



Maersk Line – The World’s Largest Shipping Company

Over a 30 month period Maersk Line improved their Net Promoter score from -10 to +30. A 40 point improvement. How have they achieved this? What is their secret? In this case study we will reveal the key elements of this program and how Beyond Philosophy and the Maersk CE team worked together.



Introduction

Maersk Line is the largest container shipping company in the world with over 500 vessels and 25,000 employees operating out of 325 offices in 125 countries. In 2010 their revenues were nearly \$ 24bn.

The Challenge



The Maersk Customer Experience team

The period of strong growth in the container shipping industry between 2001 and 2006 amid globalisation and outsourcing were good years for Maersk as they acquired different companies to build a solid base globally. In addition, they invested in increased vessel capacity. With the financial crisis in 2008 bringing markets to a stand still the sector found itself with over capacity and in a vicious cycle of price competition. This was not the place the Maersk Line wanted to be and with its margins under pressure the leadership sought to differentiate as a Premium brand. With that goal in mind they needed to put in place a customer experience that will make them stand out from the competition.

Therefore in 2009 they started a Customer Initiative and engaged Beyond Philosophy to help guide them, work with their CE team and provide a series of tools and techniques to help them implement a new Customer Experience in the shortest and most effective timescales.

What is the current Maersk Line experience like?

The first step was trying to understand the current Maersk Line experience. To do this the Beyond Philosophy team working alongside the Maersk team to pass over their skills and knowledge, undertook Customer Mirrors in the four pilot regions, North America, Africa, Netherlands and China. A Customer Mirror involves visiting Customers and walking in their shoes. Time was spent in their offices to witness at first-hand what the Maersk experience was like and the challenges it caused clients to gain a deep understanding. This provided valuable insights and a series of quick wins which could be undertaken to have an immediate impact on the Customer Experience. In addition, it had the advantage of reviewing the 'end to end' experience which hadn't been done before.

What is driving and destroying value in the experience?

The second stage was to identify the areas that needed change. As Maersk Line are a logistics company they have a very analytic left brain culture so it was agreed a more scientific, quantitative approach should be taken to convince people across the organisation of the validity of looking not just at the rational but the emotional side of an experience. Beyond Philosophy undertook an **Emotional Signature** to define what was driving and destroying value in the experience. Emotional Signature is based on 2 years of research with London Business that quantifies the \$\$\$ return any change will have. Thus you can prioritize the key areas of change in the safe and sure knowledge you are addressing the right areas.

Through the Emotional Signature Research we found that the “*Ease of Problem Resolution*” and “*Proactive notifications*” were the key moments that the company had to revamp. Rather than notifying customers when shipments are delayed, Maersk Line waited for customers to notice and call. They were looking at the problem from an internal perspective thinking that there is nothing they could do to change the situation. The customers, however, could if they were notified about the delay (e.g. change the schedule of other logistic operations, plan their inventory etc.). Upon launching the proactive notifications customers felt that the company cared about their business, which was part of the strategic vision for the company. When the company looked into the experience customers get trying to resolve their problem, they found that often decisions were made without consideration of the effect on customers. Moreover, the tone of staff was at times abrupt and direct, even when it was Maersk Line’s fault.

How Customer Centric is Maersk?



To identify some of the root causes of the challenges Maersk Line had with their experience they were providing, Beyond Philosophy started by assessing how Customer Centric the various parts of the organization were

around the globe using their Naïve to Natural assessment tool. Following Beyond Philosophy’s recommendations a number of building blocks were put in place to initiate change. This included the introduction of new measures, an increase in the % paid to front line people for Customer satisfaction measures and the introduction of Net Promoter. On a structural level a significant step was establishing over 55 Customer Experience Councils with a cross-functional representation in all parts of the globe. The councils meet monthly and decide which initiatives to implement. Beyond Philosophy also recommended the establishment of Ambassadors who would be the CE champions in each part of the globe and drive these councils. To ensure these Ambassadors were given the right skills Beyond Philosophy helped Maersk Line created a 3 day training course using Beyond Philosophy Tools.

Maersk Line undertook an assessment of those regions with a council and those without. The results were conclusive, those regions with a CE council and Ambassadors who received training achieved an NPS score on average 10 point higher than those who didn’t take part in the training.

What experience does Maersk Line want to deliver? - Defining the Strategy

Following Beyond Philosophy's review the Senior Executives of Maersk Line realised that different people had different visions of the experience they are trying to deliver around the organization and as a result their efforts lacked focus. Beyond Philosophy conducted a program of work to define their **Customer Experience Statement**.

To mark the transition from transaction oriented to an emotionally intelligent view, Maersk Line chose to focus on three target emotions that drove the most value – *trust, cared for, pleased*.

Designing the new experience

Using Beyond Philosophy's proprietary method for new experience design called Moment Mapping®. A total of 1270 ideas of how to improve the experience were generated. Emotional Signature research was also used to prioritise the ideas as it had already identified the areas that would result in the greatest return. The progress of the program was to be monitored by regular regional and annual council meetings, to continue to engage the organisation.

Maersk Line Customer Experience Statement

- our goal for every customer experience

Trust

Be honest, set realistic expectations, follow-up on your commitments

Cared For

Know your customer, be proactive, be adaptable

Pleased

Take ownership, show enthusiasm, do a little bit extra

CUSTOMER
EXPERIENCE

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MAERSK
LINE

On-going support

In addition, Beyond Philosophy has been engaged for ad-hoc advice and a more formal review of progress to signpost the future activity.

Results

As a result of the program the Net Promoter Score rose by 40 percentage points (from -10 to +30 - the highest level ever recorded). They also found that a 4 point improvement in NPS resulted in 1% increase in cargo volume shipped by customers. The increase in Net Promoter was greater in those regional markets where they have set up local Customer Experience councils and received training. On average those regional offices had an NPS that was 10 percentage points higher than those without councils.