

Case Study 2020

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BEAUTY BAY

Taking the digital approach

Published by
engage
business media

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BEAUTY BAY explains why it takes an almost entirely digital customer contact approach to cater to its younger demographic, increase efficiency, and lower company costs

The beauty industry is an incredibly successful, and progressively digital, area of business, increased even more so in recent years with the rise of YouTube and Instagram beauty influencers. At the forefront of the digital beauty space, BEAUTY BAY is a leading online beauty retailer with over 7,000 products on its website and new launches every week. Originally founded in 1999 as a fragrance retailer, the company was re-launched in 2005 with a new name and focus.

Gavin Scott, Head of Customer Service at BEAUTY BAY, introduces the company further. "Our vision is to be the number one global destination for the young beauty obsessed," he says. "BEAUTY BAY sells a wide range of beauty products that you won't necessarily be able to find in the High Street. We import a lot of American products; we have our own range of make-up palettes and we've just introduced our own skincare range; we have all kinds of accessories, from make-up brushes to beauty blenders, and we've moved more recently into a more holistic view of beauty, looking at the wellness category."

Scott says that when he joined the company in 2016, the contact channels BEAUTY BAY offered were telephone, e-mail, and the social media platforms Twitter and Facebook. He says he realised quickly that as the company's demographic are predominantly under 30, with the largest group being

16-24, the majority of this age range preferred handling their queries digitally rather than over the phone. This, coupled with Scott's research on how many customer queries could be handled per hour via phone versus digital channels, led to the company ultimately turning their phones off to customers in 2016.

He explains: "We could take roughly 20 contacts an hour via the digital channels, versus around eight to 10 via telephone." A significant difference. "I did a little research as to what I thought our customers would want and weighed that up that against industry feedback on how not having a telephone number on your website can affect sales. We raised this with our leadership team, and said that we thought switching our telephones off would be a great idea to trial, because we genuinely believed that our customers wanted to contact us more and more via digital channels."

This trial turned out to be a success, with BEAUTY BAY being able to focus their efforts on the channels that handle a higher number of customer queries an hour, and receiving minimal complaints about the lack of a phone number to call. "The only people who really wanted to use telephone communication were people whose journeys had failed via the digital methods," he says. "So, then my focus was to really find out where their journey had failed and fix that



Gavin Scott

Head of Customer Service,
BEAUTY BAY

point, rather than opening up a new channel for them.”

Today, BEAUTY BAY’s main contact methods are e-mail, a contact form on its website, and its social media pages on Facebook and Twitter through both its main page, @beautybay, and help-specific account, @beautybayhelp. Scott highlights that a big advantage of this approach is that it helps more customers in a shorter space of time, and this increased efficiency has enabled the BEAUTY BAY team to grow at a more gradual rate than the company’s sales growth.

“It allows us to focus on the preferred channels that our customers want to contact us on, so this is very handy for them. It also builds a community around our channels, which is really important with getting people to engage with our brand.” He also mentions that in November 2019, BEAUTY BAY introduced a chatbot to open up the option of self-service for its customers. “We wanted to give our customers the ability to solve relatively easy questions themselves, rather than having to contact one of our CSAs. The overarching strategy of this is to not reduce our headcount, but allow our CSAs to really

focus on the customer experience and delve into each query.”

He does acknowledge, however, that this approach does allow the possibility of losing a more personal connection with a consumer base. “I do see quite often that how someone will talk to you on a social channel will be completely different to how they speak to you on e-mail. Even when we do occasionally call out to customers, the tone that the customer can use over voice compared to social can be dramatically different.” He also notes that, being an international company, this approach of keeping a small team in one location can also add to the overall resolution time for individuals in different time zones, which was another consequence taken into consideration when deciding to take this approach.

Nevertheless, the benefits of this digital, and increasingly self-service, approach have proven to far outweigh any negatives, and has achieved what it was intended to solve. “A big part of this strategy was to improve customer service in terms of quick wins, such as changing a delivery address or a processing a return. These are the kind of areas where AI will make a difference to the

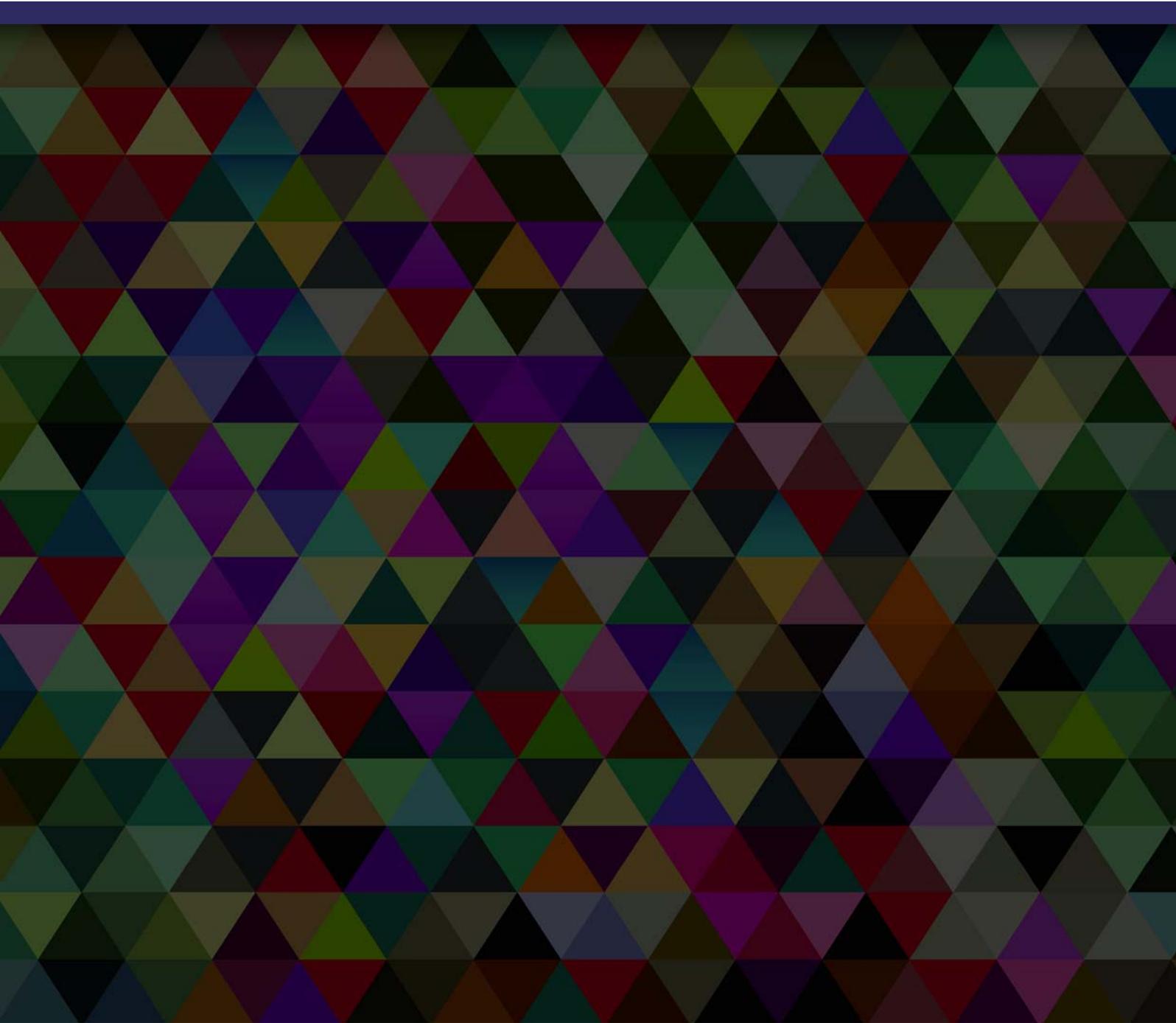
customer,” he says. “This also enables my team to spend more time with customers whose queries require a little more investigation, so that the customer feels the problem is resolved to their satisfaction and that they are getting that one-to-one personal service from BEAUTY BAY that sometimes can go missing when you work in a digital area.”

Moving forward, Scott says that BEAUTY BAY will continue looking into different options of customer channels relevant to their younger demographic. Whatsapp is one platform currently being looked into, and TikTok, and Weibo for BEAUTY BAY’s audience in China, are also being considered.

He emphasises how important being selective is when looking into these options. “It is really important that we look at those emerging channels and choose which will work best for us and our consumers. It’s crucial to remember that just because you can open a channel doesn’t necessarily mean you should,” he says. “It’s better to not offer a channel than to offer it poorly and not deliver the excellent standard of customer service that is key.”

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