



## CASE STUDY



# Why and how Shop Direct eliminated CDEs from their contact centres – and how Aeriandi delivered the solution.

**SHOP DIRECT IS THE UK'S LEADING MULTI-BRAND DIGITAL RETAILER, WITH ANNUAL SALES OF £1.7 BILLION.**

Their digital department store brands include Very.co.uk, Littlewoods.com and isme.com. Selling more than 800 famous brands, including big name labels and their own exclusive brands, they deliver 46 million products each year to five million active customers. Passionate about making the experience of shopping with them as simple as possible for their customers and to protect their customers' data, being PCI DSS compliant is seen as an important part of that responsibility.

Over recent years they have deployed a phased approach to PCI DSS and work closely with WorldPay (principal acquiring bank), NCC Group (QSA) and Optimal Payments (PSP). Their call centre operations have been out sourced to Serco and the two organisations jointly implemented Aeriandi's payment and call recording solution. Following completion of their e-commerce PCI project in 2010, their internal audit process discovered that the pause and resume solution (which had been deployed to prevent card data entering their call recording environment) had stopped working due to the system changes that were required to implement the card data tokenisation solution. Sensitive customer card data was now stored in call recordings. Without any form of network segmentation in place, the scope of this phase of their PCI DSS project would have been extensive, and would have applied to their entire VoIP and LAN infrastructure.

Shop Direct's passion to protect their customers' data had to not only consider PCI DSS's 12 requirements and 262 controls but also their FCA obligations to maintain access to their archive of over 125m call recordings. This is something that no other merchant that they could find had ever achieved before.

## PROJECT OBJECTIVES

- **Improve confidence in system security with their partner banks**
- **Improve negotiating position with acquiring banks**
- **Ensure high levels of customer experience are maintained**
- **Protect brand reputation**
- **No compromise on existing projects and business as usual**
- **Achieve PCI DSS compliance**
- **Remove customer debit/credit card numbers from their environment**
- **Reduce risk/opportunity for fraud**



## COMPLIANCE OPTIONS

Shop Direct's strategy was to de-scope and de-risk their environment. A range of compliance options were reviewed:

- **A restructuring of the call process that would move the payment component to the end of the call to enable the customer to be transferred to the Speech Enabled IVR platform that was, at the time, PCI DSS compliant. They dismissed this option based on the negative impact it would have on customer experience.**
- **Network segmentation. This is the traditional route for merchants to meet their PCI DSS compliance requirements, which was quickly identified as costly and time consuming.**
- **Automated pause and resume. This was dismissed for two reasons: firstly, due to past experience of it being vulnerable to changes in any related IT infrastructure; and secondly, because it did not take their VoIP telephony infrastructure out of PCI DSS scope.**

## SHOP DIRECT'S CHOICE

The option that they considered best met their needs was hosted DTMF suppression. This solution allowed their customers to use their telephone handset to input their sensitive card data. This meant that their entire business infrastructure would be out of scope. That just left the problem of their archive of existing call recordings, containing sensitive card data.

## AERIANDI SOLUTION

Shop Direct's solution set is comprised of three core components, all hosted and fully managed by Aeriandi.

- 1 **Agent Pay** prevents card data from entering the contact centre environment
- 2 **Aeriandi Archive** extracts existing recordings that may contain card data from the environment and provides compliant access to this legacy estate
- 3 **Aeriandi Recording** records calls in a PCI DSS and FCA compliant manner

## THE RESULT

*" The PCI project was a great example of delivering an innovative solution in conjunction with a number of our business partners that allows us to take payments from our customers over the phone in a way that minimises the risk of their payment card details being compromised. Customers can be confident in what is a leading edge solution, and the introduction of this was smooth both for our customers and for the customer service advisers."*

### TIM SUNLEY

Outsource Services Director  
**Shop Direct**

## BUSINESS BENEFITS

By implementing Aeriandi's Agent Pay solution, Shop Direct:

- **Created one of the largest hosted non-card-data contact centre environments in the world - delivering cost savings against the network segmentation alternative of an estimated 40% to 50% per annum on current costs.**
- **Gained CAPEX savings against alternative providers of £250k and by budgeting on a favorable OPEX driven commercial model, they were able to anticipate ongoing cost savings as they migrate customers towards 'self-service'. These savings are estimated to be worth an additional £250k over a five-year term.**
- **Reduced the scope for PCI DSS from 262 controls to 9 and associate annual QSA audit costs from £40,000 to less than £10,000.**
- **Took the opportunity to renegotiate card payment fees with their acquiring bank due to significantly reducing their commercial risk.**

By implementing Aeriandi's hosted Recording solution for the new Serco sites (taking circa 50% of annual call minutes) they:

- **Helped Serco to get their new sites live in South Africa, Cardiff and Sheffield on time, with reduced operating costs.**
- **Reduced operational risk through increased flexibility in call recording capacity, significantly reducing CAPEX and OPEX costs.**
- **Were provided with detailed volume reporting, increasing transparency by auditing call minutes across sites.**

By implementing Aeriandi's Archive solution, Shop Direct:

- **Successfully secured 100's millions of existing recordings, helping them gain PCI DSS compliance while honoring their obligations to the FCA.**
- **Were provided with a single portal from which to search and securely playback both recently recorded calls (via Aeriandi's Recording solution) as well as their legacy estate, collected from multiple sites.**
- **Were able to achieve savings on legacy call recording and storage equipment as well as associated maintenance costs.**

Shop Direct have gained all of the advantages of selecting a hosted service, including constantly improving functionality, reduced capital expenditure and option to use other modern hosted suppliers for services such as predictive dialing and multimedia workflow.

*Award winning !*



## RECOGNITION

Shop Direct were winners of the 'Payment Project of the Year' at the 2014 BT Retail Week Technology awards. They were also awarded BT Grand Prix Winner of Winners.



\* The payment method implemented at Shop Direct is powered by Aeriandi and licensed by Semafone, endorsed by the 'Secured by Semafone' Trustmark.



## ABOUT AERIANDI

We have been investing in our showcased private cloud infrastructure for over 12 years. We operate at carrier level to provide our award winning compliant voice solutions. Our offering is seamless and transparent with zero disruption to your phone calls and no hardware or software to be installed onsite.

## OUR STATS

- Over 20 thousand active users across high street banks, major telcos, utilities, travel firms and retailers
- Over 300 million calls in our archive service
- Over 12 years investment into our private cloud platform

For more information visit [www.aeriandi.com](http://www.aeriandi.com), call 0845 108 0308, email [hello@aeriandi.com](mailto:hello@aeriandi.com)



[aeriandi.com](http://aeriandi.com)



*" This project has allowed Shop Direct to remove all customer debit and credit card numbers from our call centre and systems environment providing confidence to our customers for their payments, greater assurance to our banking partners in our processes and confidence to our business from reduced fraud cost and our ability to deliver innovative technology solutions."*

**DAVID KERSHAW**

Corporate Finance Director

**Shop Direct**

**Aeriandi**  
Voice Matters