

# Making Things Right

HHGregg uses actionable data to boost loyalty and create memorable experiences

by LEN LEWIS

Retail data is there for the taking. But most retailers know the hard part is turning it into actionable reporting for managers and sales associates.

The answer is simple: Just get your customers to tell you how they feel and what they want.

That may seem like a no-brainer, but it takes a retailer with a willingness to set up its business and culture in a customer-centric way — easier to say than achieve.

HHGregg has humanized the customer experience through highly detailed consumer surveys that enable the multi-regional appliance, electronics and furniture chain to cut through a morass of raw data to boost revenues and customer loyalty.

## GREATER INSIGHTS

HHGregg has made superior customer service the focal point of operations

since its founding in 1955; the digital age brought new challenges, however.

“At one time we weren’t getting actionable reporting that tied back to our database,” says Rob Brown, senior director of customer insights and media for the Indianapolis-based chain. “Now we’re able to drill down on our customers’ experiences.”

That has become increasingly important as HHGregg expands its stores and formats; it currently operates 220 stores in some 60 markets across the Midwest and Eastern states, averaging 25,000 to 30,000 square feet and carrying an average of 350 major appliance models.

Instead of rushing to expand in new markets, the company has developed Fine Lines, a designer-driven, upscale business that is part of its newer stores in some areas. “We are seeing most of

our growth coming from that side of the business,” Brown says, noting that it requires employees to take an even more consultative in-store role.

Fine Lines is more of a showroom, with seven or eight kitchen setups featuring high-end appliances from companies like Wolf and Viking.

“It’s more upscale than the brands we typically carry,” Brown says. “We offer ‘white glove’ service that helps inspire customers by giving them a better feel for what these appliances could look like in their homes.”

Not only does the high-end merchandise require additional training for employees, it also necessitates greater customer insights.

“We pride ourselves on having knowledgeable salespeople, whether they’re in regular stores or in Fine Lines,” Brown says. “But in Fine Lines salespeople are more involved in the entire process. It doesn’t end when the sale is made.

“The process includes follow-ups with customers. Many times they come in before their houses are built. So salespeople might get involved with builders to make sure the timing is right and appliances are there when houses are being built. Then they follow up with customers to make sure installations were done properly.”

## INCREASED SATISFACTION

All of those efforts would be that much more difficult — even impossible — without the proper tools for customer optimization and analytics.

“We were getting the typical satisfaction scores with our previous company and that was about it. There wasn’t a lot we could take back to our general managers, delivery teams and store associates,” Brown says.

The retailer’s partnership with InMoment and its customer experience platform turned the tide on customer information. It enabled HHGregg to drill



into the data without getting bogged down, and to unite customer and employee feedback with, among other things, transactional and loyalty data.

The company began working with InMoment about two years ago; after a six-month transition period it was getting back multiple surveys on online, in-store and fulfillment experiences among customers.

“Since we’ve been with the InMoment program, our overall customer satisfaction scores have increased about 18 percent because we can track activities back to the associate level, so we can tell them how well they’re doing or what areas of customer service they need to work on,” Brown says.

Meanwhile, the retailer has added several new surveys for its Fine Lines and call center operations. “We decided the Fine Lines survey needed to be different than the others,” he says. “We’ve doubled the number of Fine Line stores since we started with InMoment and that figure will double again in the coming years. We have to be sure we’re doing the right things when catering to a different customer.”

Some of the most insightful data came from customer comments. “Under our old system, we could get scores, but couldn’t ask for comments from customers,” Brown says. “Besides, there was no way to analyze those comments to find out what customers liked and disliked about their experiences with us.”

### ONLINE FEEDBACK

One significant change to come about as a result of the new information was the development of a tool called the Ultimate Price Center, a kiosk that allows customers to see how products are priced elsewhere.

“We learned from surveys how important price is to buyers and non-buyers. We found out that store associates weren’t using this to their best advantage as a selling tool and not always sharing the Ultimate Price Center with customers,” Brown says.

“They might consult it, but we needed to make sure it was ingrained as part of



our sales process. The idea is that we don’t want to make customers do homework. It was a tool to help them feel better about the purchase and to make sure they knew that if our price wasn’t the best, we’d make sure it was.”

Part of the customer surveys was aimed at making sure customers were being shown the price tool: Satisfaction ratings jumped some 30 points when customers had the price tool and the price-matching policy explained to them.

The company also began gathering and using the data online. “In addition to posting post-purchase surveys, we initiated a feedback tab on our site that is also managed by InMoment,” Brown says. “It’s helped us understand our customer better and the issues they might have with logistics of the site and their browsing experience as more of our business moves online. Working with the e-commerce team, the data told us how people like to navigate the site.”

That, and other information, is regularly shared. “We give multiple reports to general managers. The main one is the coach report and a scorecard. InMoment helped us customize reports we send out to associates, specifying in which areas they are doing well and what they need to work on. This is also a great tool for managers because it tells them on whom they have to focus their attention,” Brown says.

“We’re not going to get things right 100 percent of the time. There’s always a few bumps between the store and delivery. But we always try to stress with associates that there is always an opportunity to

make things right with customers.”

### DOING MORE

HHGregg conducts regular meetings with store and regional managers to see how the retailer can improve the program as a whole, and if any additional reporting would help.

“We’ve actually branded our satisfaction program, calling it ‘HH Cares,’ and people recognize what we

stand for,” he says. “As I get around to stores, everyone knows about InMoment and HH Cares.”

Despite these successes, there’s plenty of opportunity to do more.

“We’re always looking at the data in different ways,” Brown says. “All our customer satisfaction data is tied to our internal database with information on every demographic. For example, in the past year we’ve been trying to understand more about our Hispanic customers and what they like about their experiences with HHGregg. Recently, we started giving language options on our surveys.

“We’ve also started looking at how women rate their experience versus men. As we remodel stores, we’re trying to enhance our understanding of how different segments like the experience or why they don’t like it.”

The company has also tested video feedback, which will be part of its program this year. “We’ve seen some good results,” Brown says. “It’s an option for people who don’t want to type in their feedback, so associates have the option of reading comments or watching the video. It brings customers’ experiences to life when you can see it in their faces.

“So we’re up to data on customer experience tools,” he says. “But we’ll continually test different things to make sure the program doesn’t get stagnant.” **STORES**

Len Lewis is a veteran journalist and author covering the retail industry in the U.S., Canada, Europe and South America.