

**Participants:**

Matt Asay  
Matt Jones  
Igor Bekker

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RECORDING COMMENCES:

**Matt Asay:**

Welcome to the session of Adobe Summit, and thank you for attending both Adobe Summit and for joining us here. Earlier in the day, I talked a little bit in a previous session, I talked a little bit about that we were going to be hearing from some of the smartest people—actually, my session, earlier session, was How The Best Companies Do Mobile, something to that effect, and I referenced companies like Alex and Ani and Home Depot, that would be talking later in the day. Well, now is that time when we get to hear from those best companies and how they are making mobile work for their enterprises. I also said earlier that iteration was the key to real innovation in mobile, that you're almost certainly not going to get things perfect the first time.

So, it's important to build out a culture of experimentation and iteration into how you approach mobile, and frankly, I would say, how you approach technology in general, but also to build on technology that enables that. So, we're going to talk about technology. We're going to talk about people. We're going to talk about processes, and if we're not talking about the things that you came to hear, rather than getting up and leaving, which you are, of course, welcome to do; we would really love to hear you ask questions. So, if somebody says something, you don't have to wait until the end. We will do Q and A at the end, but if you have a question, a burning question; Igor says something and you want more detail on it, raise your hand and ask the question.

I'll repeat it to make sure that everyone in the room hears it, and then we'll answer it as we go along, because we want this to be useful for you. This is a chance to get—to hear from the people who run mobile for their respective organizations, successful organizations, and get those best practices. So, and I can't believe I just said best practices. I was trying to avoid buzzwords like that, but I did it. So, sorry about that. Why don't we start by getting introductions? If you two wouldn't mind.

**Matt Jones:**

Okay. I guess I'll go ahead and start, and I'll just say thank you, Matt, for inviting me to be part of the panel. I'll speak for Igor. It's great to be here and part of this session. I'm Matt Jones. I work for the Home Depot. I've been with the company about five years. I'm responsible for, I'm part of the online team inside Home Depot. I probably don't need to go into a lot of detail about Home Depot. We're the world's largest home improvement retailer. We have 2,200 stores and

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about \$89 billion in annual revenue. I lead the mobile efforts for the company. I'm responsible for the Home Depot app. I'm responsible for mobile web and some of the things that we do on tablet devices as well. So, happy to be here and looking forward to the discussion.

**Igor Bekker:**

Absolutely. Same here. My name is Igor Bekker. I'm part of digital strategy core team of Alex and Ani. I oversee e-commerce and digital marketing for the brand globally. Mobile and marketing, both in my team, including the product development and innovation.

**Matt Asay:**

Great. Thank you both, and we're going to be—really, there is an order for this, but we probably, in no particular order, in reality, we're going to be addressing these different questions of, who owns mobile within the organization, how's it get funded, what are some of the best practices, some success stories that you've had with mobile, that these companies have had? Actually, based on the introduction, we're going to skip to organization, because I heard you—let's start with you, Matt, on this. You said, "I run mobile within Home Depot." Can you describe a little bit how mobile's organized within Home Depot?

**Matt Jones:**

Sure. So, mobile—let me see if I can do this justice. I'm part of a product team inside of Home Depot.com. We have partners across the enterprise, in various facets. So, obviously, information technology, those are our partners who build the products that we have designed. We have UX team, we have obviously, QA and other functions, but I'm responsible for the PNL, for the mobile strategy, for the product road map, for those various components, and we have a large, I guess, sort of organization that is matrixed into me, that is responsible, again, for development, QA, analytics, testing, things like that.

**Matt Asay:**

Is mobile a discrete thing at Home Depot? For analytics, for example, there's presumably a web analytics team. Are they intricately tied in with the mobile analytics team, or is the same team?

**Matt Jones:**

They are the same team, but we have dedicated resources on that team to look after, let's say, app analytics or mobile web analytics, and I'd say we're in the midst of a journey right now in trying to figure out how to scale mobile from a tiger team approach that we've had for probably the last three, four, five years, which is sort of how we incubated and developed what we've built in a large company over time, to finding ways to spread responsibility for mobile across, frankly, the whole company, down to store manager levels and people that work in store operations. Mobile's not something that can be successful at the Home Depot with a small team of ninjas. We need to have the entire company behind the effort.

**Matt Asay:**



What about rock star, super star DJs, or whatever it was Giles said this morning?

**Matt Jones:**

It's good to have a few of those, but to be successful and to really scale across a large enterprise, you've got to get a variety of different stakeholders working collectively behind a vision, and that's where we sort of are headed.

**Matt Asay:**

Igor, does that sound familiar to how Alex and Ani is organized?

**Igor Bekker:**

A little bit, to some extent. So, Alex and Ani, in comparison to Home Depot, we're a speck in terms of online sales, but mobile is everybody's role in the organization. So, digital strategy prides itself on transparency. So, we don't hoard specific technologies or innovation or experiences. What we do is, we open it up to everyone. For example, our founder is a major stakeholder in terms of how does mobile work? Specifically, the app and the experiences the app provides, B2B, wholesale, international customer engagement team, and obviously, e-commerce and digital marketing. So, we all play a key role in the product road map, and innovation and the ask of what we want.

Putting that aside, we're a small retailer in comparison. We're headquartered in Cranston, Rhode Island. So, there's not a lot of technical skill set in Rhode Island for iOS development and whatnot. So, in order for us to be agile and to really innovate on the leading edge of things, really relies on building partnerships, top of line system integrators that are hands-on, or your DJs, basically, instead of hoarding these teams in-house, which will be very difficult for someone our size to do. So, it's a little bit different approach, but absolutely, mobile execution and vision and responsibility lays within digital strategy team, because it impacts mobile web, mobile app, desktop and media buying experience. Because we own the customer experience and the customer touch point, it sits with us. We're responsible for it. Then, we will pair with our IT folks or a third party SIs to execute on that vision and to maintain that road map and be responsible for that road map.

**Matt Jones:**

Let me just jump in real quick, because I think Igor said something super important. He's got the support of a founder, who is incredibly passionate and interested in a product road map, in mobile performance—

**Igor Bekker:**

Incredibly passionate.

**Matt Jones:**



Yeah. So, I mean, I had that at Home Depot also, believe it or not, and I think it is instrumental to driving alignment across a disparate organization that has a lot of competing priorities. When you have crystal clear leadership at the very top, somebody who's believing in mobile, somebody who's advocating for it, somebody who's helping to drive it, I think that can really be a key sort of paver of success, if you will.

**Matt Asay:**

So, for the organizations in here, you're five years into it. How long—

**Igor Bekker:**

Half a year. So, we launched our mobile app October of last year, but we had responsive site I would say, two or three years ago.

**Matt Asay:**

Okay. How does, and let's stick with the organization for a second longer. How has the organization, or how you've approached mobile from an organizational standpoint, changed over those last few years within the organization? Right now, you do a lot through SIs. Has that always been the...?

**Igor Bekker:**

So, digital grew faster than the rest of the company, digital strategy team, and by that, I mean we acquired technologies on the leading edge of things, really innovative technologies, that put us on a pedestal above our competitors. With that, you need talent to integrate these technologies, such as Adobe Marketing Cloud, right? We own about six products from Adobe Marketing Cloud, which is a lot for a retailer our size. So, I noticed for us to be successful from adoption, implementation, training, we are at a mercy, really, of an SI or vast portfolio of SIs, each having its own niche on putting pieces together. From an organizational standpoint, mobile, like I said, does touch every aspect of the business, specifically retail.

So, we're growing our retail footprint tremendously this year; international, Canada, North America as well, and because mobile surpassed our desktop traffic tremendously, at 65/35, the business, everyone is really aware of customer shopping on mobile and what that means in terms of stores. Even B2B is Bloomingdales, Lord & Taylors of the world. So, it's a—we make it our priority for the business units to be aware what mobile impact is on their business side, and starting, let's say, half of 2015, our strategy in terms of execution in digital is actually mobile first, desktop second. So, from creative to content to experiences, we think about how's it going to live on mobile before? Secondary's actually desktop.

**Matt Jones:**

So, we hit an inflection point, I'd say, in 2015 as well in terms of traffic, a 50/50 traffic ration, and we're kind of headed towards 55/45 now, mobile to desktop. When those moments happen, even inside big companies, it's a chance for you to sit back and say, "Do we have this



organization set up for success?” Those tiger teams that I talked about earlier were instrumental in getting us to this point, but what will position us well for the next, call it five years? And that's where we started thinking really closely about our team and about how mobile was sort of proportioned out across the organization and we realized we needed to make some changes. We needed to make mobile everybody's responsibility and not just a small team who, that was what they did every single day when they came into work. So, we're in the middle of that journey right now, but I'd say that traffic sort of cut of going more mobile than PC was definitely sort of a core driver in terms of us changing our thinking around how to staff against it.

**Matt Asay:**

I want to ask a question. I'll start it with you, Matt, because, and hopefully I'm not asking you to divulge something that you've told me in confidence before, but I'm going to ask you, at any rate, in front of everyone, and you can choose an awkward silence or to answer.

**Matt Jones:**

Dodge.

**Matt Asay:**

When you're getting started, and I think this was a conversation with you, talking about one of your board members, app, app, app, saying, or maybe it was your CEO saying, “We've got to have an app. We've got to have an app,” and in your business, maybe walk through the shape of your mobile—we keep saying mobile, but does that mean app, does that mean mobile web, does that mean both? Keep this in mind, as well, Igor, because I'm going to ask a similar question of you. How did you get started, if you were to do it again, how would you get started, and for the people in the room who may be thinking about, I've got to get serious about my company's mobile strategy, what wise words would you impart?

**Matt Jones:**

So, if we were to go back in time to 2010, let's say, probably the topic of this discussion would have been mobile app or mobile web, right? One or the other, and where are you going to invest your time and resources? How do you get a great app and how do you get customers to download an app? It was looked at back then as sort of an all or nothing, right? You needed to be all-in one way or the other, and I think, what we've learned over time was that really, you need to be great at both, because your customers are not so neatly segmented that they're going to choose one or the other, or at least our customers aren't. We've got customers who come into the store every single day. They have a different set of needs than a customer who only comes into the store when they've got a broken refrigerator.

We've got customers who start their journey on Google or start their journey on Google Maps and just want to know how to get to the store or what time the store opens or closes. So, there are a whole bunch of different use cases for an Omni channel retailer or a multichannel retailer. We call it interconnected retail, that lend to different solutions. So, it's certainly not a one versus the



other. You need to have a really great app for your loyal customers, and you need to have a really great mobile website or tablet experience for customers that are going to choose to shop that way. You cannot dictate, I don't believe, to one channel versus the other.

**Matt Asay:**

So, Igor, your customer base, actually, I think, might be different in this.

**Igor Bekker:**

Yes. So, before we started embarked on a mobile app project, there was a few things we needed to solve. Looking at it holistically, there were two problems. Problem number one is, why, what for? Is it just another sales tool? Is this sort of a me, too app, just jumping on a bandwagon like everybody else, and then you have it for year and then you deprecate it? Second problem is, how do you build it, right? Do you go custom? Is it the early stages of e-commerce platforms, where everybody build their own e-commerce technology, then that technology never spoke to any other tools you brought in, right? Or do we wait for the maturity of the platforms and the APIs to mature, and what is the risk in that?

So, these are the questions we were asking. So, when we finally committed and the business was able to answer these questions, our goal was content first, engagement, storytelling. So, specifically to our brand, I don't know if a lot of you know about Alex and Ani, but our products are very personalized. There's meaning behind it. When you go to the physical store, we don't just sell you the goods. Our store associates will be called bartenders. They connect with you on a very personal level, they hear your story. People cry, people get engaged in our stores.

**Matt Jones:**

It happens at Home Depot, too, but for different reasons.

**Igor Bekker:**

Maybe.

**Matt Asay:**

I got a clogged toilet. I need that thing fixed now.

**Igor Bekker:**

Or she'll divorce me. That was the idea, is how do we bridge the gap between digital and brick and mortar, the experience that's missing on the web? The digital provides, right? So, that was the idea of the app. So, that's from a business strategy. The other aspect was the technology piece of it is, what do we do there? How do we build it? Then, how does that integrate with our existing stack? So, we're a very tiny IT team, almost miniscule, non-existent, because we're headquartered in Rhode Island. There's not a lot of pool to deepen talent.



So, when we do commit to technologies and tools, we look for consolidation a lot, less STKs, less APIs or variety of these vendors. So, it took us some time to really understand what the space is like before committing to a specific technical road map, I would say, of the app so that we can maintain and grow the business efficiently, at a hockey stick growth, versus really being bogged down by limitations of either IT or incompatibilities and whatnot. So, there were some intricacies there, in terms of making a decision.

**Matt Jones:**

Yeah, and I didn't want to be too flippant about that comment that I made, because inspiration is a big part of what drives Home Depot as well. Anybody who's a homeowner is passionate about their home and wants that home to be a reflection of who they are and they want to be proud of it. When we can drive inspiration amongst our customer base, to take on a project and be confident about building a deck or installing a new toilet or a renovation project, that leads to, obviously, an engaged customer, and we want to make sure that, whether it's through digital experiences or whether in the store, we're able to engage with that customer, answer questions for them, provide guidance for them, recommend products. It's a big, big, part of who we are, is that orange apron and what it represents and what it has stood for, for 30 years. So, inspiration and connecting with customers, it's fundamental to any business, right? But it's something that we do think a lot about and it's important to who we are.

**Matt Asay:**

So, with respect to both that, you both have talked about this experience, and you both are fortunate to have an in-store experience that you're trying to deliver on, and you're trying to find ways to expose that or extend that through mobile web and mobile app. Talk about how, first of all, talk about what you're trying to do, how you want to engage with your users today in-app, when they're in the store versus out of store, and how has that changed over time? So, what sorts of things are you trying to do with your customer when she's at home versus in the store and what's changed over time? Maybe Igor take that first.

**Igor Bekker:**

So, few things. One is the story telling. It's not so much as feed Alex and Ani Kool-Aid, but have the customer play a key in our story telling, be part of that story. So, that's one. If you look at our app, it's really heavy on content. So, that's the first thing we see, is story telling about who the brand is, what we do. One of our sister brands, Charity By Designs, where we partner with local charities and we manufacture charm for that charity. We just launched, partnered with UNICEF and whatnot, and I think donated over \$35 million to date to charity. So, a lot of that has to be really, bringing the customer into that, if they want to get involved. The next thing was the sales aspect of it, in terms of, how do you tie the myths from the brick and mortar into the digital? So, what does digital have? Information, a lot of information; information overload.

So, if you come online and you look at a specific symbol, you can literally, and we're a symbology-driven company. You can watch a video, learn about the symbol, different attributes

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of a product. When you go to the physical store, that experience is somewhat missing. You have to connect on a personal level, but if the store is basically like some of our stores, you have to wait in line for 40 minutes in order to get in to connect with the bartender. You end up going through the line and just looking at the display and you see all these symbols on the wall. What do they really mean? So, a lot of ideas come out in terms of, how do we take the app. So, last year, actually, we used an Excel sheet. We print out an Excel sheet, and during Christmas we give these Excel sheets to people to fill out what they actually want to buy.

So, when they come into the store, and this was literally 2015. So, how do we change paper into digital? So, leveraging the app in terms of connect with you. So, going through quiz and personalization, experiences so we can collect it by you. So, when you come to the store, that information is available. So, in terms of zodiacs, symbology, moon signs, scopes, and whatnot. So, that's one aspect. Second is, how do we present the content at a specific display to the customer? So, beacon is a huge example here. Looking at explorations around beacon technology. How do we use beacon, not so much for sales, because we're not a sales-driven organization. You rarely see us on sale, but so much is pushing content. So, your specific display, through path of life, what does that really mean? Presenting to you the story behind path of life. Why was the founder inspired to build a specific piece, or collection, rather?

Then, tying your experience back to our product or our storytelling so we can socially share in our category, we're one of the most active social brands online. We share over 4 million monthly stories viral across all the digital properties. So, taking that immediately and sharing it to the world and using that.

**Matt Asay:**

That's where you are today. Was that, when the company started on its mobile path, was it the same guiding principles, same idea?

**Igor Bekker:**

The first principle was the ethos of our company, instituted by our founder is, connect with the customer first. Sales will come later. So, customers used to call on her cell phone, and she is still available today to pick up the calls and meetings from our customers that tell stories and they even email her. That never changed, is that customer engagement. So, leveraging technology to make it more personalized or even on a vast scale of things. So, that never changed. It might not have been available on the mobile app, but we always institute it in terms of messaging, media buying and desktop, mobile web.

**Matt Asay:**

Matt, how about you? Maybe describe today how you engage with your customer in-app, whether they're in-app or on the web, in store or out of store, and then how has that changed over time?





**Matt Jones:**

Yeah, that's a couple different sets of use cases, right? Similar to Igor, we try to think customer back in everything we do and let consumer insights and let a lot of research drive some of our decision making. Sometimes you go with your gut on things, but we started to lean in about four years ago to the store experience pretty heavily. You ask a question earlier about, how do you think about apps versus mobile web and where do you spend your resources? For us, the challenge that sometimes I wrestle with is, what types of resources do I commit to solving problems for customers in store versus the types of resources that I want to commit to solving, let's say, m-commerce or somebody who purely just wants to have a digital experience with us, because those are two sets of solutions in many cases.

So, about three or four years ago, we started to think about the app as really something that could improve the shopping experience inside the four walls of the store. Our customer research consistently tells us, and I'm sure you guys have all experienced this, products are hard to find in our stores. We've got 100,000 square foot store with 35,000 things for sale. It's an intimidating place to go and shop and to try to find what you need, particular part or what have you, for a job. So, we started to think about, what could this device do that makes that experience a little bit more seamless? So, that landed us to Island Bay. Wow, it would be interesting if we told people where things were in the store. So, we rolled that out about three years ago. That's been very successful. Probably before the store visit even occurs, what about, is the product in stock?

That's kind of a big use case. You don't want to make a trip to the store and find out that that one particular widget that you needed to solve a problem with your job was available online, but I couldn't get it in the store and I need it today. So, those are a couple things that really were instrumental to driving sort of a store use case. So, we did geofences around our stores and we creating a store mode experience inside the app to really pull those sort of features forward that were going to resonate with the in-store shopper more so than the, let's say, laid-back shopper on the couch.

**Matt Asay:**

Is there anything that either company has done that you tried, you assumed it would be a success, and it failed or just didn't deliver what you were hoping for?

**Igor Bekker:**

Absolutely. So, the first iteration of the app, we rolled out version one, which is, we guestimate. What is guestimate? The road map that stemmed to build the app is really not so much as what do we think the customer wants, but what the customer is actually telling us. So, we did focus groups, and we were allowed, say, five concepts. We did a focus group in front of a group of people; maybe they liked one. So, we deprecate four, leave one, and we do another; build five concepts. If they liked one out of five or two out of five, we keep adding that. So, it's basically what the customer—what stuck with the customer from a feature point. That's how the road map of the app evolved, the feature sets.



The issue, what we couldn't execute immediately was the integration with analytics. So, it was really high-level, not as much granule detail as we liked. Adobe Analytics integrations came in on the second release. From an educational standpoint, what didn't work, really, was specifically around inspiration and personalization, I think. There was much overlap between features and it was confusing to the customer. They not necessarily understood why one versus another; why are we driving to one section with six different paths and each of them same yet a little bit different? Versus personalize, creating this one experience and then building on top of it. So, that was something we learned and we're fixing it in the road map, half fixed and also in the process of fixing it in the road map, as well.

**Matt Jones:**

So, for us, I talked about inspiration a few moments ago, and a learning experience for us around a product we developed was a digital magazine back in 2011 that was created specifically for the iPad. This is when iPads were selling like hotcakes. We've been on a journey from a marketing point of view, just like a lot of companies, from a point of view of shifting from traditional over to digital, and this was a shift that we thought we could make in terms of creating a digital magazine, if you will, that was created specifically for the iPad. We produced about, I think, six issues that came out every season or every quarter. Incredibly expensive to produce. Didn't drive enough traffic, didn't get enough downloads, didn't get enough engagement. It was an incredible product, but we just weren't able to drive enough people into it to make it worthwhile.

That was a really good learning experience for us around—developing really first class, top flight apps is an expensive proposition, even if you're just creating them for iOS. We were spending a lot of money on this, and we weren't getting enough eyeballs into this experience. So, we decided to pull the plug on it, which, I think that's another thing that's important, and you hear a lot of people talk about is, it's great to take swings, and you have to take swings, whether you're in a small company or whether you're in a big company, but there's always risks in taking swings. If you don't course correct or don't decide to pull the plug on things that are working, that's actually more damaging than potentially not even taking a swing, because you're committing resources to something, it's draining. There's opportunity cost. So, it's very, very important to have the courage to admit that something's not working and if needed, pull the plug on the entire initiative.

**Matt Asay:**

How do you guys measure whether something's working or not? Is it purely analytics or data-driven or is it...?

**Matt Jones:**

So, on that product, it wasn't a commerce vehicle. Again, I was trying to get, or we were trying to get, people excited about renovating a kitchen or building a deck or creating a new space in their patio or in their backyard. It was really about driving foot traffic to the store. We were using



conventional measures; downloads, visits, time on site, engagement levels, things like that. We just weren't able to drive enough eyeballs in there to make it worthwhile.

**Igor Bekker:**

For us, measurement was also a key factor, but especially since our app was 70% content-driven engagement and 30% commerce-driven is really understanding how does one, is it one or the other? Is it both? Where is the value? Who looks at it for the sales side? One's dollars and cents. The founder and the creative side wants the engagement. So, we look at core, lifetime value in terms of, what are they reading? How frequently they're coming back? How much content they're ingesting. Is it video? How deep into the content? What are they doing with this content? How does that correlate to mobile web, for example, or desktop and also on the sales side, conventional metrics as well in terms of value, units per transaction. Does lifetime value of a customer increase over, say, three to six months range on the app versus mobile web?

More or less, it's how does the app, not so much as moving apples from one bucket to another from moving sales from mobile web to the app, but sort of supports the whole experience with or without us. So, what can of opportunity does it permit on an incremental basis?

**Matt Asay:**

So, I have another question to ask, but I wanted to pause and just make sure you have a burning question right now. Oh, a burning question. Yes, ma'am?

Audience Member:

[inaudible 00:32:13]

**Matt Asay:**

Let's turn that mike on.

Audience Member:

Content and trying to find the balance with what marketing will say that needs to happen and as that traffic shifts from email, etc., so coming more and more into the phone, how are you handling, and I'm specifically on the Home Depot side, that get that you want to take the customer to a rich experience, but we need to take her to one where she can convert, transact, so on and so forth. So, how are you throwing up tests? Are you testing or are you showing the tablet example?

**Matt Jones:**

So, I'll take a swing at responding. So, the first thing I'd say, in speaking for our CRM team, it's important to have really great segmentation and personalization with your email program. We have a big list. We send out a lot of stuff. We want to make sure that the right people are getting the right messages at the right time. A couple of years ago, I was banging the drum, saying, "Hey, we've got to have mobile-optimized emails." We didn't at the time. This was three or four



years ago, I guess. We've long since passed that marker, but I'd say that's important. It's important to have a consistent URL structure so that things that are opened on a phone and clicked through on a phone end up on a high performing, well-organized, well-designed mobile web experience, whether that's for product inspiration or whether that's for commerce occurring right there during that sort of mobile moment, if you will. So, I think those are sort of some components that go into having a cohesive sort of frictionless experience via email.

**Igor Bekker:**

I second to Matt. Very important; same concept within Alex and Ani is really measuring how much content we populate and what is this content? So, our mobile app content is unique to the app itself, and the way it works is sort of a snapshot model, where it's here today, gone tomorrow. So, every day you come in, it's fresh content. Its lifespan is about two days max. You'll never see it again anywhere. It's never better. So, using that and how much content that we actually publish, five articles with a video; three videos, and looking at what is the drop off? A cohort, really. What is that sweet spot? Then, also, deep linking is huge. Making sure it's not a separate funnel, but it supports the purchase funnel or educational, because again, from our brand specifically, it's symbology, it's meaning and really, from looks of it, it's not as intuitive to understand what specifically you're looking at unless we explain it to you and we take you through a journey or a storytelling. So, leveraging that instead of funnel and deep linking right into the app's product pages and whatnot.

**Matt Asay:**

By the way, Matt, you get extra points for saying mobile moment with—

**Matt Jones:**

With Julie in the front row.

**Matt Asay:**

She's sitting in the front row. Just got a discount.

**Matt Jones:**

I don't know about that.

**Matt Asay:**

Burning question right here.

Audience Member:

[inaudible 00:35:29]

**Matt Asay:**



So, let me repeat the question just so everybody heard it. A great question. If I were to boil it down, if you had to pick one and start—and if you were starting today, would you pick an optimized mobile website or a mobile app? Is that a good enough way of asking?

Audience Member:

[inaudible 00:36:19]

**Matt Asay:**

Oh, yeah. Big company doesn't matter.

**Igor Bekker:**

I can take that on. That's a great question, actually. Same thing as, what are starting a mobile app? Do we even need it? So, if we roll back a couple of years, mobile web, it's a necessity. You can't go without mobile web. It's been proven, because it correlates to your desktop experience. It sort of, when you're looking at a mobile app, it's very personal. It's on your device. So, with push notifications, in-app messaging, it's really targeting to you at a specific period of time, so it's somewhat intrusive or could be intrusive. So, you really have to get that formula correct before you embark on the journey of a mobile app, because you only have one chance. If a customer downloads your app and they don't like it, they uninstall it. They'll never come back, no matter if you have four, five releases, unless there's a really need something they're missing that I present in the future, and then good luck trying to communicate to the customer that you actually changed and you got better.

So, mobile web is somewhat easier to integrate, because it support across all devices. I'm sorry, mobile web. Mobile app is much more trickier, because you have different platforms. You have Android. You have iOS. Today, I must say, unfortunately, this huge disparity between technologies of mobile application. They don't easily integrate. There's substantial heavy lifting involved. A lot of it is going to be proprietary to you. So, unless you have a foundational team, commitment, support, from an organizational standpoint to own the mobile app, I would look at it in terms of, if you're successful at a 95% level to 100% level on desktop and you have nothing much you can present from experience, you're really pushing that limit on the mobile web and desktop, then you can look at the mobile app, because then you say, "Okay, what kind of new experience can I introduce in the app that's not available because the limitations of CSS and Java and whatnot, cannot give you that the app can present on application. So, I don't think one is with the other. It all depends on what your resources are and commitment. If you start a lot of things and you only 50% successful, that's not a good strategy, but if you can really do something well here on one side of thing and then slowly transition to the app, but again, if it's a very established business and you have the capital from resources, then it's something you should always look together, how does one going to impact another?

**Matt Asay:**

App or web? Choose one.



**Matt Jones:**

What company am I in? If I'm at Facebook, I'm app. If I'm at Uber, I'm app. If I'm at Home Depot, I'm probably going to lean more towards mobile web. If I had to choose. It depends on what the customer segment is and what they need from your brand.

**Matt Asay:**

I'm guessing, for example, I'm guessing, Igor, your customers skew younger, probably are thinking in terms of apps.

**Igor Bekker:**

It's a little tricky to say who's our customer, because is it the end—and that's a separate conversation. Is it the mother who is spending the money? Friends? Or is it—right? The gifter. So, actually 50% of our business is gift giving. So, our journey, hopefully they'll be able to help us in this journey to find out who's that customer.

**Matt Asay:**

So, Matt, sorry. I interrupted. You were—

**Matt Jones:**

I think it's very difficult to have to answer one or the other, but my answer would be predicated on, again, am I—if I'm running a social network, I'm developing a great app. If I'm running Instagram, I'm building a great app. If I'm a travel company and I want to drive room nights, that's probably more through mobile web and working with integrators and third party partnerships. So, it just depends, because the customer need is very, very different for somebody who wants to check frequent flier miles or points, versus book a flight or buy a drill or chat with their friend. Those are kind of fundamentally different things and mobile web works well for one sort of use case, whereas an app is probably better suited for another.

**Matt Asay:**

Follow up? We're going to get a quick follow up on this, and then your burning question will be answered.

Audience Member:

[inaudible 00:40:55]

**Matt Asay:**

Is this a quick follow up on that?

Audience Member:

[inaudible 00:50:59]



**Matt Jones:**

So, yeah, great question, and it was, for Home Depot, we developed a pro app a few years ago to sort of complement what we called our consumer, or DIY app, and the thinking behind that was, look, there's a whole set of use cases for a professional contractor that are different from folks in the audience; somebody who's a weekend person or a DIYer or something like that. There's a pro loyalty program that we have. Pros have separate entrances in the stores. They have separate places to park. So, pros want to be treated special, as do any of us who are loyalists and frequent customers of a given brand. That's what led us down the path of creating that other experience for pros.

**Matt Asay:**

Your question answered now.

**Audience Member:**

Thank you. I'm curious to hear as your audience becomes more mobile focused, how that's had an impact on your desktop site, especially as you're designing for—with responsive design in mind, with knowing that the majority of those people may be using that on a phone or smaller device, how you think about that for a holistic experience?

**Matt Asay:**

You want to start?

**Igor Bekker:**

Yeah. I could take that on. So, we're going through a site redesign right now, actually; redesign and replatform that's due to launch Q3 of this year, and the approach we took is actually mobile-first. Let's not introduce an experience on the desktop that cannot be replicated on one of the screen shrinks. So, very careful in terms of UGC, user-generated content, call to actions. We launch couple of interaction experiences such as necklace builder, where you drag and drop charm, and we're coming up with another innovative feature in terms of building your stacks. So, how do you wear by your look? Comingling different products together. Then, mobile is the first thing we think about in terms of, desktop is easy, in essence, but on the small screen, on the go, with poor reception, how are you going to do that? So, for us, it's really mobile decisions first and then executing on the desktop. Then, secondary to the mobile web is the app. We also want to be mindful in terms of, if you're creating this cool experience on the web, you can also hinder your performance in the app, because customers might be hesitant to go back to the app. So, really being able to drive both road maps and find that there's differences, uniqueness on the app, where the mobile web might not have and vice versa.

**Matt Jones:**

Yeah, and we think a lot about feature parity as well. So, if we release something on the desktop site; 360 spins or image zoom or something like that, we try very hard to release that at the same time across all of our channels. Or, if we're rolling out a new sort of delivery mechanism, let's



say buy online, ship to store, we try very hard to make sure there's alignment across all our channels at the same time so that each one of those audiences has the same capabilities, regardless of channel, but then Igor brought up, with the app, there's always the wrinkle of additional functionality or capabilities that a desktop site's just not going to have. Bar code scanning, voice search, things like that. We have an image search capability in our app that utilizes the camera. There's always some things that you want the app to do that are unique to the operating system, to the device, that will serve, again, kind of a mobile moment in a different way than the desktop experience.

**Matt Asay:**

So, from what I've heard from Igor is, they've gotten to the point where now, they think first in terms of mobile and if they were going to search for that parity that you spoke of, Matt, it would be bringing the desktop back up to speed with mobile, rather than mobile up to speed with the desktop. Are you guys at the point where you think first about mobile and then—

**Matt Jones:**

No. We're at a point where we're thinking about parity. Tablet, mobile web, app, PC, what have you. We're trying to deliver features on a consistent basis across all of those channels at the same time.

**Matt Asay:**

Okay. I have a question here. I just wanted to make sure that there wasn't precedence over there. Okay. Go ahead, sir.

**Audience Member:**

Are you finding through your analytics that that parity model actually makes sense? That folks actually want to do the same things on different devices?

**Matt Jones:**

Nope. Great question. Yeah, and the answer is no. They don't want to do the same thing on different devices. The app customer may be a 12-minute session customer who is going to view nine product pages. He's going to add two things to cart, because he's going to use cart as a list when he walks into the store so he's got it handy. Whereas the PC customer might be a more commerce oriented customer. He knows exactly what it is that he's looking for. Maybe he doesn't. He's browsing and he's looking for some DIY information or some inspiration. He's more likely to transact on the PC than the mobile customer is. So, great question around there not always is a business justification for having an aligned approach, but we think, perhaps over time, there will be. It's tricky, but we do feel very strongly about the idea of major company initiatives that involve things like fulfillment, pick up in store, ship to store, things like that, that we want to have as uniform and consistent approach as we can across channels.

**Audience Member:**

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So, when you are thinking about releasing a new feature, then, you would hold back releasing a feature that maybe you weren't able to deliver across all those platforms.

**Matt Jones:**

Yeah, sometimes. Then, really where it gets difficult and the challenges are, maybe not all your resources are equally applied, as well. So, for the app team to catch up and do something that they PC team wants to do, that requires the app team deprioritizing something that, let's say, only the app can do. So, those are tradeoffs and challenges that business owners have to make every day around prioritization, whether you have a small company or a big company. Those are sometimes some of the hardest decisions to make.

**Matt Asay:**

Sir? Go ahead.

**Audience Member:**

Thank you. Guys, I've heard you talk a lot about the difference between your mobile and your web solutions. I'm just curious, from an operational standpoint, are you sharing the same platform? How much content is being repurposed—Igor, I've heard you, you authored to mobile and then sort of applied to your web presence.

**Igor Bekker:**

Great question. When we built our mobile app, we're actually use APIs from our e-commerce platform, so that feeds the experience on the sales side of the section. The content of our app; videos and whatnot, is unique to the app itself. So, it's a proprietary app management system that we have. The sales side—so, the banners, the product, the merchandising, the sorting, search, that's driven from our e-commerce platform, and there's a reason behind it, is because if you searching for red jacket, we don't sell jackets, just to give you an example, but if you're searching for zodiac bangles—

**Matt Jones:**

Red bracelet.

**Igor Bekker:**

Yes. Well, not really. Scorpio bracelets, for example, on the desktop, you want to see specific results. Same thing in the app. When you search for Scorpio bracelets on the app, you want to see that. When you add to the desktop, to the cart, and you log in and you save, when you pull up your app, you can pull up the same thing and tying it. These were the first version. The second innovation is really, how do we leverage things like data management platform across? So, we have a DMP and it was one of the business reasons for DMP is now cross-device, where you guys heard announcements as we were pushing that lever long into the journey before building an app is, how do we tie the app between? So, that was the marketers', actually business sense



for the app is, customers will share more information in the app than they are going to on the desktop.

So, in terms of analytics, foundationally; analytics, DMP, personalization, segmentation, we leverage the same tools on the app and the desktop. We don't keep the separate tools, and that's one of the strategies, consolidation of it, so the customer devices and cookies are all seamlessly integrated. So, when we market to them, it's one view of a customer. Honestly, it is not perfect. It's still very innovative in a sense. It's two years old, but it is going to get there. So, at least we build the foundation for it, so once the technologies and the data science behind it evolves, we'll have the tools to upgrade without going through convoluted proprietary integrations.

**Matt Jones:**

I thought I heard you say something interesting. I just want to ask again. Did you say—

**Matt Asay:**

I said many interesting things today, but one thing in particular.

**Matt Jones:**

One thing in particular that I heard was, do you have content like video in the app that is only in the app, exclusive to it?

**Igor Bekker:**

That's correct. So, the answer to the question is, really, building an app is why would the customers come back is the exclusivity of the app to provide that content to the user that's not available on any other digital property. So, yes; articles, interviews, polls, video, are exclusive to the app that you can only see in the app, and like I said, their lifespan is about a day or two. So, when you see it today and you like it and you share it, if your friend or whoever wants to recall that two, three days ago, it's gone. So, that keeps the customers interested in terms of what's the next best thing they're going to produce?

**Matt Asay:**

Those two people holding microphones right now are the last two people who will get to ask a question in this session. Starting here.

Audience Member:

So, I hear you gentlemen talking about your integration of content throughout all devices. So, how's Adobe helped you guys in streamlining that process, because one's app-specific; one is mobile-specific in that. So, we're here talking about your Adobe experiences. So, how has that helped with it?

**Igor Bekker:**



Great question. So, the core strategy of digital first is personalization, and that can mean a lot of things, right? To me, personalization is leveraging your off site experience and your online behavior and your online behavior and your offline experience; specifically, media buying to merchandising, merchandising in your media buying. How do we produce content? So, when we produce this content, we leverage that data. Offline, segmentation, traits. So, that's an Adobe product we use, specifically Audience Manager. So, Audience Manager is our digital CRM, non-PII; behavior in terms of what specifically are the actions on site and what specifically are the actions off site?

So, we're more programmatic in-house this year, also an Adobe product. Second is Analytics and Target. So, leveraging that tool in terms of specific details, what do they search for? What facets do they click on? What values they click on? Frequencies, what is their affinities in specific categories or collections or brands or sports? Leveraging that in terms of what do we publish? How much video? Is it 30 seconds, 50 seconds, a minute? What kind of video? Are they more interested in learning about charity or is it sales-driven? Is it more calibration within the brand?

**Matt Jones:**

So, I'd say personalization; big thrust for us this year. We've done some good things over the years with using contextual and geo and things like that, but we have miles and miles still to go to get better from a personalization point of view, and that's a big, big rock for us to sort of climb this year in 2016.

**Matt Asay:**

Yes?

Audience Member:

So, Igor, going back to your point about app exclusive content, how central is that to your app marketing strategy? How is it—if so, how is that proving for you?

**Igor Bekker:**

Great question. It's very essential. So, content lives within digital. Because we're a small organization, we're not plagued, where marketing sits in one channel, content sits somewhere else, media buying sits elsewhere. So, digital strategy owns both the marketing, the sales, and the content. So, we work very closely with our content team. My counterpart in that sense, in how much content we produce specifically exclusive to the app. It is very expensive and it's difficult to do, specifically unique on the constant basis, seven days a week, 365. In terms of proving out, it is a challenge in that sense, because we're still learning how to adopt the right analytics tools, the right KPIs, and depends who you ask. If you ask the publishers, the curators, what is successful, it's one thing. If you ask the sales people, it's another.

If you ask even the founder, it's all about engagement. Are they actually reading it? How deep into the content? So, all these things; it's not cookie cutter. This is actually, it is somewhat a little



bit of a science to figure out, but what I do can tell you clearly is the fact that we found a medium in terms of publishing one article or three articles on the app, and the uniqueness of these articles. So, that we can able to figure out. So, it's a journey. It's a journey of adoption, really to be able to perfect it, to keep our customers, and ideally, it is to service the customer and tie them to our story. So, that helps us a lot.

**Matt Asay:**

So, I'm going to ask, because I have needs, too. I'm going to ask one final question, and I'll start by answering it, so I'll give you a little bit of time to think about this. If you had to pick one key takeaway, one big thing that you've learned from this mobile journey and you use that word, Igor, in your final response, what would it be? So, listening to you, both from my experience with other enterprises as well as listening to you, I would probably say my takeaway is kind of what I started with, and that is, you're going to need to iterate and not be, I think it was Matt who said, not be afraid to take some swings and occasionally whiff on it. You have to have the support that enables you to go out and experiment and try and occasionally fail or not quite succeed to the level that you'd like, which is also known as failing, and just keep going, but innovation is iteration, I guess is what I would say. That would be my takeaway. For Matt, for you?

**Matt Jones:**

That's a good one, and culture drives that. Culture enables that, and I think, hopefully, we all work in companies that support innovation and support swings and support fail fast and support nimbleness, because you're right. The customer is changing rapidly. You think about, again, the five years that I've been at Home Depot, where we were, where we are now, the traffic levels, things like that. I can't predict what things will look like in five years, but they'll probably be radically different than if we were trying to make a prediction. So, you've got to be nimble and you've got to always be listening to your customer and anticipating their next need.

**Matt Asay:**

Igor?

**Igor Bekker:**

I'm going to take a little different approach. Build a mobile app steering committee within your organization and make sure that you have executive stakeholders inside that committee who are on board to support your mobile strategies, because I tell you one thing. In this audience is Bobby, part of Prolific Interactive, who actually built our app, and nothing pains him more than him rolling out features and there's lag or break in executive buy-in for specific features that the business actually asked for. It is very difficult to do. So, the first thing from a key point and takeaways is, build that product stakeholder committee and hold executives accountable, or at least their buy-in, so their teams can be dedicated to this project, because it is everybody's responsibility for the success of the app. Impacts everyone.

**Matt Asay:**

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Great. Thank you to Igor and to Matt for joining us today, and I actually thought it was fantastic, so thank you for your time.

**Matt Jones:**

Thank you. Thank you everybody for coming. Nice job.

**Matt Asay:**

Well done.

END OF RECORDING

