

IKEA & CAPGEMINI

Improving the customer experience

As customer journeys become increasingly complex, digital innovation is not only an accessory to the customer experience, it is a prerequisite. Jonas Hessler, the Global Web, ecommerce, and Digital Channel Manager at IKEA, discusses how partnering with Capgemini has made far-reaching advances in the IKEA customer experience both online and offline.

For IKEA, what does it mean to be an innovative, digital company?

Jonas Hessler: Innovation has always been a key component in our business, and the developments in technology have been catalysts for our potential to innovate. That said, we do not treat digital as a single entity. We are constantly looking for ways in which we can use digital to enhance the in-store experience and considering how our digital and store activities can best work together. Whether online or offline, our customers are the ones who make our channels tick, so we look to them for direction. As customers are becoming more and more accustomed to the virtualization of commerce, many industries are forgoing store strategies. That does not apply to us. By 2020, we are committed to increase both store and online visits substantially, while having a competitive ecommerce offering on every market, as we believe digital to be a complement to offline sales.

Can you tell us more about your Digital Customer Experience journey?

J.H.: We know that around 70% of our in-store visitors prepare their visit online beforehand. The Digital Customer Experience (DCX) is a pivotal consideration in commercial success today. Every customer is different, and digital offers a more tailored shopping experience. Some wish to purchase online and have the goods delivered, while others prefer to browse online and pick up the goods at the store, saving time and money. Some customers do without the digital preliminaries altogether. It is all about giving customers a choice, not only in our vast array of home furnishing products, but also in the nature of their shopping experience. Digital helps us achieve that. Today, we average 2.1 billion online visits per year, and intend to increase this number substantially in the years to come.



Customers increasingly expect companies to understand their needs and provide a consistent experience across all sales channels. Digital innovation is key to meeting these new expectations.”

Jonas Hessler,
Global Web, ecommerce
and Digital Channel Manager at IKEA

IKEA has partnered with Capgemini for over fifteen years. How would you describe this collaboration?

J.H.: IKEA and Capgemini have built their businesses on a similar corporate culture and values. We also share similar qualities in terms of our workforce. Both IKEA and Capgemini see people as our most important asset. Having humble people with bright ideas and the passion to realize these ideas is the propelling force behind our success. We are all committed to creating a better everyday life our many employees. Our common objective is making sure the IKEA customer’s wishes and needs are met as their mindsets and shopping behaviors change. Capgemini and IKEA are—and have been for fifteen years—united in the commitment to this objective.



IKEA

- Founded in 1943
- 392 stores in 48 countries (2016)
- 2.1 billion website visitors (2016)
- €35.07 billion revenue (2016)
- 183,000 employees (2016)

In one word, what best describes the partnership with Capgemini?

J.H.: Excellence. We have witnessed an excellent performance, particularly with regards to the running of our retail website on a global basis. Capgemini has also contributed to our growth. Together, we have developed a digital solution that will allow for the introduction of ecommerce in the majority of the IKEA Group markets within this financial year, i.e., August 31, 2017. Generally, these projects take a long time, but Capgemini exceeded expectations regarding time-to-market, which was quite an achievement.

What would you say that Capgemini does for IKEA's bottom-line?

J.H.: With Capgemini's help, we have both refined our approaches to a fast-paced, ever-changing market and implemented completely new approaches to make a significant difference in a short time. Applied innovation has enabled that growth. Not only do we share the same results-oriented approach, but Capgemini also understands that the key to unlocking our growth potential, while simultaneously creating a better everyday life for our customers, is digital innovation.

Can you share with us the highlights of your work together last year?

J.H.: One highlight was our continued work together on the IKEA Home Planner, the digital solution that allows our customers to become their own interior designers. With the IKEA Home Planner, customers are able to select and place furniture into a virtualized mock-up of their home. They can rearrange and try different styles according

to the exact measurements of their room, and view the arrangements in three dimensions, just as an architect would. The schematic also provides the customer with all measurements and a tally of the cost, which they can collect at their nearest IKEA store, and where they can receive further advice and assistance before making a final decision on their purchases. The many incremental innovations the IKEA Home Planner has undergone in the past year have optimized usability, and since nearly all kitchens sold at IKEA (up to 95%) use the tool, that is a key achievement.

What are IKEA's future plans to improve the DCX?

J.H.: Improving the DCX involves a deeper and more refined understanding of our customers and their shopping behaviors. These behaviors are in a constant state of flux, and it is no longer sufficient to simply sell products. We need to make sure our customers perceive us as a unique, meaningful, and trusted company that can provide them with a seamless and intuitive shopping experience, increased diversity of choice, and personalized communication. ■



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