

# Sweetening the Customer Experience and Revenue at Häagen-Dazs



Case Study

*“The new Branded Customer Experience® has enabled the business to step up to the next level, both in terms of financial results and in delivering a unique customer experience.”*

—Clive Chesser, Häagen-Dazs executive

## THE SITUATION

Häagen-Dazs, a unit of General Mills, is one of the most recognized and respected ice cream brands in the world—a brand associated with quality and luxury. Häagen-Dazs Shops International wanted to increase revenue at its 600-plus stores located in 54 countries around the world. Customer research indicated that store customers’ experience did not match the status of the brand, and that service was the strongest driver of increasing customer loyalty and spending. The company decided that meeting its goals required changing the way shop personnel dealt with customers. Research found that the ice cream company needed to strengthen its brand by focusing on recognition—making customers feel as though they were rewarding themselves and indulging in something special. This repositioning would help Häagen-Dazs focus on the emotional appeal of its offering and define how it could differentiate itself. It required the firm to deliver a new service experience in its stores.

## THE SOLUTION

The Häagen-Dazs senior management team turned to Forum to design a Branded Customer Experience® and train store personnel on how to deliver it. A pilot phase in 31 shops was conducted to establish proof of concept. Its results would be measured against those of a control group of shops for a 6-month period. The goal of the pilot was to boost revenue by at least 10 percent.

The first part of the program identified the buying behaviors of store customers and the things that drive their loyalty. Forum helped executives and store managers use customer data to develop new behaviors that would be required of store workers to create the desired customer experience. The new behaviors included welcoming customers warmly on their arrival, identifying their needs, smiling and making eye contact throughout the customer interaction, acknowledging customers’ loyalty, and inspiring customers to indulge their mood.

Forum then worked with Häagen-Dazs training managers to design a training program to instill the appropriate skills, knowledge, and behaviors in store employees—a training program that would truly engage the employees and, ultimately, customers as well. The most important part of the training program involved ensuring that employees are absolutely clear on how to deliver the firm’s Branded Customer Experience®. Three highly interactive components of the training program were developed to provide employees with the necessary knowledge and skills.

## THE IMPACT

Results to date have been impressive. The pilot stores increased revenue 13 percent more than did the control group stores. Customer loyalty also increased significantly: A loyal customer was defined as one who assigned Häagen-Dazs maximum ratings on four out of four elements of overall satisfaction as well as on likelihood of repurchasing and recommending. The firm had set a target of confirming 30 percent of all customers as loyal customers; the pilot stores confirmed 43 percent (143% of the target).

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