## Case Insight 14.1: Åhléns

# Lotta Bjurhult, Business Developer, Retail Operations

My name is Sara Rosengren, I'm a Professor of Marketing at the Stockholm School of Economics. I am also one of the co-authors of *Marketing* fifth edition, byOxford University Press. In this interview, we will meet Lotta Bjurhult who is in business development at the department store Åhléns.

Åhléns is a chain of department stores in Sweden, we have 70 department stores from the south of Sweden to the north and we have quite a difference from the smallest ones to the largest one is Dot Com City.

I work in the sales department as a business developer and I have been working with launching the online channel and working with preparing the employees in store with adding another channel, the online store.

The online store will be a complement to this existing stores, we are working with the possibility for the customer to shop online, to shop in store, to find products you can’t find in store, to buy it online. We want it to be a real omni-channel experience, we want the customers to be able to shop anywhere they want at any time and this is the first step for us to open the online store and from start, have the availability to have a click and collect option for the customer.

On the online store, we have chosen to have the click and collect option as the first option. We know that our customers like to visit the stores, we have great locations of the stores and we want the customers to be able to choose from click and collect in store, in the department store or to choose another place to pick up their deliveries or to have a home delivery and we already see that over 50% of the orders are actually delivered as click and collect to the department stores.

One, one thing for the customer is that is, it’s very easy to pick up their online order in store, with good locations, good opening hours, on the way from work to home so actually it’s quite easy.

For the employees, it’s really a new thing and we have had a learning period for the department store managers, for all the employees preparing them for this new online channel.

We started with preparing the department store managers and we also have an education for the employees but we actually started with getting to know the change in customer behaviour, you need to understand why will Åhléns add an online channel.

First they need to understand why we start the online store and why we want the customers to pick up their orders in-store. In adding another part of the job, we need to make it part of the ordinary job, that the sales that go through the online store actually, when it’s click and collect, we have the sales reported to the store, to the department store so it’s adding up their sales.

When the online orders arrive to the store, they need to register the, the arrival and then they need to arrange it in a logical way, in the warehouse they have in the store. When they register the online order, there will be a text message and an email for the customer that the order is ready to pick up and when the customer comes to the department store to pick up their online order, we want it to be very quick and easy and also of course, we want them to go to the store to see what else we have to offer. So we want the customers to be able to see everything Åhléns has to offer online but also in-store when they visit the store.

The traditional sales reps do the job, we have not employed for a new role, it’s part of their everyday work so practically every employee in Åhléns needs to know how to handle out click and collect order to a customer.

First of all, it starts with the department store managers, then we have the education and we also have the routines but also we have a system that is very user friendly, so it’s actually easy from Day 1 to handle out an online order to a customer.

The click and collect in the department stores is up to the department store manager to decide, they know their customers best. We have chosen one of the cashier desks and have signs that show that you can pick up your click and collect at this cashier desk and every department store manager has chosen which one is best and they have chosen from the parameters, easy for customer to pick up but also easy to store the online orders, so when you are supposed to leave out a package, you're not supposed to go so many steps to pick it up, we don’t want to leave the customer waiting.

I would say that we are trying to offer the same experience online as offline, what you have offline of course is the employees; you have the meeting with the customer and the employee, that is harder online. We have customer service by email or calling, but it’s not the same thing, also you have, you can try things on when you visit the, the department store but we try to offer more or less the same assortment but we are learning more and more, there will be some assortment that works better online and the other way round. We also see that some assortment is very good to showing in-store but the customers want to order it for home delivery.

It will be possible for the employees to place an order for the customer, for home delivery for example and also in the smaller department stores, with the assortment you don’t have on the shelf, it will be possible to order that for the customer.

I think the first thing when the online store was introduced, was a scepticism, ‘Okay, another department store, it will be a competitor’ and then working with it, understanding the customer behaviour, I think that most of the employees actually welcome the online store, they see that the customers still shop in-store, they see that most customers choose the click and collect solution so they actually have more possibility to meet the customers today.

We started educating the employees in the technology that we use our mobile phones that we shop online, that we search for prices, that we want exactly that product, where can I buy it? And we also looked into how Swedish customers shop online and that they actually shop exactly the same products that we sell online, so without an online channel, that means that the customers are shopping at the, somebody else.