

## Hughes

High street retailer Hughes, launch online credit facility and see a vast improvement in credit quality, in less than a month of go-live

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Hughes are the 4th largest specialist electrical retailer and the largest provider of home entertainment and kitchen appliance rentals. Founded in 1921, 100 years later they wanted to continue to expand their business and drive further opportunity through adding digital into their customer journey. Whether that be in-store, or through their online rental platform.

## The Challenge

Until last year, Hughes were succumbed to a lengthy and manual process of processing applicants who wanted or rent their products. In order for a customer to receive credit, they needed to manually provide the financials – for the store assistant to then manually reshare them with a group of underwriters on the phone.

The underwriter would manually assess each case by using the applicants credit file to make a judgement-based decision of risk and suitability.

3 in 5 business decisions across Financial Services are judgement based. With nearly every business planning to improve customer centricity, and certainty through cloud-hosted automation, in the next 3-years.



# The approach

To modernise their operations, customer experience and business

Hughes had a clear ambition to continue to grow their business and streamline the application process for both their operations and risk teams, but also for their customers.

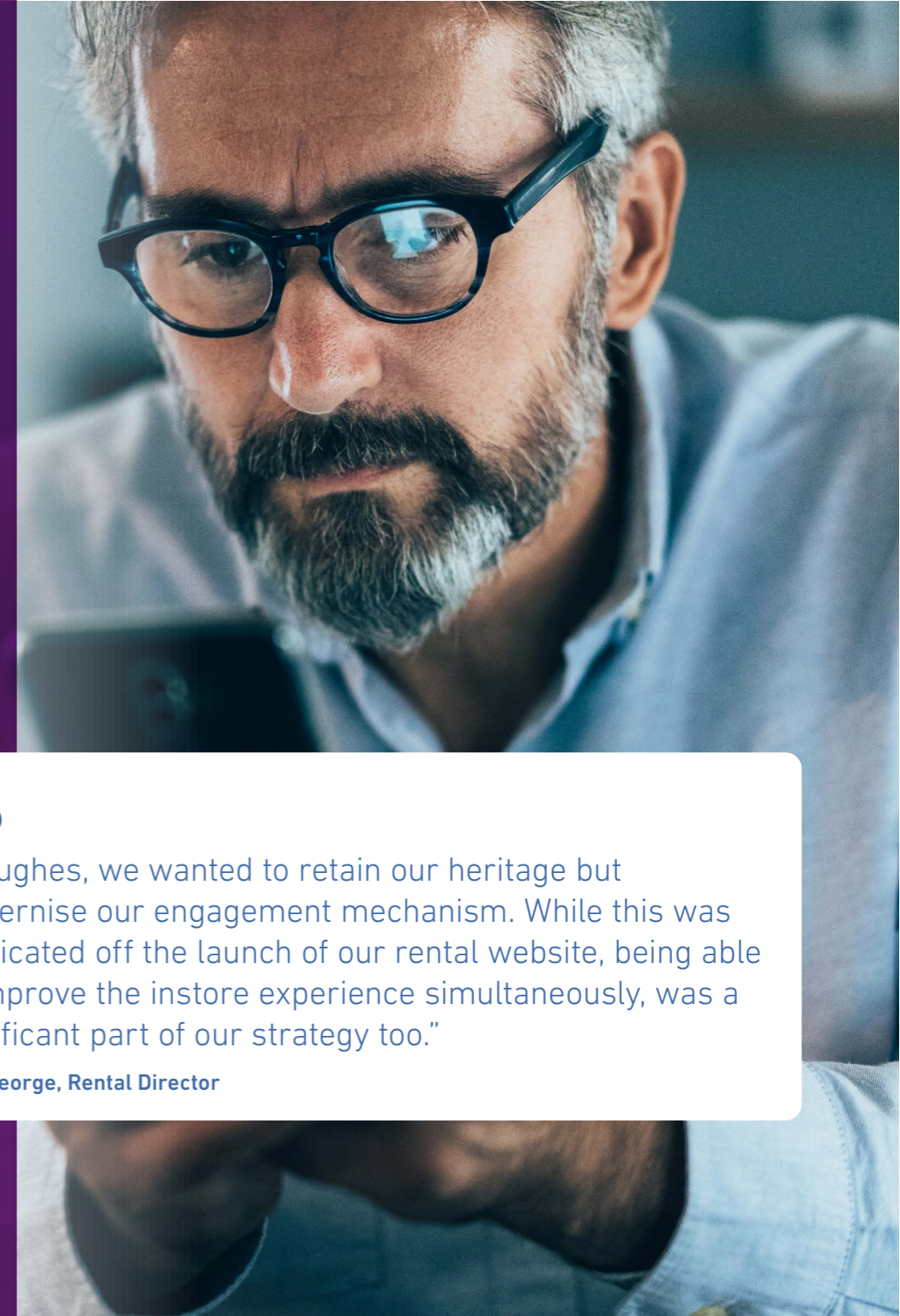
To grow (and retain) their business they wanted to develop, and launch, a new online rental platform. To relieve operational constraints, they wanted to both strengthen the in-store credit application, as well as create a journey that was suitable for digital trade.

While not automated, personalised decisions were already a key part of Hughes credit decisioning processes. If a customer wasn't suited to the purchase they asked for – then Hughes would proactively offer an alternative, for example a refurbished option which was of lesser asset value, but also a more suitable, affordable, payment for the customer. Retaining this was key for Hughes.

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At Hughes, we wanted to retain our heritage but modernise our engagement mechanism. While this was predicated off the launch of our rental website, being able to improve the instore experience simultaneously, was a significant part of our strategy too.”

**Matt George, Rental Director**



# Hughes modernised their decisioning

Live in a month, and updates made in a day; Hughes were able to instantly benefit from improved credit quality, performance and growth

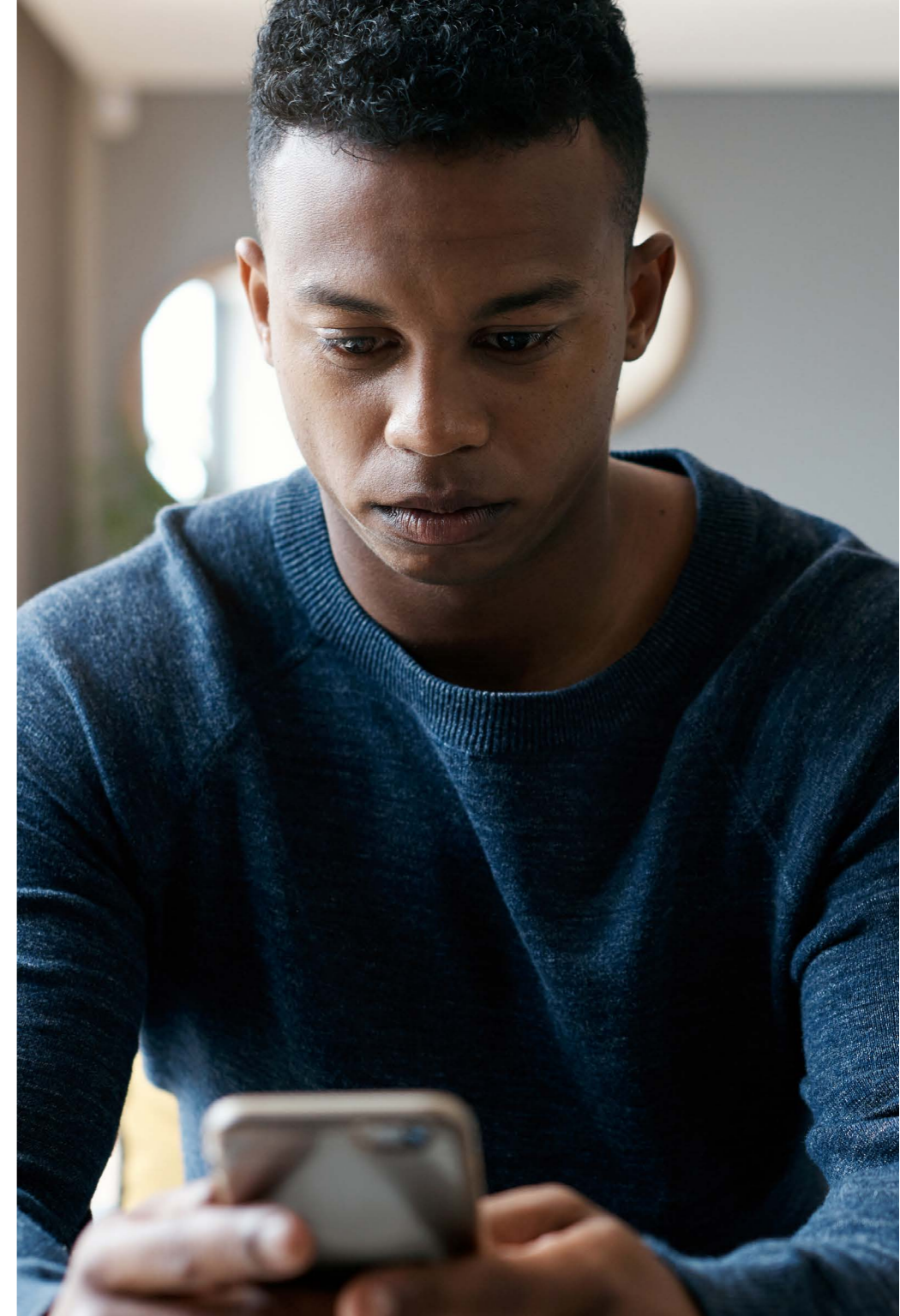
Hughes embarked on a journey to bring data, and automation (decisioning) into their business and operating model, both on, and offline.

By working with Experian Hughes were set up with PowerCurve Customer Acquisition. PowerCurve Customer Acquisition is a templated SaaS solution that offered rapid deployment. While a templated option, it was pre-integrated with data services and workflows, that provided a single solution for all the requirements Hughes had to manage risk and acquire the right customers, at speed – in-store, or online.

As such, Hughes were not only able to continue to trade when stores were forced to close throughout 2020 but do so at rapid pace. With the new decisioning software enabled within a month, Hughes were able to trade digitally – while benefiting from enhanced risk processes and a slick, modern customer journey too.

As retail stores closed, Hughes had an ambition to quickly pivot their business to allow for online trading. Experian's decisioning and inbuilt authentication tools, enabled them to instantly trade online. When stores reopened, this same digital application was usable instore too, offering instant transformation of the experience, but also instant benefit was seen within their operational efficiencies.

Within a month of contracting PowerCurve Customer Acquisition, Hughes were live and had started to see significant improvement in credit performance of their new customers too.



# Results, benefits, and features



Hughes were able to sustain trading, despite needing to pivot to online retailing, as opposed to in-store.



Their online platform allowed them to organically reach and attract new customers too – helping them grow their customer base.



Through being able to make data-led decisions – as opposed to judgement-based decisions – Hughes also benefited from a better quality of new customers acquired – with payment terms of their new customers performing significantly better.



A single operational environment of the relevant data, scores, and identity authentication needed to enable online credit applications.



Reduced credit risk, through significantly improved credit quality – leading to reduced losses while also enabling a greater number of customers.



Retained ability to optimise and personalise their customer decisions – with inbuilt strategy design based on being able to counteroffer if a customer didn't meet their risk criteria.



Hughes were able to replicate their on and offline journeys, which enabled efficiency, and accuracy to be driven through all application journeys.



Staff and customers were empowered with a more discrete, transparent and slick, application experience.



# Hughes empowered staff, and customers, through data-led performance monitored decisions

While Hughes sought a credit-based decisioning journey, they didn't have the skill set internally, or time, to manage strategy build and development in the early phases of the project.

By working with Experian as their partner, they benefited from Experian's consultants supporting with configuring the strategies Hughes wanted, based on their risk requirements.

As this was a new journey for Hughes, they wanted a platform that would allow them to continually optimise and build on their credit risk and customer acquisition strategies. As their requirements changed, the strategies and policies were changed quickly – allowing for this continually enhancing and iterative approach.

With bespoke requirements being made and implemented in less than a day, Hughes were able

to continually capitalise on changes in the live environment giving flexibility and scalability, without risk.

Configurability within the platform allowed simple, quick changes to be a reality. Retaining control, while accelerating speed to market, were critical components for Hughes. They wanted the controls in place for them to understand both opportunity, and risk – and simultaneously build out their policies based on a continually optimised and informed, risk appetite.

PowerCurve Customer Acquisition gave Hughes flexibility, but also intelligence. Hughes could understand their performance through continual monitoring of their strategies, accessed through easy-to-use reporting and MI templates inbuilt into the platform – but configured to their requirements.

Now a year since launch, Hughes are also benefiting from additional platform upgrades, and updates. Without the burden required to implement changes themselves. Hughes receive instant updates directly into the platform offering them a continually advancing and modern platform – without the need for skills to 'change', or any disruption to the platform.



# PowerCurve Customer Acquisition offered Hughes:



Single environment to operationalise data – and make intelligent decisions



A continuous operational environment



Inbuilt security controls



Single entry point – making it easy to use



Continual monitoring



Zero-downtime upgrades



Inbuilt reporting and intelligence



Online strategy management

The benefits include:



No upfront IT costs



Pay as they use



Rapid installation

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As we do with many clients, we worked closely with Hughes to help them implement, and continue to optimise, their decisioning platform. We made changes for them to allow them to focus on scale.”

John Duke, Product Consultant, Experian



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**Registered office address:**  
**The Sir John Peace Building, Experian Way,**  
**NG2 Business Park, Nottingham, NG80 1ZZ**

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