

Hogami

An online platform of services for the home.



**FUTURE
ATHEART**

Success case Leroy Merlin Hogami

The client



Leroy Merlin, leader in the home improvements market in Spain, offers products, solutions and services for decoration, gardening, DIY and building. After more than 30 years in Spain, the company continues to accelerate its transformation to adapt to householders' new needs.

By means of a new multi-format model, Leroy Merlin is consolidating itself as its customers' accomplice through the Leroy Merlin URBAN, Leroy Merlin COMPACT and Leroy Merlin PROJECT stores, which extrapolate the identity of the large Leroy Merlin area to smaller stores, complementing large stores and offering quality and professionalism to householders.

Leroy Merlin establishes his Corporate Social Responsibility (CSR) Framework "Let's Give Life to a Better Habitat" under the umbrella of the Sustainable Development Goals (SDG). The CSR strategy continues to advance and is renamed Responsible Business, which better reflects its integration in the value chain, corporate identity and company management. Leroy Merlin has a purpose as a company: to awaken in each person the motivation to create environments where they can live better.

The convergence project between AKI and Leroy Merlin began in January 2019 and is enabling these two companies, with shared values and culture, to become a company with multi-format and omnichannel stores and offer service in all corners of the Spanish geography. Furthermore, the company is committed to the social and environmental background of the communities in which it operates.

The creation of the Hogami Marketplace, has complemented Leroy Merlin's offer with services not only aimed at its customers, but at all the inhabitants of the home regardless of the product or where it was purchased. Moreover, with this platform, the catalogue of services linked to other activities not directly related to Leroy Merlin's activity has been expanded, such as cleaning, disinfection, removals, etc.



The challenge

Leroy Merlin's leadership position in the home solutions market has allowed the firm to realize how its customers have been changing due to the impact of technology and new lifestyles. Seeing that its growth rate could be affected as a result, it has made the decision to continue its transformation by increasing its product and service solutions offering focused on householders' needs.

The challenge posed to NTT DATA consisted in conceptualizing and developing a business plan based purely on the offer of services. To this end, NTT DATA proposed a qualitative and quantitative analysis, consisting of a Business Case and a prototype, which allowed us to see the project's feasibility.

In the initial stage, market studies were carried out that provided exhaustive analyses of the competition, suppliers, possible customer profiles, while detecting their needs, channels and geographies. The conclusion reached was clear: the existence of a demand for home services by customers which, together with the implementation of the appropriate service platform format, would allow the company to take advantage of the great opportunity to increase its turnover.

NTT DATA' challenge was also to define the new platform's technological architecture, which would be based on three axes: it had to be modular, scalable, and allow for rapid and constant evolution over time. Of course, each of them aimed at meeting the standards and characteristics of a cloud-hosted platform.

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The solution

NTT DATA and Leroy Merlin approached the new business model through an online platform based on the Google Cloud Platform solution, which would be aimed at their end customers and the professionals who provide their services.

The new project was based on offering any type of service that a client might need at home, through the Hogami brand website such as: plumbing, masonry, plumbing, etc.

The platform allows the client to filter by locality according to the service type, select providers taking into account the evaluations of other users, directly request estimates through a chat and, finally, contract the chosen service. All of the above, with the guarantee of Leroy Merlin to endorse the work of the suppliers offered, thus ensuring the satisfaction of customers who booked a service on this platform.

Hogami began its activity by concentrating on simple services close to the Leroy Merlin's natural business (plumbing, carpentry ...), with the idea of being able to offer complex services that contain more than one type of service, periodic services or services not related to professional suppliers, as well as the possibility of extending services to other areas of the home such as caring for people.

The service began by integrating the portfolio of regular suppliers recommended by Leroy Merlin stores on the web and adding suppliers directly recruited by Hogami, thus expanding the portfolio and covering more areas.

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For the technical part, NTT DATA formed a work team clearly demarcated into four areas (back office, front office, mobile and cloud) that worked together with the Hogami team to design the Hogami platform with the characteristics defined for the desired operation:

- Modular
- Based on microservices
- Scalable
- Integrating
- With high availability and resilience
- Omnichannel
- Secure
- API Management
- Additional functions to facilitate the process flows (augmented reality)

“ The architecture proposed by NTT DATA responds to the innovation strategy, necessary to adapt to the customer experience quickly and agilely. Hogami is a modular design, based on microservices (using public and secure APIs) entirely cloud-based, which define it as a modern and innovative digital product.”

Luis Herrero

Leader of the Leroy Merlin Service Platform.

The results

Hogami was launched in February 2020 and, despite the Covid-19 crisis that slowed its activity for a few months. The website has been well received in the market, thanks to the growing need for services of a different nature related to homes and their occupiers.

It has also been well received by providers, whose number has been growing during the time the service has been operating.

The welcome of Hogami



45%

of operations are scored
and evaluated



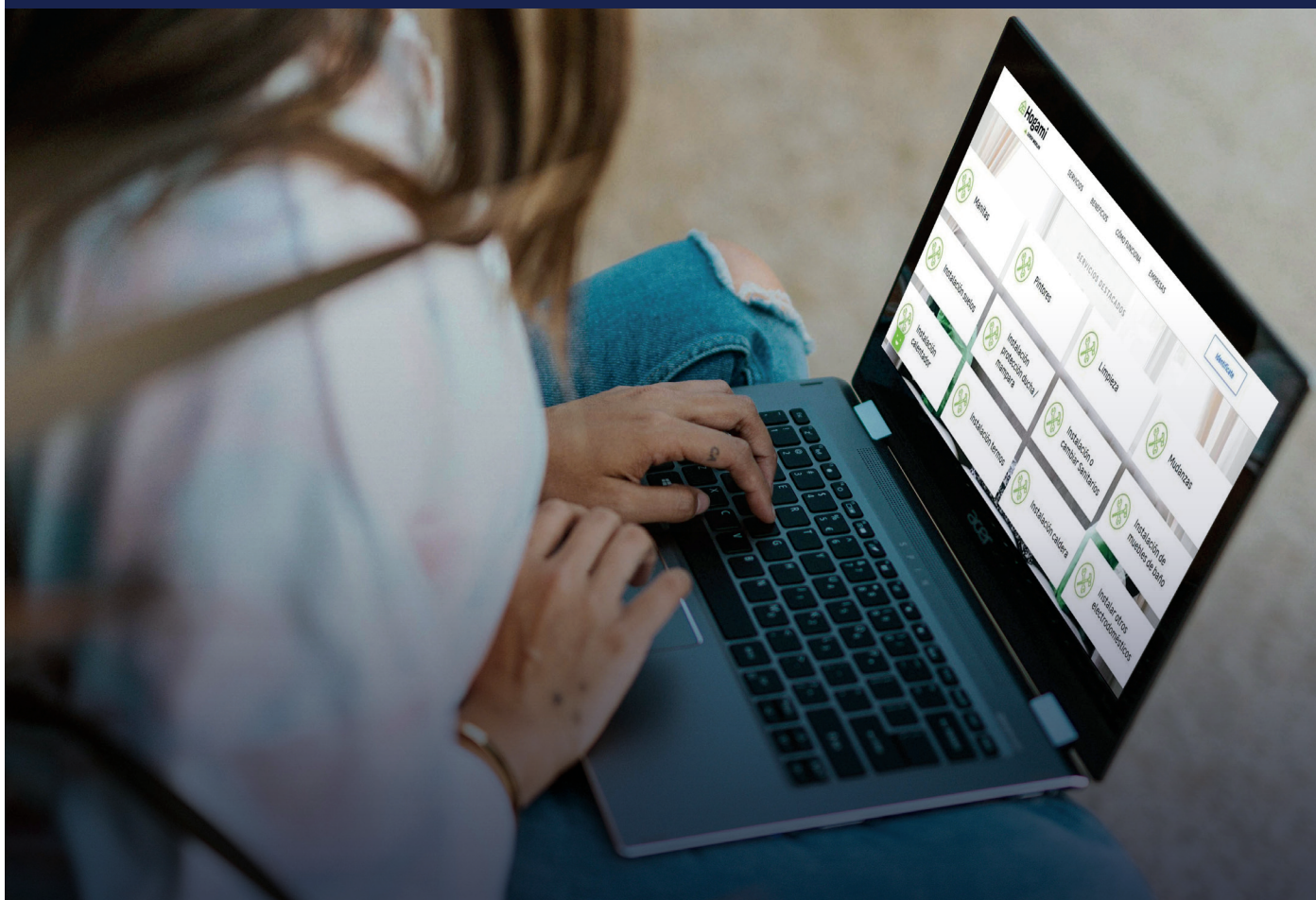
400

operations completed in the
first three months



4,89

degree of satisfaction



Why NTT DATA?

Leroy Merlin considered creating the technological platform that would support a new business model with very specific requirements: that it be cloud-based, with a very advanced technological architecture ... this required a catalogue of specific competencies, and a company like NTT DATA that had the knowledge and specialized teams to carry out the project. As well as the flexibility and closeness necessary to develop its different stages.

What's in the future for Hogami?

Consolidate and be the leader in the Spanish home service platform sector, increasing its participation in the online home services sales market. This will lead to an increase in its offer at geographical levels, providers and a variety of services, which will allow it to become the benchmark for providing any type of home service that a client might need.



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