

# 5 ways to improve customer experience by embracing digital: a Harvey Norman Perspective

Changing customer behaviour is not a new concept for businesses. Across numerous industries, most organisations are well aware that traditional forms of customer engagement are no longer enough to keep customers in a world dominated by digital.

But when it comes to integrating digital into a customer experience strategy, it's a different story. For many organisations, actually understanding who their customer is and how to reach them on new digital channels is still a major challenge.

Harvey Norman is one company which is embracing the digital revolution in order to meet their customer's changing needs and expectations. With 180 stores in Australia and a global brand reach in New Zealand, Ireland, Singapore and Malaysia, the journey to understanding who their customer has been an interesting one.

Ahead of <u>Customer Experience2015</u>, Gary Wheelhouse, Chief Digital Officer at Harvey Norman explores five strategies Harvey Norman is using to integrate digital into their customer experience strategy and how this has improved overall customer satisfaction and retention.

## 1. Customer Journey Mapping

Harvey Norman is such a big organisation encompassing a number of different brands – it's not just Harvey Norman, it's also Joyce Mayne, Domayne, Space Furniture and Poliform across a number of countries globally. To actually understand who our customer actually is has been challenging when there are such a diverse number of brands and stores.

In the past we tended to fix small parts of a multitude of customer journeys. For example, we could improve our one page online checkout with the objective of helping all our customers. But if a customer has difficulty getting to the online check out because you've lost them somewhere along the line, then that initial action is pointless.

As a result, understanding our customer's journey throughout the entire purchasing cycle has been vital to improving customer experience. You need to understand the journey they're taking, what their pain points are, what the exit points are and then address those.

We work with partners externally to interview our customers and the result is a significant number of customer journey maps to properly understand who our customers are. These journey maps help us determine what we will do from a development, marketing, and process perspective. We look for pain and exit points in the journey.

S of the questions that have arisen from journey mapping at Harvey Norman include: how do we get to market better? Is there a better marketing message to give to customers? It has also helped us understand further that we need to replicate online those things that customers love about stores.

So great customer journey mapping is about removing friction and making the Omni-channel customer experience as seamless and in fact as exciting as possible!

## 2. Putting mobile first

Our organisational philosophy is 'think mobile first.' We really live this as a team and as an organisation. We launched online in November 2011 and we were mobile by mid-2012. Mobile was one of our top priorities from a capability perspective early on.

Last year we ripped this strategy apart and built responsive design from the ground up which is now up and running. At key times our mobile traffic is now outstripping our desktop traffic.

Our responsive mobile design has been a huge part of revising our mobile strategy in order to engage our customers - creating a seamless mobile experience. For us to be able to show a customer in real-time that a particular product they're interested in is available in their local store on their mobile, now that is truly Omni-channel.

As part of our mobile strategy we also created 'My Location' which means that if a customer is on their mobile and they have geo-located or have supplied their location, then all the products they look at from that point in time will be in a store closest to where they are located.

This has been a really powerful tool because most of our research tells us that customers are searching online for products using their mobile in close proximity to Harvey Norman stores.

## 3. Creating a seamlessly integrated in-store and online experience

Aligning your in-store experience with your online experience should be at the heart of your digital strategy. As a first step it's relatively easy to give customers online what they love about stores because it's primarily development work. Its something as a brick and mortar retailer you set out to do first.

Interestingly what customers love about shopping online are the very things that cause friction in physical stores. For example, never having to queue and pay for something, not having to stick your hand up tyring to find a staff member to help you, walking around the store and trying to find a product. These are all the things customers hate about shopping in store and are the friction points which are addressed online.

We've also introduced 'LiveChat' to look at ways to give customers online the things they love about the stores. We know that one of the things customers love about stores when they have a great experience

is talking to real people. So we replicated that online through 'LiveChat' and we made the decision to invest in staff who have had past experience working in our stores.

Another part of the work we're doing is about understanding what customers want in stores and figuring out how can we help them to deliver what they need. The phrase we use at Harvey Norman is 'humans when you need them, technology when you don't.' So what technology can we give our customers that allows them to do as much or as little as they want themselves when they're in-store, but also how can we help them at the same time?

It comes down to integrating and using the right technology both online and in-store to create a great experience for your customers. And they definitely are connected. It's really about understanding what our customers want and how we can assist them in achieving that in the easiest way possible.

## 4. Creating a customer centric service team

It's no secret that creating excellent customer experience has a lot to do with people. While this is obviously important in-store, we've learned that it's equally important to create a customer centric culture amongst our team that are interacting with our customers online.

When it comes to 'LiveChat', we employ people who have had existing experience within our stores. We've hired directly from our stores because they understand the products and what the Harvey Norman brand is all about.

We do a huge number of LiveChats with our customers every day and customer satisfaction is world class. At least 25% of our customers give us a customer service rating so this figure is statistically highly relevant.

This world-class experience is not about the platform. It's about how our people are using LiveChat. It's great when it's reactive, but it's phenomenal when it's proactive. For example, when we see a customer sitting on a page for a certain amount of time, we can quietly jump in and ask if they need help — and it's not always about a sale.

When it comes to digital, while online is important there is generally a customer pain point along the way and at some point in the process the journey is handed over to humans – and you can't always control humans. So it's important to establish processes and adequate training to ensure that staff are comfortable in using new systems or technology.

As a result, we drive huge numbers of customers into our stores due to great customer service online. Again we have replicated what people love about the stores, online.

### 5. Be personal

Looking over the horizon loyalty and personalisation will be key to using digital to create a better customer experience. We continued to look at what is great in stores and checking if we're replicating it online and asking ourselves: if we're not, should we be?

The connection from online to offline will be a big part in driving customer loyalty. We will always do a huge percentage of our sales in store, but we understand that customers will be driven more and more to come into a store if they have a good online experience.

We're constantly looking at customer behaviour and trying to understand how we can improve and create a personalised, seamless experience for our customers. We're making sure we continue to upskill our sales people from a digital perspective. We know those sales people are talking to customers who have more information in their pockets about the three products they are interested in versus the thousands of products a salesperson need to know about. This is a huge challenge.

Gary Wheelhouse will be further exploring how Harvey Norman is transforming the customer experience at <u>Customer Experience Management 2015</u>, where he will provide more detail on:

- Giving customers in-store the things they love about online
- Removing the pain and the friction from the customer journey
- Customer Journey Mapping it's confronting and incredibly valuable
- LiveChat serve multiple customers at a time and please them all!

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