



## Redefining the Rail Experience

**Virgin Trains is delivering the train journey of the future—one milestone at a time.**

Riding the rails can be a beautiful experience, but we've all experienced the occasional snafus of train travel at one time or another. The train that's inexplicably late to arrive. The mad surge when the platform number is finally posted. The two-month-long process for getting a ticket refunded or a response to a complaint. And we've all thought, "There just has to be a better way."

Virgin Trains, the UK-based train operating company, is determined to transform the rail experience into a reliable source of enjoyment and pleasure. The company wants to deliver a consistently positive experience that keeps customers happy—and keeps them coming back.

In 2016, Virgin Trains embarked on a journey to radically improve customer service, and it selected ServiceNow as a key strategic partner.

"We're moving toward a digitized, automated, personalized rail experience that puts customer satisfaction first," said Virgin Trains CIO John Sullivan. "All of that starts with a foundation of streamlined internal processes and excellent IT service delivery, and that's exactly what ServiceNow brings to the table. Eventually, we'll be able to use the same system to integrate data and automate processes across the enterprise, in just about any business function."

Virgin Trains is achieving its objective in five key stages: (1) Modernizing IT service management capabilities, (2) Transforming how services are delivered internally, (3) Transforming the customer experience across the enterprise, (4) Creating a value chain among suppliers (5) Innovating to create a superb rail experience.

### Step 1: Modernizing ITSM

For Virgin Trains, the first milestone on the journey to service excellence was modernization of the underlying IT Service Management (ITSM) infrastructure and applications. The company's legacy ITSM platform was aging and had limited capabilities. "Everything we do for customers starts with great support for employees," said Dean Underwood, head of IT Services for Virgin Trains. "If you don't have infrastructure and processes in place that can improve service delivery and grow and evolve with you, transformation is just not possible."



#### Customer

Virgin Trains

#### Partner



#### Organisation

Virgin Trains is a train operating company in the United Kingdom owned by Virgin Rail Group

#### Headquarters

London

#### Region

UK

#### Staff

3,400

#### Solutions

- IT Service Management
- IT Operations Management
- Configuration Management
- Customer Service Management
- Performance Analytics

#### Results

- 44% improvement in CSAT in first 8 weeks on ServiceNow
- 75% reduction in hiring timeframes—from 1 month to 1 week
- £50,000 cost savings through higher productivity in IT Services alone
- 33% reduction in service tickets

#### Highlights

- Modernized the current ITSM infrastructure and applications
- Continuously improved the service employees receive
- Undergoing the automation of customer service

The focal point initially was transparency. "In our case, the existing infrastructure was essentially a black box," said Mr. Underwood. "We had no visibility into processes and we had very limited data on which to base decisions that would improve service delivery."

At a previous company, Mr. Underwood had seen the ServiceNow platform in action and saw that it could integrate applications and data from multiple sources, thereby creating not only a "single source of the truth" but also new ways to streamline a broad array of ITSM processes.

"With ServiceNow we have data and visibility into processes, so we can take ownership of those processes and continuously improve them," said Mr. Underwood. "For example, we can integrate our IT supplier data so we can measure their performance, track it, compare with baselines and SLAs, and negotiate for better service at a better price."

Equally important, the ServiceNow platform gave Virgin Trains insight into core IT processes such as incident management, change management, and more. "We can quickly understand where failures are occurring, what's causing failures, average resolution times, and so on—and we can monitor our progress in both preventing outages and minimizing their impact to employees," said Mr. Underwood.

"Fundamentally, ServiceNow gives us the data we need to improve the service desk and overall service delivery," said Mr. Sullivan. "In the past, we made changes based on what we felt needed changing. Now we have the data to drive better decisions."

Virgin Trains has also been able to streamline core processes so that they take less time, making it possible for staff to focus on higher-value tasks. "We've automated tasks and simplified processes, for example making it easier and faster to get needed approvals for changes," said Mr. Underwood. "In some cases what used to take a month now takes a day."

The modernization effort was also accelerated by the ease of implementation of the ServiceNow platform. "The core functionality is all built in—it's relatively easy to activate the specific modules and functionality you require," said Mr. Underwood, "and the platform is cloud-based so scale-up is not an issue."

## Step 2: Transforming the Employee Experience

The result of the modernization efforts has been a radical improvement in the quality of IT service delivery. But that's just the beginning of the transformation journey for Virgin Trains.

"Richard Branson has a saying 'if we look after our staff, they will look after our customers,'" said Mr. Sullivan, "and so a key part of our transformation journey is constantly improving the service we provide to employees, and measuring their satisfaction levels."

To that end, Virgin Trains has begun meticulously measuring and tracking customer satisfaction (CSAT) scores internally. "We've installed a 40-inch screen that gives us a live, real-time CSAT score," said Mr. Underwood. "At first we were afraid to look. But we've been driving massive change, and today you can see the results of that in our CSAT score."

According to Mr. Sullivan, the Net Promoter Score (a measure of CSAT) was initially in the mid-20 range, but today averages 70-80. "We saw a 44% improvement in the first eight weeks with ServiceNow, just from improved hiring processes" he said. "To us, that score is a measure of how much lost time we're giving back to employees, and how much more they're able to focus on what matters most—constantly improving the customer experience."

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We're working hard to move rail travel into the 21st century. It all starts with modernizing our internal processes, and ServiceNow is the right platform and the right partner to get us there.

– John Sullivan, CIO, Virgin Trains

Mr. Sullivan said the increases in CSAT were attributable to many factors, but the acceleration of processes enabled by ServiceNow was critical. "Employees don't always analyze why service seems better—they just perceive that they're getting what they need faster," he said.

### Step 3: Transforming the Customer Experience across the Enterprise

The next phase of transformation is currently underway with the implementation of Customer Service Management (CSM) capabilities from ServiceNow.

"CSM will help us automate common customer service tasks and save both agents and customers a lot of time," said Mr. Sullivan. "We get thousands of inquiries, suggestions, and requests each year—with CSM we can issue reference numbers, track cases more easily, and get important data about our customers that will drive future improvements."

In addition, Virgin Trains will use CSM to connect departments internally and further expedite customer service. With CSM it will be possible to route work from customer service to field service, engineering, operations, finance, legal, etc., so questions raised by customers can be quickly routed to the appropriate staff.

### Step 4: Creating a Value Chain

Recognizing that the overall customer experience also depends on partners, Virgin Trains has launched an initiative to create an end-to-end service value chain that extends to its base of suppliers.

"We're on track to save 20% of our operating budget, and we want to invest some of those savings into our supply chain," said Mr. Sullivan.

More specifically, Virgin Trains is restructuring its RFP process so that suppliers are highly motivated to use the ServiceNow platform for their own service management processes. "We want to extend the efficiencies we've achieved internally to our supply chain to further enhance service and customer satisfaction," Mr. Sullivan said.

### Step 5: Innovating for a Fantastic Rail Experience

Having modernized internal systems and processes, and having transformed the way services are delivered, Virgin Trains will next look at innovative ways to deliver the rail experience of the future.

Virgin Trains is also innovating around the passenger experience on the train. "We want to provide digital entertainment, easy access to up-to-date schedule information, simplified booking and payment capabilities, the list goes on," said Mr. Sullivan. "The Virgin brand has always been about innovation, and we're trying to be inventive in improving the entire train experience."

As part of that effort, Virgin Trains organizes an "Innovation Day" every six months. The last session explored the possibilities for an onboard entertainment center. The next session, called "Code Black Innovation Day," will focus on how to use the ServiceNow platform to recover from serious unexpected outages, security breaches, or other disruptions.

"The reason ServiceNow is such an exceptional partner is that their platform is extensible to any business process," said Mr. Sullivan. "ServiceNow is capable of true enterprise service management—bringing service improvement not just to IT but to security operations, HR, finance, legal, compliance, and more. The way ServiceNow connects to the business and business objectives is fantastic."

### This Journey Is On Track

Virgin Trains is still in the early stages of its service transformation, but by all accounts the results are right on track.

"We're excited about what we've achieved, but we're even more excited about what's to come," said Mr. Sullivan. "What motivates us is the opportunity to make a positive change in the way our customers experience rail travel. ServiceNow is a central element of that. We're working hard to move rail travel into the 21st century... and ServiceNow is the right platform and the right partner to get us there."

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