

INCREASING E-LOYALTY: A ROADMAP TOWARDS GROWTH WHILE ENHANCING THE BRAND LOYALTY OF HOME DESIGN SHOPS

INTRODUCTION

The past 10 years internet retail sales have been rapidly growing. The gradual shift from offline to online shopping comes with its own set of unique challenges for brands and business operations. Consumers are almost effortlessly able to compare different competitors that offer the same product or service. "The result is fierce price competition and vanishing brand loyalty." Kuttner (1998)

This is also a problem that Home Design Shops encounters as an e-commerce company in the living/home-goods sector. The company wants to distinguish itself from colossal competitors like Fonq, Bol.com and

Amazon by offering the best support and service during the complete customer journey when renovating a house.

The past years Home Design Shops has showed remarkably growth with revenue growth numbers up to 50% per year. To maintain this sustainable growth while at the same time distinguishing themselves from their competitors, there was the need for a new long-lasting strategy. Therefore, the goal of this graduation project was to develop a strategy that would result in an increase in brand loyalty combined with growth on the long run.

The foundation of the strategy has been developed by performing an extensive internal analysis of the company and an external analysis consisting of a consumer, competitor market and trend analysis. The result was summarized into a future vision which describes the desired effect that needs to be achieved with the future strategy. In order to realize this strategy three overlapping continuous cycles (Horizons) of strategic business innovation has been constructed each with their corresponding products & services.

FUTURE VISION

*Empowering customers to become proud and delighted home-owners.
By supporting them along every stage of their journey and exceeding all their needs. Giving them confidence and confirmation by offering personalized help, advice, products and services.*

STRATEGY

2021



**HORIZON 1
DELIGHTING THE CUSTOMER**

By providing them with all the support, content and product knowledge needed to confidentially make their own **product** choice and get the job done.



PROVIDING KNOWLEDGE

- How-to video's
- How-to content
- Buying tools/guides



DELIGHT & SURPRISE

- Free Present with each order
- Engaging email campaigns
- Trots op thuis campaigns



BUY WITH CONFIDENCE

- Reviews
- Simple AR
- Static recommendations

2023



**HORIZON 2
RECOMMENDING CUSTOMERS**

By becoming personal: getting to know their preferences and recommending a fitting **interior** or product combinations to them.



BECOMING PERSONAL

- Personalised website
- Personal recommendations
- Segmented marketing



PROVIDE & DEFINE INSPIRATION

- Offering inspiration content
- Moodboard functionality



RECOMMENDING AN INTERIOR

- Combined Product recommendations
- Online/Offline (interior) advice
- Shop the look functionality

2026



**HORIZON 3
EMPOWERING CUSTOMERS**

By helping them to achieve their project goals, providing an ecosystem with all the services, tools, content and products to confidentially plan and shape their own **project**.



ULTIMATE VISUALISATION SUPPORT

- 3D interior renderings
- Floorplan functionality
- Lightplan functionality
- Ultimate AR



FULLY INTEGRATED SERVICES

- Advising service
- Measuring service
- Installing services
- All in one package



FACILITATING TO EXPRESS PRIDE

- Trots op thuis community
- Facillitating WOM
- Encouraging UCG

PRODUCTS & SERVICES

Jelmer van de Scheur
Increasing e-loyalty: A roadmap towards growth while enhancing the brand loyalty of Home Design Shops
10 September 2020
Strategic Product Design

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