a head start in the race for market share thanks to an assertive marketing program, supported by strong customer service with an emphasis on consumer education. Recognizing that consumers were entering a whole new TV purchasing environment, where their appetite for new channels would be tempered by uncertainty about their options, RiksTV worked with Norway's leading customer management company, Transcom, to help customers navigate their way. Today, with the digital switchover complete, Transcom is helping RiksTV to strengthen its share of an increasingly mature market and to maintain its reputation for service excellence.



RiksTV set out to gain the attention and win the confidence of TV viewers selecting their digital TV supplier for the first time.



Vegard Klubbenes Drogseth, Director of Customer Service & Sales, RiksTV

RiksTV was formed to take advantage of the new digital pay TV market by a powerful consortium made up of the Norwegian Broadcasting Corporation (NRK), the country's telco leader, Telenor and TV 2 Group, Norway's largest commercial TV company. This gave RiksTV an immediate advantage in that, alone among its competitors, it could offer consumers a combination of the country's most valued channels (NRK, TV 2, TV 3, TVNorge) plus a host of others.

"This was a powerful competitive advantage," says RiksTV's Director of Customer Service & Sales, Vegard Klubbenes Drogseth. "But we knew that we would only be able to exploit that advantage to the full by first gaining the attention and then winning the confidence of TV viewers as they chose their digital TV supplier."

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Gaining attention, winning confidence

To win attention RiksTV embarked upon an innovative nationwide marketing campaign, with major bursts of advertising and promotion coinciding with the gradual closure of the analogue network. To win consumer confidence it set out to become the industry's 'number one supplier' for customer service. "We knew from the start that our customer service operation would need to answer consumers' questions, not just about the RiksTV offer, but about every aspect of the analogue switch-off and the arrival of digital, what it meant for their TV viewing habits and the buying decision they now faced," says Vegard. "With no inhouse contact center capacity, it was clear that we would need to outsource. We chose Transcom, not just because they were the market leader in Norway, but because they had deep knowledge of the TV industry, both here and abroad. They had also worked extensively with high-growth telco companies who, thanks to deregulation, had navigated similar market changes to those we faced."

The Transcom operation for RiksTV started in March 2007, six months before RiksTV's channel portfolio was launched and the analogue switch-off began. "Forming a bond with customers in these very early days was vital for us," Says Nina Sondergard, Head of Customer Service for RiksTV. "Consumers knew that the change was coming, but very little about how it would affect them. We felt strongly that the company that could answer their questions in these crucial months would win their confidence for the long term."

This supposition proved to be correct. The digital roll-out began in the county of Rogaland in September 2007 and then continued across the country, county by county over the next two years. Within the first four months RiksTV signed 80,000 new customers and, by the time the analogue switch-off was complete, that number had risen to nearly 500,000. "The pace of growth was extremely rapid and, especially in the early months, very hard to forecast," says Nina. Coping with this voracious customer appetite was a challenge for Transcom, whose operation for RiksTV grew from only 25 agents to over 160 at its peak.

Happily, Transcom was used to handling rapid ramp-ups and initiated a segmented training course in order to get new recruits onboard and working productively very quickly. After a two-day initiation training course new agents could be introduced to the phones to handle relatively straightforward order processing calls, while their more experienced colleagues received a more intensive training that allowed them to handle more complex customer service calls. Agents progressed gradually from order processing to customer service as their full training was completed.

“This kind of ‘quick response’ tactic from Transcom meant we could move fast and respond flexibly to the dramatic call peaks that characterized those early months,” says Nina. “As the analogue switch-off progressed and our marketing campaigns rolled out across the country, we got better and better at forecasting responses, but Transcom’s willingness to work through the process with us and respond to developments as they happened was invaluable to us at that time.” Indeed, in this uncharted territory, Transcom worked hand in glove with RiksTV to design the call handling and follow-through processes that kept the operation running smoothly.

In addition RiksTV came to rely on Transcom for on-the-ground customer feedback. “Because Transcom people were talking to customers every day they knew how customers were thinking about us and, vitally, about our competitors,” says Nina. “Their insights fuelled our development plans and kept us in touch with the consumer mind set – and still do to this day.”

“ We chose Transcom for their knowledge of the TV industry and experience in high growth industries. ”

Vegard Klubbenes Drogseth, Director of Customer Service & Sales, RiksTV

Award-winning performance

Powerful marketing and top quality customer service have been the two primary weapons in RiksTV's market-winning strategy. And the company's success in both of these arenas has been widely recognised by industry watchers.

In 2010, the Norwegian Direct Marketing Association presented RiksTV with two awards for the quality of its sales operation. The first recognized RiksTV's outstanding sales results, the second applauded its multi-channel marketing campaigns.

For three years in a row between 2008 and 2010 RiksTV was named the best media company for customer service in Norway's highly competitive national contact center awards, based on an extensive mystery shopping exercise.

RiksTV is delighted to win awards, but doesn't rest on its laurels for a second. "Maintaining, and even improving, the high service standards we have set drives everything we do at RiksTV," says Nina. The company uses its own regular mystery shopping program, carried out by an independent third party, to keep a constant watch on its service performance.

"The targets we set for Transcom in the mystery shopping exercise are high, and we work consistently and hard to meet or better them", she confirms.

Measure	Score	Target
Quality of welcome	94.9%	85%
Ability to define needs and give advice	87.2%	85%
Quality of call resolution	84.5%	85%
Overall satisfaction	92%	85%

The quality of every customer interaction is measured assiduously by both Transcom and RiksTV, who jointly calibrate calls on a monthly basis. Overall call quality and the degree of product knowledge among agents regularly measure in the high 90s (97%).

Achieving and maintaining these excellent results is very much a team effort between RiksTV and Transcom. Nina Sondergard herself and many other RiksTV employees spend a considerable amount of time in the contact center and are actively involved in the training courses that keep the Transcom team up to speed with RiksTV's new services and innovations. "We are very keen that the agents should be wholly conversant with our offering," says Nina. "They are carefully briefed not only to know our products, but to embrace our brand and to reflect that brand in their conversations with customers." Needless to say, they are all avid RiksTV viewers, thanks to the free subscription given to them. "Agents will be better advocates for RiksTV's services if they are consumers of those services too," Nina affirms.

Nina heads up an integrated team that keeps the program running smoothly. The two companies each field specialists in a range of areas including sales, customer retention and operations to focus on key business issues. Because new product development is so central to RiksTV's strategy in a highly competitive market, Transcom has appointed a dedicated product specialist whose role it is to liaise with RiksTV to ensure that new products are introduced to the agent team in a timely fashion and that customer feedback is comprehensively captured and fed back to the company.

RiksTV has been named
'best digital TV company
for customer service'
three years in a row
in Norway's national
contact center awards.

Winning customers – keeping customers

RiksTV sees Transcom as central to its sales strategy. “In the early days in particular sales opportunities were created through our marketing activity and converted almost exclusively by retail stores or the contact center,” says RiksTV’s Vegard Klubbenes Drogseth. “Today we use a wider range of channels, including the internet and telemarketing but, nonetheless, the contact center continues to generate an impressive amount of sales.”

As the market has matured the two companies have also turned their focus to issues related to customer retention. “The days of high-speed growth ended with the completion of the analogue close down,” explains Vegard. “The emphasis now is on out performing our competitors to hold onto and incrementally grow market share.”

RiksTV has been keen to realize the potential to turn customer service conversations into sales opportunities and Transcom’s service agents have been trained to embrace a selling culture. “When a service call is completed successfully we expect our agents to take the opportunity to make a sales proposition, typically to upgrade to a new subscription level or add a new service option,” explains Transcom’s director for RiksTV, Ole Sommer-Erichson. This approach is far from being high-pressure assures Vegard. “We see it as means to keep customers aware of and excited about what’s available from RiksTV as our offer continues to be enriched,” he explains. “It encourages customers to stay engaged with RiksTV and, of course, helps us to grow our share of their spend.”

“More than half of the people who call Transcom to cancel their contracts with RiksTV are convinced to stay.”

Vegard Klubbenes Drogseth, Director of Customer Service & Sales, RiksTV

With RiksTV's competitors no less committed to winning customers away from other suppliers, there is a growing emphasis on win-back and retention strategies. RiksTV was quick off the mark in this regard.

"In 2008, when the first annual contract renewals came up, we established a specialist retention team to focus on those customers tempted to stray to another provider," explains Ole. Today that team works closely with a retention specialist within RiksTV who is responsible for designing retention approaches. "But it's Transcom's agents who are on the front line of conversations with customers, and have been specially trained to ask the right questions that will help them counter the competitive offer.



Celebrating success is important to both RiksTV and Transcom. At its first Sales Awards event held in summer 2011, RiksTV presented special achievement awards to six members of Transcom's team.

Competitive commercials

Meeting RiksTV's future challenges will demand much of both companies. "The TV delivery channel continues to evolve," explains Transcom's Ole Sommer Erichson. "We continue to talk with RiksTV about their plans for service and channel innovations and how best we can support them." The closeness of the working relationship between Transcom and RiksTV is reflected in the commercial terms that govern the contract. A dedicated account management and operational structure is reinforced by open sharing of business challenges, targets and objectives.

Most recently the companies are piloting new contact center pricing models that replace per-productive-hour billing with task-based billing. Under this arrangement the companies agree a fixed cost for a given customer related task and that fee is the maximum that can be charged, irrespective of the time actually taken to complete it. "This gives clients a very transparent pricing structure and encourages us to work efficiently without compromising quality," says Ole. As ever, payment will depend upon the maintenance of exacting quality standards.

Transcom currently has 150 agents, including dedicated sales and retention teams, supporting RiksTV from its contact centers in Fredrikstad near Oslo. Transcom provides a full range of contact center services including:

- Customer service
- Technical support
- Retailer support
- Cross and upsell
- Customer retention

Results summary

Transcom's work with RiksTV has contributed to...

- The establishment of a 500,000 strong customer base and 14% market share
- Award success for exceptional sales and customer service performance

"Being able to experiment and learn together has been a hallmark of our relationship with Transcom since the beginning," says Nina, "so it will be interesting to see how this new pricing model develops. We're sure that we will go on learning from each other for some time to come!"

About RiksTV

Launched in 2007 RiksTV is a leading provider of digital pay TV in Norway. With a customer base of nearly 500,000 it provides a wide range of channel options to around a quarter of all Norwegian households.

www.rikstv.no

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could transform your customer and
credit management performance.

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