

CASE STUDY

abc carpet & home

Crisis to Comeback: How ABC Home Slashed Costs & Increased Customer Satisfaction by 20% in Just 4 Months

CX Challenges

ABC Carpet & Home, a luxury home goods retailer, has undergone a remarkable transformation. After facing severe supply chain disruptions, customer dissatisfaction, and negative press during the pandemic, the company's new ownership was committed to turning things around. Committed to a bold resurgence, ABC Carpet & Home partnered with Compass Experience Labs to restore trust, streamline operations, and redefine customer service excellence.

The inherited challenges included:

- Orders taken from customers but never placed with vendors.
- Outstanding gift cards and warranties from the previous company, leading to customer disputes.
- An influx of customer complaints on social media, with some customers organizing against ABC Carpet & Home and threatening legal action.

Compass Experience Labs was instrumental in ABC Carpet & Home's dramatic turnaround—revamping operations, transforming customer communication, and rebuilding its reputation. In just four months, customer satisfaction skyrocketed by 20%, proving that a bold strategy and the right partner can make all the difference.

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CX Strategy

Crisis Management & Social Media Monitoring

- **De-escalation & Direct Customer Engagement**
 - Compass monitored social media and review platforms like Yelp and Google to track customer sentiment and trends.
 - A C-Suite Compass team member directly contacted a frustrated customer featured in the *New Yorker* article, successfully mitigating potential legal action and relaying critical feedback to ABC Carpet & Home.
- **"Social Scrubbing" & Customer Recovery**
 - The team conducted detective work—tracking complaints, locating order details in Shopify and Gorgias, and proactively contacting affected customers.
 - ABC Carpet & Home's online reputation initially suffered, with reviews averaging 2 out of 5 stars. Compass identified root issues, resolved individual cases, and gradually improved overall customer sentiment.
 - Compass-trained agents took over social monitoring responsibilities, ensuring ongoing vigilance. There have been no significant negative social media flags in months.

Customer Communication & Transparency

- **Proactive Outreach & Honest Updates**
 - Instead of waiting for customers to contact them, Compass analyzed data to communicate order updates by vendor and product proactively.
 - Customers appreciated the honesty even when the news wasn't good, such as when a couch was delayed another nine months.
 - ABC Carpet & Home faced vendor-related challenges, including one major vendor canceling all orders due to the previous ownership's non-payment. Compass worked closely with ABC to manage customer expectations and minimize the fallout.

Establishing a Customer Satisfaction (CSAT) Program

- **CSAT Implementation & Benchmarking**
 - ABC Carpet & Home initially hesitated to implement a CSAT program, but Compass demonstrated its value in measuring customer service effectiveness (separate from product satisfaction).
 - The structured CSAT program has provided invaluable insights into team performance and customer sentiment, contributing to a 20% improvement in just four months.
 - Almost no agent turnover has occurred, indicating a stable and experienced support team.

Enhanced Support Structure

- **Tailored Service for High-End Customers**

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- Given ABC Carpet & Home's high price points and discerning clientele, Compass agents were empowered to act as a **concierge service** rather than standard customer support.
 - Agents built direct relationships with vendors, allowing them to troubleshoot issues before escalating to ABC HQ.
 - The team handled complex, long-resolution tickets requiring extensive coordination among vendors, ABC Carpet & Home, and customers.
 - **Streamlined Account Maintenance**
 - Policies were clear and structured, giving agents autonomy in handling issues and reducing unnecessary escalations.
 - Agents liaised between customers, vendors, and ABC staff, ensuring seamless communication and resolution.
 - While agents couldn't process refunds, they efficiently managed returns and policy-related concerns by coordinating with ABC HQ.
 - Customers often used Compass agents as an extension of their in-store experience, seeking information on specific items and store availability.
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CX Impact

Measurable Improvements in Customer Experience

- **CSAT Growth & Enhanced Customer Sentiment**
 - Customer **satisfaction increased by 20% within four months.**
 - CSAT scores significantly improved, validating the effectiveness of Compass's customer service strategy.
 - Online reviews saw a notable improvement from the initial low ratings.
- **Operational Efficiency & Cost Reduction**
 - Compass optimized staffing and streamlined processes, **reducing internal costs** while maintaining high service quality.
 - Social media crises were mitigated, and no new major negative flags have been reported in months.
 - Clear policies and improved vendor relationships led to faster, more effective issue resolution.
 - The close partnership between Compass and ABC Carpet & Home facilitated a smoother transition post-bankruptcy, stabilizing operations and customer trust.

ABC Carpet & Home's collaboration with Compass Experience Labs has been instrumental in rebuilding its reputation, optimizing customer service, and driving long-term success. The partnership thrives because:

- ABC Carpet & Home prioritizes agent support, ensuring they have the tools and information needed by customers effectively.

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- Policies are well-defined, making it easy for agents to navigate complex issues confidently.
- ABC Carpet & Home operates with a lean but experienced team, ensuring logical decision-making and streamlined processes.

Through bold transparency, proactive communication, and an unwavering customer-first approach, Compass Experience Labs has transformed ABC Carpet & Home's crisis into a powerful success story—rebuilding trust, slashing internal costs, and driving a dramatic boost in customer satisfaction.

"Compass Experience Labs has been instrumental in our company's customer journey growth. By streamlining customer support operations, proactively managing customer relationships, and optimizing internal processes, they've helped us reduce costs while increasing customer satisfaction by over 20%. Their expertise and dedication have been crucial in restoring trust with our customers and positioning us for long-term success."

- Sid Bannon, Managing Member, ABC Carpet & Home