h.h.gregg
appliances & electronics

hhgregg

Inspiring more customers to complete their retail journeys and doubling sales every 18 months

Overview

The need
With up to 50 percent of its digital visitors starting their retail journeys on mobile devices, hhgregg wanted to drive sales by offering a simple, streamlined experience from browsing to checkout.

The solution
To shape seamless customer journeys on all digital devices, hhgregg now works with BlueSky Technology Partners to develop the scalable architecture for its analytics-driven approach to e-commerce.

The benefit
Today, hhgregg inspires more customers to complete their digital retail journeys—boosting conversion by 1000 percent, digital revenues by 150 percent and achieving top-250 online retailer status.

Today, customers expect the convenience of browsing their favorite retail stores anytime, and on any digital platform they choose. Customers are far more likely to purchase from businesses that make it easy to find the products they want. To win their business, retailers must deliver a seamless, consistent and intuitive experience on every digital channel—but how?

Need for closer customer engagement

This was a question at front-of-mind for hhgregg, a leading electronics and appliances retailer headquartered in Indianapolis, Indiana. With more of its customers starting their retail journeys on digital devices than ever before, the company realized it needed to act fast to capture these new sales opportunities.

Kevin Lyons, Senior Vice President/General Manager of E-commerce at hhgregg, takes up the story: "At hhgregg, we pride ourselves both on our fast speed to market and our responsiveness to changing customer preferences. When we saw that as much as 50 percent of our digital traffic was directed towards the mobile site, it became our top priority to help these customers to complete their journeys quickly and easily."

"Consumer expectations of retail are changing fast, and staying competitive means responding in an agile way," says Kevin Lyons, Senior Vice President/General Manager of E-commerce at hhgregg. "The IBM roadmap for digital commerce aligns perfectly with our own long-term strategy, and we are confident in building even closer relationships with our customers going forward."

Solution components

Software

- IBM® MobileFirst™ Platform Foundation
- IBM Mobile Push Notification
- IBM WebSphere® Commerce

IBM Business Partner

- BlueSky Technology Partners

Identifying e-commerce challenges

"We faced some tough challenges. Our previous e-commerce platform made it difficult to offer a simplified browsing experience on the mobile site. The result was that many of our customers became frustrated and abandoned their retail journeys prematurely, leaving our mobile conversion rates much lower than our competition and industry norms.

"During key retail holidays such as Black Friday and Cyber Monday, presenting the right offers at the right time can make the difference between winning sales or losing out to a competitor. Because our legacy platform was so complex, there was a high risk of changes causing suboptimal performance at critical moments. As a result, we were forced to adopt relatively static campaigns, and we knew that we were missing opportunities to capture incremental sales by reaching out to customers with tailored, relevant content."

Driving a digital transformation

To solve the challenge, hhgregg decided to transform its digital strategy with an integrated platform for e-commerce, campaign management and mobile development based on IBM Commerce solutions.

"IBM Commerce offered a complete portfolio of solutions we needed to solve all of our business challenges," recalls Kevin Lyons. "In addition to providing the kind of flexible, analytics-driven e-commerce platform that we were looking for, IBM had the best-in-class development tools we needed to turn our vision of a responsive mobile experience into a reality."

hhgregg migrated its e-commerce platform for its desktop and mobile sites to IBM WebSphere® Commerce software and engaged an expert team from IBM Premier Business Partner BlueSky to optimize the platform. With fully integrated analytics and campaign management capabilities, the new platform enables hhgregg to design, release, monitor and refine its campaigns in near-real time, helping it to maximize performance across the campaign lifecycle.

"One of the most impressive aspects of the IBM WebSphere Commerce platform is its flexibility," continues Kevin Lyons. "We can now make dynamic changes to our messaging that flow through to our mobile and desktop sites in a consistent manner, and without any worries about our changes causing unplanned downtime at critical points in the sales cycle. Better still, we now use powerful IBM WebSphere Commerce templates to build compelling, easily navigable portals to showcase our best-selling brands."

"With IBM Commerce solutions at the heart of our e-commerce strategy, we can deliver personalized, seamless retail experiences to our customers on any digital channel."

— Kevin Lyons, Senior Vice President/General Manager of E-commerce, hhgregg

Building the mobile experience

Next, hhgregg deployed IBM MobileFirst™ Platform Foundation to build, test and deploy its first native mobile apps with the solution.

"From the outset of our digital transformation, we realized that a well-designed mobile app would enable us to build lasting, valuable relationships with our customers," says Kevin Lyons. "Thanks to our IBM solutions, we have shaped an in-app experience that is as streamlined and intuitive as our mobile-optimized site.

"What's more, because our management environment for the mobile app is so tightly integrated with our campaign management platform, we can share relevant offers to individual customers directly via the app—inspiring them with relevant products that they may not otherwise have considered.

Kevin Lyons adds: "The personalized experience doesn't stop there. Our IBM solution enables us to tailor mobile or in-app content based on the customer's geographical location, if they choose to share it with us. Each of our digital channels is now designed with one purpose in mind: to help customers browse, find and buy the products they love in the fewest possible taps."

Boosting sales, increasing revenue

Thanks to its IBM Commerce solutions, hhgregg is achieving its aim of building the kinds of seamless digital experiences that inspire sales and encourage repeat business.

"Today, we can offer our digital customers a seamless journey from browsing to buying, and the results have been dramatic," says Kevin Lyons. "In just 18 months, our work with BlueSky Technology Partners has helped us boost our digital conversion rates by 1000 percent. In addition, digital sales as a percentage of total company revenue has increased nearly 150 percent."

Ready for growth

By adopting a data-driven approach to engaging with digital customers, hhgregg has strengthened its position in a competitive retail environment.

"The average growth rate for our industry is currently around 16 percent," explains Kevin Lyons. "In the last 18 months we have tripled our digital sales, contributing to industry-beating 60 percent growth. In fact, we have moved from the top-400 to the top-250 US internet retailers published by Internet Retailer in the last three years, and we are confident that satisfying our customers with a more personalized digital service is a key contributor to our success."

Kevin Lyons concludes: “At hhgregg, our purpose is simple: to inspire and delight our customers with products that bring their homes to life. With IBM Commerce solutions at the heart of our e-commerce strategy, we can deliver personalized, seamless retail experiences to our customers on any digital channel.”

About hhgregg

Founded in 1955 in Indianapolis, Indiana, hhgregg is a leading specialty retailer of home appliances, consumer electronics, home entertainment furniture, mattresses, fitness equipment and related services. With more than 226 brick-and-mortar stores (including some Fine Lines Premium Appliance Centers adjacent to hhgregg in select markets) in 20 states, the company generates annual revenues of approximately 2.2 billion and employs more than 8,000 people.

To learn more about hhgregg, please visit hhgregg.com

About BlueSky Technology Partners

Founded in 2006 and headquartered in Noblesville, Indiana, BlueSky Technology Partners is an e-commerce consultancy specializing in IBM e-commerce and digital marketing solutions. With consultants throughout North America, and partnerships with global scale, BlueSky helps B2B and B2C companies transform their multi-channel commerce and digital capabilities to improve the way they do business around the world.

To learn more about BlueSky Technology Partners, please visit blueskytp.com

For more information

To learn more about IBM Commerce solutions, contact your IBM representative or IBM Business Partner, or visit the following website: **ibm.com**/commerce

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