

# Proven CX Business Impact

This CX case study was selected in November 2024 by an independent panel of CXPA judges for recognition of its demonstration of the positive business impact created through a customer experience focus.

## CXPA Proven CX Business Impact: Blue KC's Solve for X Program

#### **Company Overview**

Blue Cross and Blue Shield of Kansas City (Blue KC) is a healthcare insurance provider serving the Kansas City region of the US. The company recognized the need to evolve from traditional customer service toward a truly customer experience organization in the highly complex health insurance industry.

#### **Business Challenge**

In 2018, Blue KC identified the need to address chronic customer pain points and operational inefficiencies caused by siloed internal processes. The company set out to create a customer-centric culture by leveraging the Voice of the Customer (VOC) and aligning its processes to improve overall customer ease and satisfaction.

### **CX Initiative: Driving Efficiency and Customer-Centric Practices**

Blue KC undertook a comprehensive transformation to improve operational efficiency and align its services with customer needs. The initiative focused on reducing customer effort, enhancing service delivery, and driving measurable improvements in both customer experience and business outcomes.

#### **Key Components:**

### 1. Restructuring Contact Center Operations:

Blue KC restructured its **Contact Center**, enhancing both **technical training** and **soft skills** development to improve how customer inquiries were handled. The goal was to reduce repeat customer contacts and ensure more issues were resolved on the first interaction.

#### 2. Introducing the Solve for X Program:

The **Solve for X** initiative empowered employees to identify and address operational inefficiencies and customer pain points. By fostering cross-departmental collaboration, employees were encouraged to propose innovative solutions that could improve the customer experience and generate cost savings.

#### 3. Shifting to Customer Effort Score (CES):

To ensure the company's efforts were aligned with reducing customer friction, Blue KC adopted **Customer Effort Score (CES)** as its primary performance metric. This helped shift the organization's focus from traditional metrics like NPS® to customercentric measures of success.

## 4. Investing in Analytics:

The introduction of **speech-to-text analytics** allowed Blue KC to proactively detect recurring customer issues. These insights drove operational changes, making the company more responsive and efficient in addressing customer needs across all touchpoints.

#### **Proven Business Impact**

The CX initiative yielded significant measurable business improvements, leading to better customer satisfaction, reduced operational costs, and enhanced service efficiency.

- Annualized cost avoidance reached \$4.97M in 2024, with a 6% reduction in cost-to-serve in Q3 2024 compared to the previous year.
- The **Solve for X** program generated cost avoidance of over **\$600,000** in two years, with **50 employee-proposed solutions** implemented to enhance both customer experience and operational performance.
- **Customer Effort Score (CES)** increased **17%** in 2023, exceeding the healthcare industry average and reducing customer friction across multiple touchpoints.

#### **Core Business KPIs Impacted**

- Customer Effort Score (CES)
- First Contact Resolution (FCR)
- Cost Avoidance
- Customer Satisfaction

Blue KC's transformation toward a customer-centric culture has not only enhanced operational efficiency but also resulted in higher customer satisfaction, improved employee engagement, and measurable business impact.

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