



How one organisation
saved millions
by empowering their employees
to deliver exceptional
**CUSTOMER
EXPERIENCE**



Cosmetics brand LUSH is a company that delivers above industry standard customer service and has worked hard over the past couple of years to establish a special kind of relationship with customers that few others have been able to replicate.

In 2015 Lush was one of four retailers - out of a pool of 265 - that secured a perfect score for customer service in the *Be Brands Australian Retail Survey* and was also crowned 2015 Australian Retailer of the Year by the Australian Retailers Association (ARA).

Considering five years ago the fresh handmade cosmetics brand was facing at crisis point and losing millions of dollars, these results have been no easy feat.

So what is their secret to success?

According to Peta Granger, Director at Lush, the answer has been to completely re-work their CX strategy to help employees provide a very tailored customer experience that has built a base of loyal and happy customers.

“At the core what we try to do is simply surprise and delight the customer at every opportunity we get. From a very high level we’ve taken the brand in Australia from making a very significant and dangerous loss, to making an extremely healthy product in a matter of years, by mostly focusing on customer and staff,” she explains.

With the goal of “making the customer’s day,” LUSH Australia advocates strong ethical standards and gentle forms of activism in manufacturing and retailing their fresh, handmade cosmetics. Over the past five years they have transformed their brand into a community people want to be apart of by building a passionate and customer-centric employee base and culture.

Ahead of [Customer Experience Management 2017](#), Peta explores the core elements of LUSH’s CX strategy and the steps they are taking to drive exceptional customer experience in order to turn their customers into impassioned brand advocates.



Making the customer's day

“At LUSH, our mantra is to make people's day by really connecting with them and finding out all we can about what our customers want. We really want to give our customers an in-store experience that makes them feel better when they first walk in.

This is reflected in so many things we do, from a 'no quibble' exchange policy to customers being able to sample any product in-store, to free shop facials and arm treatments. It also comes down to the time we put into training ourselves about how we can get the experience right for the customer.

We also mix a bit of activism around social and environmental issues that demonstrates we care about how we trade and also encourages customers to question what products they are putting on their skin, where it comes from and its ultimate impact on the world.

Another focus of our broader CX strategy is to create positive change around social issues, such as the horrific treatment of asylum seekers in Australia and cosmetic animal testing. We encourage customers to engage in conversations to support these issues.

The more we campaign about these issues, the more staff are attracted to work for us because they too share similar values and concerns. When you have staff who care about environmental issues and human rights, you have got staff who really care about people.

These values and attitudes really transfer to our shop floor and we provide excellent customer service because staff genuinely care about getting it right for the person that is in front of them.”

Making the customer's day

“Someone once said to me: customers don't want to buy or sell something, they want to belong to something. This has really influenced us in the way we have set up our stores. In the cosmetics industry, I think for a long time just inventing products and ethically resourcing ingredients just became normal business and was not something generally spoken about.

But then we realised that the better we got at communicating our values and ethics in running the business, the more people we attracted, and engagement started to rise with both staff and customers.”

“It’s not about telling the customer they should buy a certain product. It’s about explaining the value they get and the story behind the product and the impact they can make by purchasing that particular product.

The handmade element of LUSH has also become central to connecting with customers, both in the way our products are genuinely handmade in Australian factories, or in regard to the amount of staff we have in our stores who are very hands-on with our products when engaging customers.”

Why employees should be at the centre of any CX strategy

“We focus on hiring staff who share our values which has an impact on the genuine passion they have for explaining our products, who we are and what we are. It has helped us to focus on the quality of the relationships we’re building with customers and the conversations our employees are having, rather than just the quality of service or product. This has really improved the experience that people have in our stores.

Another focus of ours is to always try to create very clear communication for staff throughout all levels of the organisation. We realised the easiest way to make this happen is to

include staff in very important decision-making. For example, we have at least one or two staff members from our shop floor at every strategy meeting, marketing meeting and planning days.

Not only does this provide staff the opportunity to be part of what messages to communicate or what ethical campaigns we run, but they also get to pitch ideas they would love to see in the future or something that customers are really crying out for.”



“Having a store staff member in the room has also at times sopped us from making some pretty bade decisions and has really helped us push through some dynamic customer-focused changes.”

Finding new ways to engage customers

“At LUSH, we have a policy against traditional forms of advertising, mostly because we don’t think the customer should have to foot the bill for a celebrity endorsement or expensive advertising campaign.

Instead, we would rather use that money to upgrade all our coco butter or pay a premium for geranium essential oils that comes from a women’s refuge in Kenya using permaculture farming techniques. The aim is we are really trying to be transparent about what the customer is paying for.

We’ve also found there are so many more interesting ways to have an interactive connection with customers in advertising. Social media has been a wondering free tool to engage with customers and helps us tell our story to the world.”





“In order to do this we had to think about where our customers were or where there was a need for our products and how we could create a memorable experience for our customers.

For example, at the Splendour in the Grass music festival we set up a free hair washing station people could come to have their hair washed and styled.

We also set up a station at Mardi Gras Fair Day in 2015 and got people blowing bubbles as well as running workshops on making face masks and it was fantastic. We are again collaborating with Mardi Gras again this year

and this time we have added the additional experience of a scented cinema which should be a great experience.

Alongside all of these campaigns we also spend a lot of time posting blog articles, videos, photos and features of these experiences to talk about where we get our ingredients from.”

Lessons learned: customer feedback is key to success

“We’ve learned that the more candid staff and customers feel with challenging the ways things are done or giving feedback is very important. By creating platforms to seek opinions from our customers we’ve really saved ourselves from the mistake of having people at the top who are detached from the customer making the biggest decisions.

The other thing we have learned is not to underestimate the public and that they’re definitely not scared off by hard truths. There is a huge amount of people out there who want to help us and improve the world around them. I think what we really now understand is that ultimately, customers get to choose the kind of world they want to live in every time they open their wallets and we’re just excited about trying to influence that.”



The results

“From a very high level we’ve taken the brand in Australia from making a very significant and dangerous loss to making an extremely healthy product in a matter of years, by mostly focusing on customer and staff.

Our like –for-like has been consistently between 30 and 40 per cent for the last three years and in that time we have also won quite a lot of awards in the industry for great customer service. While those financial results are great and it is lovely to get the business into a healthy and sustainable position, it also has helped us to focus on the things we actually really care about. For example, like giving \$12 million dollars to 1000 charities globally last year.

Staff engagement levels have also dramatically increased over that time and it feels great to have happy staff who care about what they’re doing on our shop floors, knowing they really make a difference. I think their passion rubs off on customers and gives customers real trust and faith in our products and who we are. I think ultimately that seems to seal the momentum around the lush brand and keeps us growing.”

For more information visit www.customerexperienceevent.com.au or call +61 2 9229 1000 or email enquire@iqpc.com.au
