

# Why speed, empowerment and agility beat perfection

B&Q owner Kingfisher's chief executive **Thierry Garnier** explains how the home and DIY retail giant responded to the Covid-19 pandemic and why 'done is better than perfect' in times of crisis

**T**he last few months have been very difficult for our industry. But the pandemic has shown the importance of speed, agility and empowering your teams in navigating a way through times of crisis. It has also shown how retailers can accelerate change in their businesses to enable them to survive – and in some cases grow.

Kingfisher was classified as a retailer of essential goods in our major markets, but as lockdown approached we made the decision to shut stores for several weeks because we needed to make them safe. Facing lockdown, consumers turned to online and digital options and we needed to adapt, fast.

We changed operating models overnight – almost literally. Our teams in each country were empowered to develop solutions that worked best in their markets as they are closest to the customers.

We built a new system to pick online orders straight from B&Q shop shelves and offered drive-thru, installing hundreds of contactless click-and-collect sites.

We also started to offer more home delivery, direct from stores rather than using fulfilment centres.

In a matter of days, we reconfigured our model to meet online demand in a way that would simply not have been feasible a few weeks earlier.

It was not totally perfect, and we can continue to improve, but our ecommerce sales increased by up to 300% in April and have remained at +200% right through to mid-July.

In the last week of June alone, our customers placed 1.5 million online orders. It was inspiring and humbling to see our teams react so fast. This is something I learned working for Carrefour in Asia: in times of crisis, 'done is better than perfect'.

Importantly, physical and online retail models should not be seen as

**Thierry Garnier**  
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separate. The most effective retailers achieve a seamless balance of both – strong ecommerce with stores at the centre.

In the USA and Asia, the aim is home delivery within 30 minutes to one hour. In China, that means customers can receive fresh fruit or meat at their home within half an hour.

One example is Hema, a rapidly growing chain of grocery stores in

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China owned by Alibaba. One of Hema's 1,000 sq m stores can process 10,000 orders a day, using hundreds of delivery mopeds that can deliver within 30 minutes of an order being placed.

China still sets the benchmark for online and logistics, but with technological advances and efficiencies in fields such as last-mile delivery, the UK is catching up.

Amazon's recent announcement about grocery home delivery in the UK is another example, with delivery available within an hour for an extra charge.

## Mobile-first

A mobile-first and service-oriented approach is also vital, rooted in customer insight.

At Carrefour in China, I remember that mobile payments in-store increased from virtually zero to more than 50% in three years.

At Kingfisher, mobile already accounts for nearly half of our digital traffic and, more than ever, is at the centre of customers' home improvement journeys, from the time when they are first developing their ideas, right through to the final purchase and delivery or installation.

There is already a gradual shift towards smaller, centrally located stores to meet the need for convenience and speed.

Store footprints will need to adapt and services will become more important than ever in the physical environment and a key reason why stores will remain essential.

We are testing compact store concepts and will look at adapting our stores – with 'dark store' space to enable last-mile delivery.

In the past few months, retailers have had to be more agile than ever before. They have shown that during times of crisis, speed, agility and empowerment beat perfection. **RW**