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Driving Higher Revenues and Accelerating a Digital Transformation with Qlik Cloud

SEPTEMBER 28, 2021 - <u>VIEW ONLINE</u>

We've all been there: You're about to set out for a road trip when the light on the dashboard tells you that your tire pressure is low. You pull into a gas station and up to an air machine, but rummaging through your center console, you realize that you don't have the quarters required to get any air.

Or perhaps you have a mountain of laundry to do. You haul everything down to your laundry room, wash several loads, and then divide everything into multiple dryers—only to discover you're a couple of quarters short to start the cycles. Before you can check a chore off your to-do list, you have to run out to either get some cash or convert what you have into quarters.

About 3 in 10 Americans said they make no purchases with cash in a typical week, according to the Pew Research Center. Even if people do carry cash, many people find coins heavy, cumbersome, and easy to lose. Yet there are still a few chores, services, and tasks that require what feels like a nearly obsolete payment method.

<u>CSC ServiceWorks (CSCSW)</u> brings these services into the modern world.

Moving Coin-Based Services into the Digital Age

CSC ServiceWorks services laundry locations and air services at gas stations across the United States. These services are often overlooked because when they're working well, no one thinks twice about them. But these are historically coin-based industries. As currency has increasingly moved into the digital sphere, these services are less convenient for the general public.

Fortunately, these regular tasks can be converted to internet connected machines, including digital payments. About a decade ago, the payment technology for laundromats and air machines started to shift so that people could pay with a swipe of a card. It was a nice leap forward. As the years rolled on, the rise of the Internet of Things (IoT) made smart payments with mobile devices possible, connecting information on these payments to a main network. Now, we can monitor all of our machines from a central location, provide convenient app based payment, and offer a higher level of service.

Having more convenient payment methods has greatly improved the experience for our customers. Another improvement has come with the development of our mobile app. Knowing when machines are available and identifying busy times is a huge value to our customers, who can get this information through our app. They can also receive notifications when their loads are complete or even extend cycles if they can't make it back to a machine in time. Through the app, we can engage with our consumers much more richly, offer promotions and loyalty rewards, and ultimately provide them with better service.

Like any service, when the convenience and experience improve, people spend more, and revenue increases for both our property managers and CSCSW. We all benefit from happier customers.

A New, Cloud-Based Unified Data Model

Just as CSCSW served a traditional coin industry, we had a traditional on-premise data warehouse platform when I joined the company as Chief Digital Officer in 2019. We have developers for these warehouses, who would run and share reports with others when necessary. It was functional in the past, but as we gained more data this wasn't a viable solution. With connected machines, our thirst for data and analytics within the company grew exponentially. We needed to have easier access to the data within the organization so people could get the information they needed on their own, and developers could focus on more important work besides pulling queries and running reports. We needed a more efficient way of dealing with data and driving value for our consumers, clients and employees.

> *As companies gain more data, the traditional method of running reports and sharing them as necessary isn't a viable option.*
>
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At that point, we had started discussions as a team about how our data architecture tied to the value propositions that we wanted to offer to our customers and property managers. We moved to set up a modern, cloud-based unified data model with Microsoft Azure, Databricks, and Qlik Cloud analytics.

We have numerous data sources, such as our machines, our customers, our app, our core revenue systems and our customer service systems. We ultimately drive those into our enterprise data lake, Azure Data Storage. Within Azure Data Storage, we use Databricks to process, curate, and produce data. Then we use Azure Synapse to normalize information across these different systems. On top of that data model is where Qlik Sense Enterprise SaaS resides. Qlik Sense produces the analytics and reports that we use to run the business.

I've worked with many business intelligence (BI) platforms, and Qlik Sense processes heavier data loads faster than any other platform. I like that we can create common data models across various data sets to get a standardized view of the data, as well as creating customizable tools and filters to take a closer look at the details as needed.

Internal Uses and Benefits

We have several different user types within the company. The most obvious users are the consumer engagement team. We have more than two million mobile app registrations, and we use Qlik Sense to analyze the app use and patterns of those consumers to help improve the experience. Our sales and marketing teams can use this data combined with campaign information and other outreach activities to review how behavior patterns change over the

course of campaigns. Our finance team can also use the data for core revenue analytics for the number of users, how much the average user spends, and how spending changes.

Perhaps one of the greatest benefits of Qlik Sense is realized by our service teams, who can be far more proactive than before. We often found that people wouldn't call to report a laundry machine that needed service. If people couldn't use the machine, we would lose revenue. Instead of waiting for someone to report a problem with a machine, our service teams can now monitor for issues and go out to make repairs when a potential issue is noted.

Just as handling coins was an inconvenience for our customers, it was also inconvenient for our collectors and property managers because the coins had to be picked up and deposited. We used to have scheduled routes to collect coins from a property. Sometimes the machines were full, but sometimes they weren't.

With the introduction of Qlik Cloud analytics, we have been processing fewer and fewer coins, and we can quickly identify where there are coins to retrieve. We now look at all the data from the machines and our operations team has a clear visual of what is needed, where, and when. They then dynamically set collection routes based on the amount of coins in the machine. None of this would have been possible without our new data and analytics platform.

An Easy Data Flow Leads to Cost Savings

Since all of the data is managed in one place and is accessible to everyone, we save costs. We don't have to deal with hardware, infrastructure configuration, or upgrades that often require larger budgets to manage. Instead, our IT team can focus on projects that push our digital acceleration forward instead of spending most of their time on routine maintenance.

Near real-time visibility into KPIs gives service industries a better understanding of service needs, potentially saving millions of dollars each year.

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Qlik Sense has been as much a money maker as a money saver. We have near real-time visibility into KPIs from more than 200,000 machines, which gives us a better understanding of service needs. We've reduced 15% of service truck rolls that were false positives. With 150,000 service rolls a year, the company has saved $2–$3 million a year on service routes.

We're also more connected with our customers, educating them on the importance of washing bed sheets, the dangers of driving with low tire pressure, and other items that might not be top of mind. Our customers end up doing more laundry and visiting more air machines, resulting in more business for us. Qlik enables us to do all that analysis in a visual way that helps drive performance.

Peering into the Future

Our industry was slow to evolve, in large part because it hasn't often required changes as technology has evolved, but CSC ServiceWorks is changing the industry and setting the standards. With the significant shift in how people pay over the last two decades, we realized we not only had to make payment more convenient for our customers, but we could also get a lot more out of our business by revamping our data model, and we've done that using Qlik Cloud.

The future of CSC ServiceWorks includes going further down the path of artificial intelligence and machine learning data models. We expect Qlik to have an instrumental role as we make plans for dynamic and consumer-based pricing. We also want to build on our current successes with service models and price predictions.

With Qlik Cloud, CSC ServiceWorks has accelerated our digital transformation plan much faster than we had imagined. Data wants to be free; Qlik lets our team free our data within the organization, driving higher revenue.