

Leading Through Connections

Insights from the
Global Chief Executive
Officer Study

Magazine Luiza

Maintaining a human touch in an online world

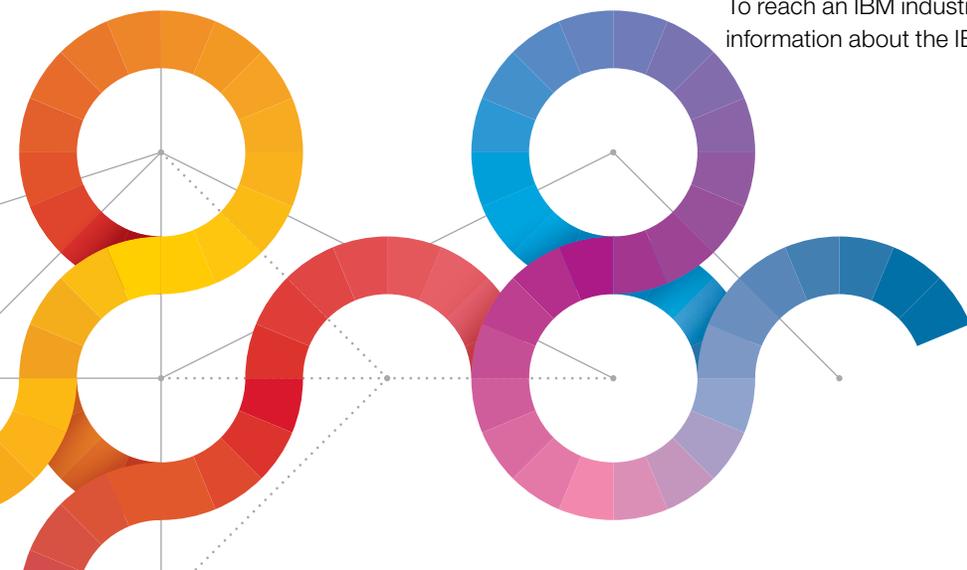
Since starting as a small retail shop in 1957, Magazine Luiza, now the second-largest department store chain in Brazil, has connected with customers on a human level. To engage buyers, the retailer aims to fulfill dreams, not just deliver bargains. For those who often have scrimped and saved to buy their first refrigerator or new furniture, Magazine Luiza wants the experience to be happy and memorable.

While growing its physical store network, Magazine Luiza also became an early e-commerce adopter. But in addition to its online store, the retailer launched an innovative “bricks and clicks” store format, where shoppers sit with associates who guide them on Internet shopping trips. These stores often become social hubs by offering services supporting the local community, like cooking classes or computer training.

As customers grew more accustomed to online shopping, Magazine Luiza humanized its website with a virtual salesperson named Lu. Through videos, podcasts, blogs and tweets, Lu communicates and interacts with customers.

More recently, Magazine Luiza has established a new channel, taking its bent toward individualization and community into the social world. Through Magazine Você – your store – customers can create personalized storefronts with their favorite products and share them via Facebook or Orkut. Store “owners” earn a commission when someone from their social network buys a product; Magazine Luiza collects payment and ships the goods. Already, more than 20,000 social stores have sprung up, with average conversion rates that are higher than the retailer’s online store. Through these stores, Magazine Luiza expects to touch 1 million customers within one year of launch.

To reach an IBM industry expert, contact iibv@us.ibm.com and for more information about the IBM CEO Study, please visit ibm.com/ceostudy.





© Copyright IBM Corporation 2012

IBM Global Services
Route 100
Somers, NY 10589
U.S.A.

Produced in the United States of America
July 2012
All Rights Reserved

IBM, the IBM logo and ibm.com are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with a trademark symbol (® or ™), these symbols indicate U.S. registered or common law trademarks owned by IBM at the time this information was published. Such trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the Web at “Copyright and trademark information” at ibm.com/legal/copytrade.shtml

Other company, product and service names may be trademarks or service marks of others.

References in this publication to IBM products and services do not imply that IBM intends to make them available in all countries in which IBM operates.



Please Recycle