

How Argos is running hackathons to drive digital change

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Why is Argos using hackathons and what's next for the evolving retailer? PCR interviews head of digital innovation Neil Tinegate (pictured).



Argos launched a couple of apps recently - a 2014 Christmas Gift Finder swipe-to-like shopping web app, and a Christmas Wish List app that lets kids choose their most-wanted presents, before emailing it to Santa (allowing their parents to buy said items).

While these are useful apps that serve a purpose for consumers, they weren't created by conventional means.

Back in March, Argos ran a hackathon in its office above one of its new digital concept stores in Victoria, London. 50 people turned up – developers, techy types and others – from Argos, as well as start ups, and the likes of Google, Paypal and Argos' tech partner Accenture.

"They did it out of the goodness of their hearts and because they want to make stuff happen," Argos' head of digital innovation Neil Tinegate tells PCR.

"We started off with one question – how can we improve the customer experience digitally? We had a lot of ideas up on that wall over there – tons of post-it notes. We had different categories and areas, and some kids came up.

"We asked, how can we replicate some of those experiences you have as a child with the Argos catalogue? For example, tearing out pages and circling products, for example. There was a bunch of other stuff too – fulfillment and customer service etc.

"Everyone got to vote for what their favourite idea was – we had 22 ideas and picked the top eight to work on over those two days. Then everyone got split into teams – they didn't know each other beforehand.



Argos' digital hub where it hosts hackathons

“So we got eight prototypes. We did a show and tell that had a bit of a competitive edge. We offered some silly prizes for those who wrote the most lines of code or travelled the furthest, for example, and a big bottle of champagne for the winners, so it was a fun idea.”

The winning idea was for the Argos Christmas Wish List app for kids, which was released on October 14th and its download numbers have passed five figures. It has a dwell time of almost 15 minutes, with open and click rates at around 50 to 60 per cent.

CULTURAL SHIFT

Tinegate says the hackathons have encouraged other parts of Argos to work differently, smarter and with a digital focus.

And this digital transformation has come from the top. Tinegate was brought in by Argos' chief digital officer Bertrand Bodson, who himself was originally hired by Argos' parent Home Retail Group CEO John Walden.

“This hackathon is part of a cultural shift – a change going on at Argos behind the scenes. Now we're starting to show some of the front end of that change. The ad campaign, the new stores, the app. They're all joined together,” adds Tinegate.

“From all areas of the business, we're saying, actually we should get a team together and spin off some prototypes, and make things happen a bit quicker. And that's what it's all about.

“We want to do quick turnarounds on prototypes and get them in front of customers. So we actually go downstairs show prototypes to customers in-store, or we'll ask them to come up here. The same with store colleagues – we'll get them involved too. So that ethos and culture is what this office is about, and it's been picked up quite a lot by the rest of Argos.”

“Other [ideas from the hackathon] have ended up in other projects, too.

“So we did this hackathon in March with coders and prototypes, but there was also a business leadership one in July. We took 200 managers out of the business for a day and they were given a series of business problems, it was about understanding agile ways of working and how multifunctional teams can come together. We purposefully mixed people from finance, marketing, logistics etc and said 'okay, six of you, go and solve this business problem'.

Argos' training team did a similar event, too, as did its digital marketing team. Argos is also planning another hackathon in February/March 2015.

RIVAL RETAILERS

Are we going to see more big companies and large national retailers embracing edgy and innovative hackathons? Are Argos' rivals like to produce similar apps?

"Yep and that's the thing with digital – it's copyable," Tinegate admits. "I think what we've got though is 40 years of experience in creating catalogues and something that kids and families already traditionally use at Christmas. It's basically what we're doing with the kids' app – the creative element of circling toys and pulling bits out and creating a wishlist. I think we've certainly stolen a march on [rival retailers]. I'd be flattered if they copy it. I think we can probably do a bit better.

"But because it's already done very well on the soft launch, could we do something similar? Could it become a birthdays wish list? Could we move towards doing other types of wish lists – not just for kids? So we're encouraged by the numbers, we definitely want to learn from it and take those learnings into other things.

"I think next Christmas we'll come back with something like this, but we will have learnt and improved it. It's part of that learning culture, it's never quite finished, you've always got something to improve on."

Argos has certainly moved on leaps and bounds over the past few years, with a strong digital focus, tablet catalogues in stores and a drive towards online sales.

With its emphasis on exploring new digital content and themes through hackathons and unconventional means, who knows how Argos could help shape the future of retail going forwards.



Link: <http://www.pcr-online.biz/news/read/how-argos-is-running-hackathons-to-drive-digital-change/035105>