

REACH ECOSYSTEM

CUSTOMER STORY

*An innovative technology retailer that
has let customer experience shape
organisational development*



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How One Innovative Retailer Let the CX Reshape Leadership Development

About Video Pro

Since its inception in 1980, VIDEOPRO has grown to be one of Australia's leading technology companies. With world-class industry expertise, VIDEOPRO are your providers of Audio, Visual, Computers and Solution products.



Head Office and Logistics Hub

Australian owned and operated, we pride ourselves on our ability to diversify as the market changes. Our long-serving Board of Directors (including our founder Shane Leaney) have active key roles and are hands-on in the daily operations of our successful business.

We value quality products at competitive pricing and are proud to support a wide variety of some of the world's leading brands. Our dedicated team of staff are passionate in their field, with award winning experts across our Business and Retail teams. We are proud of our staff longevity, with high numbers of our 150 staff achieving 10+ years of loyal service in our business.

One of our key company core values states, 'We Care' and it is this value that has seen our business continue to expand. We are proud to boast that a major contributor to the success of VIDEOPRO is customer loyalty, with a high percentage of our business derived from repeat and referral customers.

The Situation

VIDEOPRO, a long-standing retailer of AV and IT premium brands (Apple, Sony, Sonos, BOSE etc), has seen their balance of revenue and profit from their Bricks and Mortar retail outlets dwindle in comparison to the growth from their eCommerce business.

They wanted to improve the customer experience they provided instore, to provide a truly value-added and customer-oriented experience, and to make going into a store would be highly differentiated from the online shopping experience.

Beyond the critical elements of an outstanding retail environment, they knew that the magic was in the interactions between the retail staff and their customers. Massimo Rosazza (Director of Human Resources at VIDEOPRO) explained, “One of our stores consistently outperforms the others in terms of percentage to target, and that store has everything stacked against it in terms of location, size and prestige, yet it is consistently strong”.

“The difference was how the people interacted with the customers. We wanted to understand that better, deliver training to close the gap and lift the performance at each store and give us the insights to make more informed decisions,” explained Mr. Rosazza.

The Strategy:

They engaged an external training and psychometrics provider ([PDT](#) using [REACH profiles](#)) to develop some customised training for them delivered by an expert retail sales trainer.

The goal was to help the salespeople understand different personality styles, and then learn how to adapt their style to provide the customers with an experience that better suited their communication needs and buying styles.

What They Found:

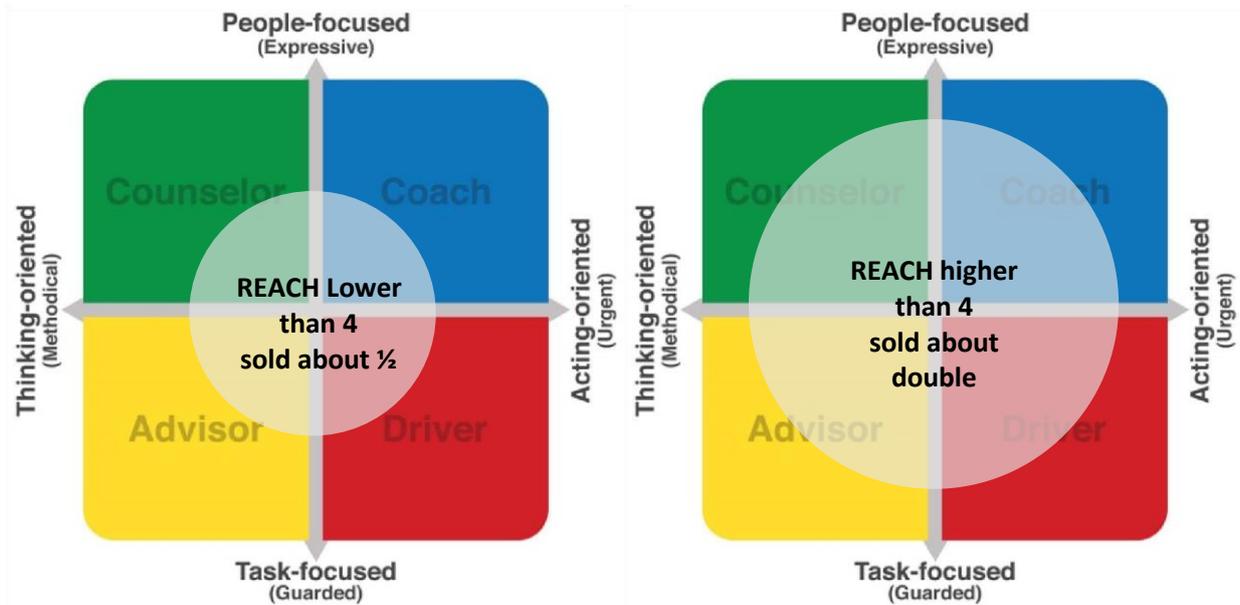
REACH Profiles are similar in some ways to older psychometric tools in that they characterise people’s most common approach or style (Coach, Counsellor, Advisor, Driver) and shows that on a simple, 4 colour grid as shown below.

However, REACH is different in two key ways:

- 1) It automatically shows a person’s REACH zone, or their current agility to REACH/adapt to other styles
- 2) It provides the specific skills that a person can learn to help them increase their reach.

The Org Dev Institute provided some analysis for us across our team, and we found a key insight – the performance of a sales person wasn’t linked so much to their primary style, but to their “reach” – ie, their ability to adapt to a different person’s communication style and provide a better customer experience while instore.

More specifically, the findings as shown below were that people with a REACH score greater than 4 perform significantly better than people with a REACH score below 4.



REACH lower than 4

- ✓ **Warranties: Sell about 1/2 (3.25 vs 5.81)**
- ✓ **Sales: Sell about 1/2 (54%)**
- ✓ **Profit: Bring in about half (56%) profit**

REACH 4 or greater

- ✓ **Warranties: Sell about double (5.81 vs 3.25)**
- ✓ **Sales: Sell almost double (184% more)**
- ✓ **Profit: Bring in almost double (178% more)**

There are some observations that we'll explore more over the coming year, however it's interesting to see the team composition of the store that consistently out-performs expectations is distinctly different to team compositions of the other stores – you can see the contrast below.

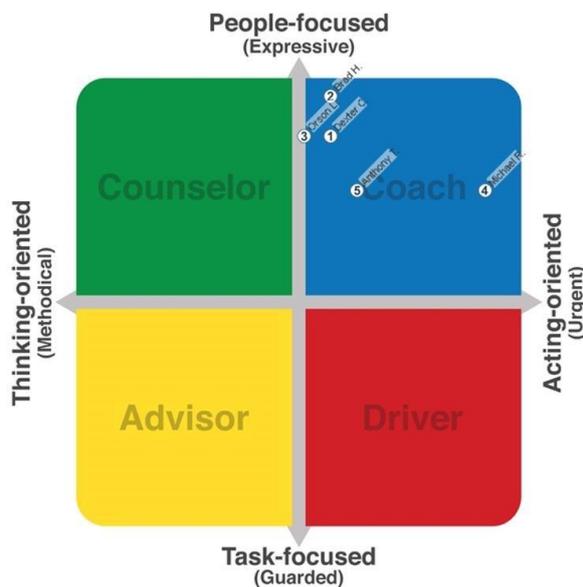


Figure 1 Within expectations store

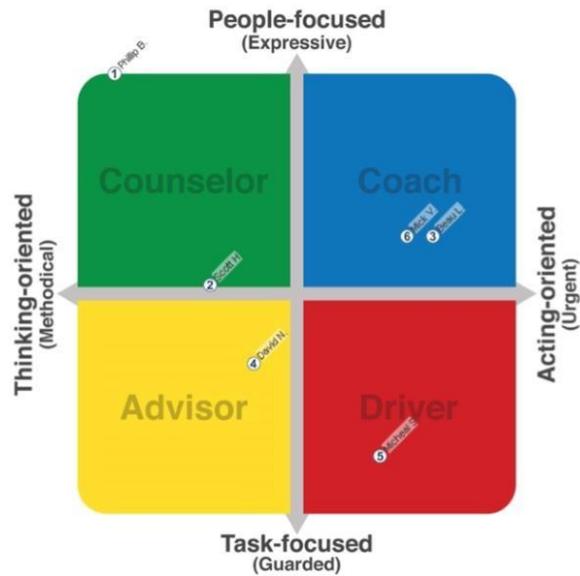


Figure 2 Beyond expectations store

What Next?

Over the 2019/20 financial year, we're taking a 4-pronged approach:

1. We're going to change the composition of our teams by moving people around stores and see how the different mix of personalities affects team and store performance.
2. We're going to use the development road maps and resources provided in the REACH Ecosystem to proactively build our team members REACH, and work to elevate everyone above a score of 4.0
3. If we're hiring, we're going to use REACH profiles during the hiring process to give us more clarity on the REACH and style of the people we bring into our teams.
4. We're going to introduce REACH into our other business units as well. To begin that journey we're running a short session with the Executive Team, we have used DISC for the senior leadership team in the past, however we've seen added benefits and growth opportunities with REACH out in the stores, so we're going to bring that same framework more broadly across the business beginning with the SLT.

"This is the first time we've seen a customer experience driven HR initiative work its way back into the business and upwards to the senior leadership team. We believe this approach that puts the customer experience at the centre of our initiatives to be more and more the way HR can demonstrate true business partnering focussed on delivering measurable performance results", said Mr. Rosazza.

More information on the REACH Ecosystem can be found [here](#).