



Elkjøp Nordic enhance customer experience and improve staff scheduling with Qmatic solutions.

” Qmatic’s mobile queuing solution illustrates the power of our omnichannel strategy: We are where customers are – even in their pockets.

Hans Petter Døvre, Format Director ”

Norway’s Elkjøp group operates in an extremely competitive market. So group executives decided to meet the competition with formidable focus on customer satisfaction – a strategy that Elkjøp intensified even more since it took this decision in 2009.



The Elkjøp group is the Nordics’ leading consumer electronics chain. With annual sales of USD 4.3 billion (NOK 26 bn/SEK 28 bn), hundreds of stores that operate under various brand names in all Nordic countries, plus extensive web sales, the company has the requisite volume for offering excellent prices.

While price is a critical success factor when consumers choose where they buy their electronics and appliances, Elkjøp also focuses intensively on customer experiences. The greater-than character is the new Elkjøp logo. The logo symbolizes what the company wants customers’ experiences to be, namely, greater than or exceeding their expectations. Besides being a price leader, Elkjøp wants to provide inspiration, and exceedingly central for the chain is that these customers feel confidence.

Market Challenges

- The consumer electronics industry is extremely competitive.
- Customers are very price-sensitive.
- Chain differentiation is difficult to achieve in ways other than pricing because all chains sell the same products.
- It’s difficult to have shops where customers live and work for cost reasons.
- In a multichannel environment that contains the web, brick-and-mortar stores, and direct mail, a totally seamless customer journey is very difficult to implement.

Solutions

In 2009, the executive team for the Nordics’ leading consumer electronics chain decided to modify its direction. Of course Elkjøp had always worked extensively with customer focus (it was launched in 1962). But it wasn’t doing enough to deal with the hyper-competitive market climate in 2009.

The Vision

The vision is to become the planet’s most customer centric retail chain. All sales reps are responsible for the satisfaction of each customer – regardless of cost. To get and enjoy return on this investment, Elkjøp worked closely with Qmatic; this partnership ensures that customers:

- Are cared for equally as well in stores as they are online.
- Always get fast assistance from top-notch experts with reduced waiting time.

The results of this customer-satisfaction investment? Overwhelming.

For example, in Sweden, where Elkjøp operates under the Elgiganten brand name, the company almost doubled its sales in three years – while competitors, such as On-Off and Expert, had to leave the market.

According to Hans Petter Døvre, Format Director, Nordic Elkjøp: “Waiting is what most harms customer experience.”

SOLUTION OVERVIEW

ELKJOP NORDIC

The Elkjøp group is the Nordics’ leading consumer electronics chain. With annual sales of USD 4.3 billion (NOK 26 bn/SEK 28 bn), hundreds of stores that operate under various brand names in all Nordic countries. The Group is part of Dixons Retail with headquarter in the UK.

INDUSTRY: Retail

REGION: Nordic

Stores in Norway, Denmark, Finland, Sweden and Estonia.

THE CHALLENGES:

- Extremely competitive industry
- Was looking for ways to reduce waiting and keep customer from walking out of the store.
- Was looking to support the online-to-offline customer journey.
- Was looking for a solution that was scalable and fully centralised.

THE SOLUTION:

- Qmatic Orchestra Enterprise platform to manage all stores in the Nordics from one central location.
- Self Service kiosks at multiple business areas in the store
- Signage system for customers and staff.
- Statistics and realtime alerts for management and staff
- Mobile solution to allow customers to be in the queue without being on location.

THE BENEFITS:

- Improved customer experience
- Optimised staff scheduling
- Supporting the omni-channel strategy

We had to do something," says Hans Petter Døvre, format director, Elkjøp Nordic. "In retrospect, we focused a little too much on the bottom line and internal issues. And that's not enough. We felt that we must aim toward the stars and truly target customer relationships."

This strategic decision drove radical change that rippled through the entire Elkjøp retail chain with all its shops and employees.

"This journey will never end," says Døvre. "In all our customer contacts, they must always feel that they are the most important persons in the room."

Døvre emphasizes that the Elkjøp multichannel strategy, which involves sales in physical stores and on the web, provides great opportunities to improve customers' experiences:

"Consumers want to flip between channels. They want to search web stores – maybe talk to an expert on the phone – and then maybe buy the item online and fetch it in a store if they can't wait for delivery. We can arrange all that, and in each contact with them, we get a chance to exceed their expectations when it comes to the entire buying process. The multichannel strategy gives us a strong competitive edge, and with it, we can create a truly seamless customer experience."

While in store, customers can get digital help. For example, they can talk to an expert on the phone while waiting to be served. They also can browse and learn more about various products on Elkjøp web sites. But waiting time in stores negatively affects customers' experiences.

"This is a problem," says Døvre. "And adding extra staff narrows our margins. That's why we rely on our partnership with Qmatic, which

enhances the experience of waiting in line and enables us to improve HR scheduling.

Customer-flow and waiting-time statistics that are generated with the Qmatic system give us excellent decision-support material for optimal store staffing. "

In the long run, Elkjøp also expects to integrate the Qmatic system with the Digital Signage database and a sophisticated customer relations management database to allow for personalized customer journeys. When it comes to the actual queue, Elkjøp has already started to move it out of the store:

"Customers can in the Qmatic system provide their mobile phone number and then get a text message when it's time to enter the store. This mobile queuing solution illustrates the power of our multichannel strategy: we are where customers are – even in their pockets."

Implementing Qmatic

Orchestra is the solution the Qmatic delivered to Elkjøp – a centrally installed enterprise solutions. Orchestra can manage all Elkjøp stores throughout the Nordics; currently, about 10 stores are online. Via a touch kiosk, customers can select what they want help with and then reserve a slot for the most appropriate department (e.g., photo, HiFi, TV, or appliances). Customers don't see what happens "beneath the surface". The system follows the store's customer flow in real time, and various store managers get updates via text messages when queue times are too long or if there are more customers in the store than what is planned for. The employees' lunch room has a screen on the wall that displays queue times and other information in real-time that determines if more staff must be added. In essence a smart business

application that provides the means for the staff to take informed decision in real-time.

"It's a very powerful signal to the staff," says Døvre. "If necessary, we'll drop everything we're doing to help customers as quickly as possible."

The results

The Elkjøp group clearly leads the Nordic consumer electronics market. Its 2012-2013 Nordic sales surpassed USD 4.3 billion (NOK 26 bn/SEK 28 bn). So it clearly grabbed market shares – particularly in Sweden, where fierce competition forced competitors, such as On-Off and Expert, to leave the market. Elgiganten, the Elkjøp brand name in Sweden, almost doubled its sales during the past few years.



” Elkjøp's vision is to be the world's most customer-oriented retail chain. Qmatic help us to enhance the customer experience and to improve staff scheduling. ”

Hans Petter Døvre, Format Director

