



Business challenge

Years of rapid growth had required Pierce AB to concentrate on its overall business strategy, but the company was ready to expand its focus to include optimizing the customer, employee and partner experiences.

Transformation

Pierce worked with the IBM® Digital Strategy & iX™ team to develop a growth-oriented strategy for improving the experiences of its customers, employees and partners. Using the IBM Digital Reinvention™ framework and the Enterprise Design Thinking framework, the team assessed Pierce's digital maturity, conducted workshops with customers and formulated a plan to implement the new strategy.



Henrik Zadig
Chief Executive Officer
Pierce AB

Results

Identifies resource gaps

and provides concrete plans for filling them

Improves problem solving

by encouraging cross-functional SWAT teams that continuously focus on user outcomes

Creates valuable opportunities

for continued reinvention by opening a dialog with customers across Europe

Pierce AB

Preparing for continued growth with a detailed customer engagement strategy

Founded in 2009, Pierce is an e-commerce motorsports retailer based in Hägersten, Sweden, with operations throughout Europe. It does business under three brand names: 24MX, which specializes in motocross; XLMOTO which focuses on on-road motorcycles; and sledstore, which serves snowmobile enthusiasts. Each division sells sport-specific parts, equipment, clothing and accessories.

“The best days are ahead of us. We are launching a number of new initiatives that will help us continue our growth trajectory for years to come.”

—Henrik Zadig, Chief Executive Officer, Pierce AB

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Focusing on the customer

Pierce has come a long way since its earliest days in 2009, when it was a 4-person operation run out of a garage. Today, its team is more than 250 members strong, it proudly serves more than 35 markets in 16 countries, and its annual sales exceed EUR 75 million. So much growth in such a short time hasn't been without its challenges. Henrik Zadig, Chief Executive Officer of Pierce, notes: "Growth doesn't happen automatically. You have to work for it every day. Every day is a constant quest, across all the different functions, to become better. To do better than last year; do better than the last campaign."

Pierce's radical growth has required a strong focus on overall business strategy, and Zadig reports that his team has worked hard to develop and nurture successful business operations. However, as Zadig explains: "When it came to the customer experience, we were grappling with what to do, how to do it and when to do it. The area of customer experience is huge, and it's easy to lose focus on the things that really matter." To maintain its status as one of Europe's leading online motorsports retailers, the organization needed to broaden its approach to strategy.

Defining a new strategy

In 2017, Pierce engaged the IBM team for help in understanding and enhancing not only the customer experience, but also the employee and partner experiences. The IBM team began the engagement by using the IBM Digital Reinvention framework to conduct a maturity assessment. The assessment began with executive interviews to assess as-is and to-be statuses for roughly 300 Digital Reinvention capabilities.

Next, the IBM team shared its Digital Reinvention point of view during a series of executive workshops. During these workshops, the team validated and adjusted the results of the executive interviews, then analyzed and prioritized the gaps they identified.

With the maturity assessment complete, the IBM team brought in a small group of Pierce customers from Germany, France and Sweden to conduct two full-day Enterprise Design Thinking workshops. Notes Zadig: "It was a key part of the project, gathering these customers from across all of Europe and spending a few days with them. We got to really understand how they look at Pierce today and what they see as the biggest opportunities for improving their customer experience."

To complete the engagement, the IBM project team developed three alternative straw-man strategies and validated them with the Pierce leadership team. The first, called Smooth Operator, involves meeting customer expectations and getting the fundamentals right. The second, Experience Leader, builds on the Smooth Operator strategy, adding experience-enhancing elements. The third, most ambitious and long-term strategy is called Experience Innovator. A company working to become an Experience Innovator sets new standards in the industry by developing innovative offerings and experiences.

Upon reviewing each of the potential strategies with the IBM team, Pierce chose to focus on becoming an Experience Leader, with a view to becoming an Experience Innovator in the future. Together, Pierce and IBM developed a high-level plan for implementing the new strategy, including a list of strategic initiatives and corresponding processes for execution.

Putting the new strategy to work

Today, Pierce is working hard on the strategic initiatives developed during the IBM engagement. First among those initiatives is hiring a manager for human resources and company

culture, as well as a head of loyalty. These positions will work directly with employees and customers to make Pierce's vision a reality.

Pierce has also changed the way it approaches business issues as a result of the engagement. As recommended during the executive workshops, Pierce has tested cross-functional SWAT teams that focus on specific issues, challenging assumptions and looking at problems from new perspectives. Says Zadig: "We use SWAT teams to get experience and expertise from across the different functions and to speed up execution. We no longer just rely on a set of senior leaders. Now, we can involve the entire organization to solve business issues. We become stronger as a result."

Lastly, the IBM engagement has resulted in several important, lasting relationships with Pierce customers. Zadig explains: "We have maintained contact with the customers that we invited here for the workshops. We can call them if we have specific issues or want to have specific customer input."

For Zadig, direct customer feedback is an invaluable asset. "I believe that in the long run, the customer experience is the only thing that separates you from your competitors. It's very easy for someone to copy your products. It's very easy for

someone to copy your prices. The only really sustainable differentiator is the experience you offer to your customers.”

With its new Experience Leader strategy in place, Zadig and the entire Pierce team believe they are on track for continued success. Says Zadig: “The best days are ahead of us. We are launching a number of new initiatives that will help us continue our growth trajectory for years to come.”

Solution components

- Enterprise Design Thinking by IBM®
- IBM Digital Reinvention™
- IBM iX™

Take the next step

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