March 9, 2012
Consumers are in Control
and are more demanding than ever

Value
Consumers in Control
Simplicity

Well-Being
Authenticity
Pursuit of Happiness
Changing Households
Home Improvement is more than a Simple Trip to Lowe’s

Enjoyment

Finished

Making progress

Start

Get supplies

Planning

Inspiration

Lowe’s®
Spending money isn’t fun!

- It’s the worst part of the process!
- Lowe’s wants to mean more than that to consumers.

Inspiration  Planning  Supplies  Starting  Progress  Finishing  Enjoy

Stage Buzz %  Emotional %
Planned Projects Either Cancelled or Postponed in 2010 = ~$96B
Lowe’s Mission

“To deliver seamless, supportive and inspiring experiences wherever and whenever customers engage.

Make home improvement SIMPLE.”
Defining MyLowe’s

• CUSTOMER TERMS:
  – “MyLowe’s gives me control over my biggest asset – my home.”
  – “Lowe’s uses the information in MyLowe’s to help ME.”
  – “Lowe’s makes the whole experience smooth. They don’t care if I’m in the store or using the website.”

• STRATEGIC:
  – MyLowe’s is ultimately the tool we will leverage to help customers through the project lifecycle.
  – MyLowe’s is a proof point that an Omnichannel experience matters and is possible.
  – It is the digital glue that binds together the many elements of Lowe’s into a single cohesive customer-facing experience.

• TECHNICAL: MyLowe’s is both a data repository and a CRM platform.
What Omnichannel means to Lowe’s

Customers are interacting with retailers through multiple mediums—many of which did not exist a decade ago.

Different channels have different uses/focus—yet customers expect the same level of service regardless of channel.

For all channels, customers are relying on comprehensive, accurate information to help them make purchase decisions.
MyLowe’s has changed the way we relate to Customers and Each Other

Internal Revelation
• MyLowe’s changed the way we work across the enterprise and communicate with our stores
• MyLowe’s changed the way we are talking to our customers
• Universal experience of the Lowe’s Brand

Capabilities Evolution
• Extending relationships from just selling stuff
• Increase accessibility
• Inspiration and sharing is just as important as sales
• Personalize
MyLowes Tour: Home Profile

- Setup Home Profile with spaces
- Add space dimensions
- Add items to rooms
- Add/edit notes to products and spaces
MyLowes Tour: Purchase History

- Display purchase history from all channels online via one or all customer opt-in methods
- Capture customer paint details in-store. Display paint purchase basics online.
MyLowes Tour: Folders & Lists

- Create folders and lists to organize items
- Bookmark items from lowes.com or purchase history
- Add user generated entries and notes
- Copy, move, filter, sort and delete items
- Print and email items
Customer purchase – My Lowes card scanned

MyLowes Account # associated with purchase

Customer purchases trickle up to mainframe, stored in Database

Customer orders reach mainframe within 0.5 minutes.

Several times per day, the trickled up orders are added to Historical Sales DB. Key is MyLowes account #

DATA FACTS
350 million transactions have been stored in the Historical DB in the last 6 months

Actual process flow

3/1/2012
Feeding the data elephant
We use information from multiple sources and a huge DB system known as Teradata to help Lowe’s understand their customers needs and buying habits.
How Does Lowe’s Use This Data?

• We strive to provide a consistent experience to our customers. Whether they shop online, in store, or by phone, we need to be able to give them information about all their interactions with Lowe’s.

• We evaluate what products are selling in which stores. Do we really need to sell snow blowers in Miami? Do deer repellent plants sell well in Brooklyn?

• We make reorders possible. We can look up your custom paint purchases and help you order more of the same color.

• We make returns easier, even if you lost the receipt. We can check your customer purchase records, and identify many of your purchases, enabling you to get cash back when you return items.

• We’re beginning to tailor our online experience in MyLowe’s towards a customer’s interests and purchase history. We’ll be offering suggested products and projects to customers based on where their interests lie, and their level of experience.
Q & A