

EAST Connect: Amplifying Customer Service and ExtraCare

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Loyalty & Service

How do we enable our FS associates to provide the best service and effectively ask customers to sign up?

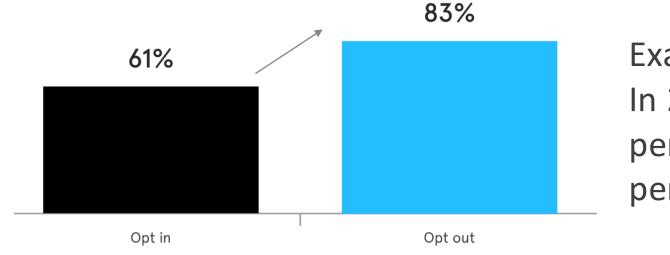


EAST Methodology

East, Attractive, Social, Timely

Behavior Insight Team (BIT) focuses on the well-being of society.

Area of work: Public Health, Education, Financial Well Being, Public Policy and Governance



Example:

In 2012, the UK, default Opt-out pension for employees increased pension participation by 21%

Source: https://www.bi.team/publications/east-four-simple-ways-to-apply-behavioural-insights/

Small action leads to big changes

How do we enable our FS associates to effectively ask customers to sign up?

Easy - Removing Hurdles and Enabling Service

Utilize the power of defaults, make messages simple

Front Store

- Engage, ask, and ExtraCare
- 51/49 rule
 - Help colleagues, we are a team
 - Locating goods with care
 - Learn about new deals, spark conversation

Customer

- Training the habits
 - Pharmacy voice-mail
 - Use of CVS apps, coupons, and e-coupons
- Scanning their card/ phone number
 - Change of customer behavior (1)
 - Increase spending by 50%
 - Group A: Buy more cheaper products
 - Group B: Buy expensive products

Source: (1) https://hbr.org/2021/10/how-to-make-your-loyalty-program-pay-off?registration=success



Attractive – Focus on point

Incentives and subsidies

Front Store

- Positive reinforcement
- Possible wage increases
- Small and frequent feedback is more important than size (1)

Customer

- Graphical display enhances signup (exp. QR code scanning)
 - Locate the yellow tag, and the price decrease tag

Source: (1) How To Increase Productivity By Employee Happiness https://www.forbes.com/sites/martinzwilling/2014/12/02/how-to-squeeze-productivity-from-employee-happiness/



extracare THE NO-FEE SAVINGS MEMBERSHIP SALE PRICES **DEALS FOR** 2% EXTRA BUCKS \$3 BIRTHDAY YOU REWARD REWARD

Graphical display: QR code for ExtraCare sign up



Social – The Herding Effect

We are social animals

Front Store

- Frequent and small simple thankful compliment
 - Foster a positive and rewarding work environment (Fist bump, high five, handshake)

Customer

- "Most of your community starts to save..."
- Testimonial, read out the best coupons out loud after checkout

PS: Most people only focus on short-term marginal benefit s (BOGO, ExtraBucks reward)



Time – Cost and benefits

We are social animals

Front Store

 Consider the best alternative option for best customer satisfaction

Customer

- Select the right customer to ask prompt when more receptive timing
 - Consider a basket of goods
 - Listen and read carefully



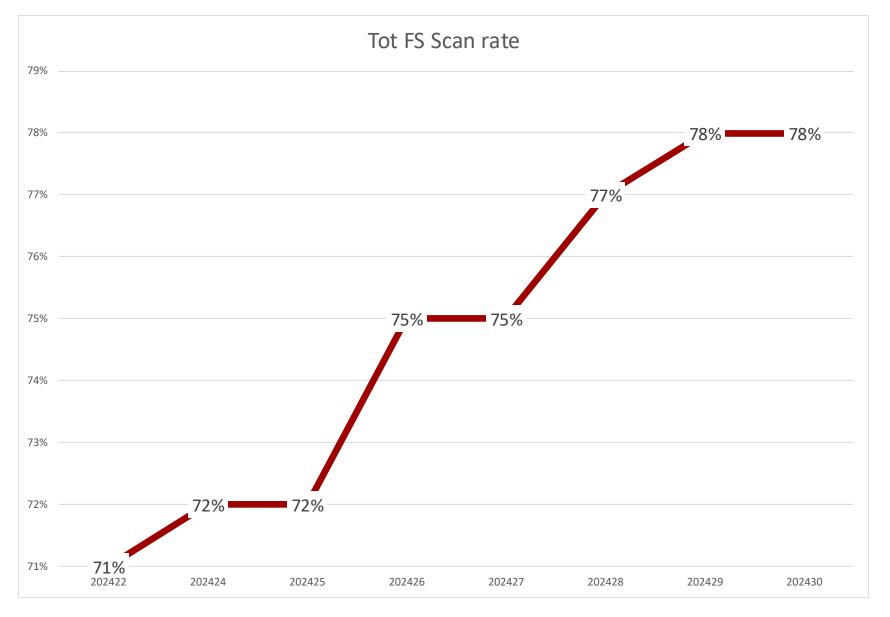
ExtraCare & ExtraCare plus Enrollment

Meeting target**

(2024 24th week to 30th week)

Target*** 72%

FS Scan rate: 71% to 78%





Loyalty Dashboard

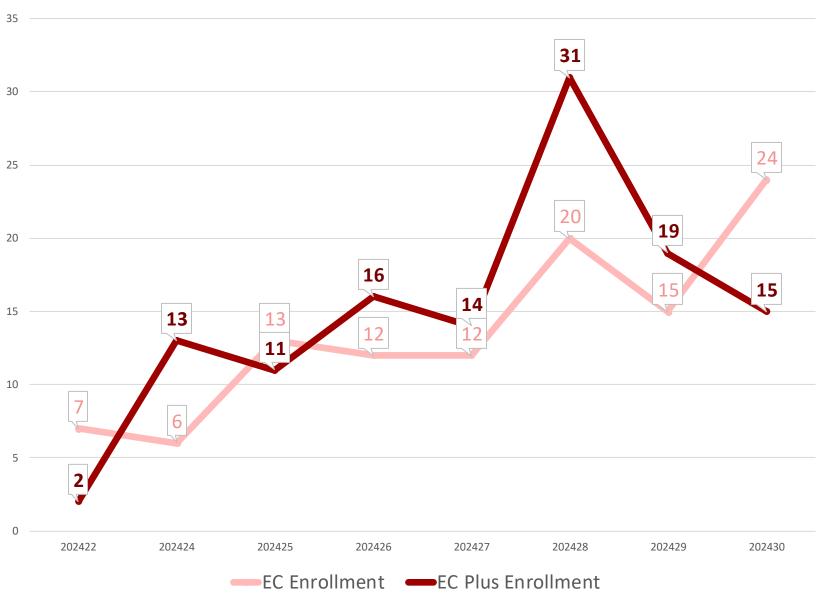
Meeting target**

(2024 26th week to 30th week)

Target*** 5 weeks a row

EC Enrollment : 12

EC Plus Enrollment : 14





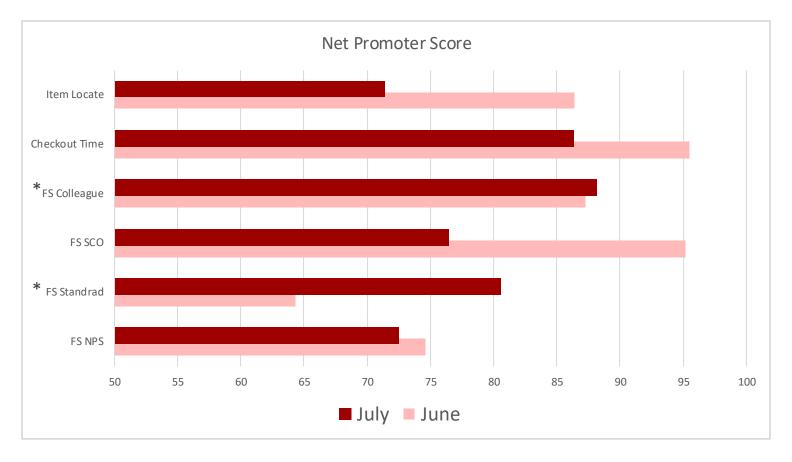


Service trend Net Promoter Score

	June	July
FS NPS	74.6	72.5
FS Standrad	64.3	80.6
FS SCO	95.2	76.5
FS Colleague	87.3	88.2
Checkout Time	95.5	86.4
Item Locate	86.4	71.4

Target: 68

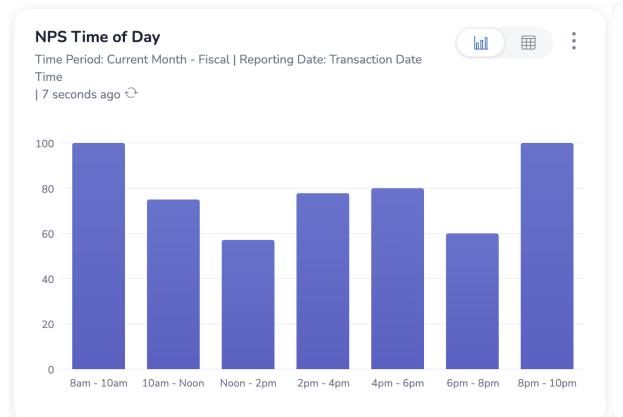
Month NPS Breakdown

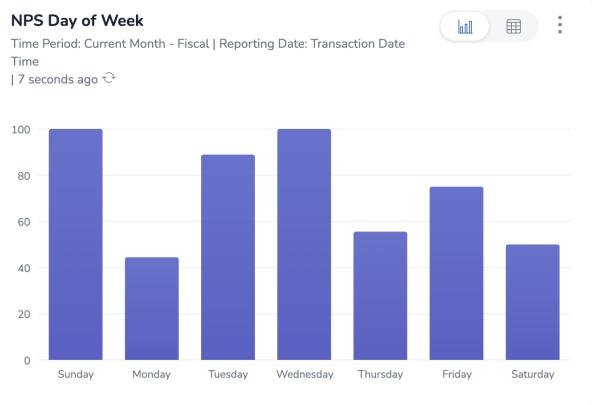


Only FS Standard & FS Colleague exceeds pervious month.



Opportunity of Service









Colleague photos

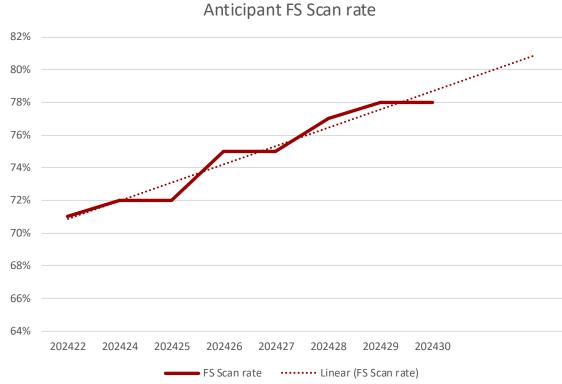


Next steps



■ EC Plus Enrollment

····· Linear (EC Enrollment)





■ EC Enrollment

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