

The Home Depot Expands Mobile App to Reward Pro Customers

ARTICLE |

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The Home Depot is continuing to build on its loyalty program to create more personalized in-store and online experiences for its customers.

We recently spoke with Krystal Zell, chief customer officer and vice president of customer marketing and operations at The Home Depot, about the Pro Xtra program and its new features.

What sets the Pro customer apart from your other customers?

The Home Depot has two core customer segments. We have our DIY customers, our homeowners who like to improve either the value or the comfort of their homes with new projects. Then we have our Pro customers, who help consumers carry out their home projects.

Our Pro customers are really important to us. They make up about 5% of our customer base and somewhere between 40% to 45% of our sales. Their needs are different from the needs of our DIY customers.

Would you give us some background on the Pro Xtra loyalty program?

Our Pro Xtra program, which launched in 2012, is a way for Pro customers to track their purchases and benefits. We're adding new features to the program, which we're calling Pro Xtra Perks. Our customers, as they spend more money, will be able to unlock Perks at different spend thresholds via our app.

Right now, we have an option for Tool Rental Perks, which give customers the opportunity to use a credit at our tool rental centers. We know this is really valuable because our customers often don't own the tools that they need for every job. Rather than having to invest in buying expensive tools that they may not use frequently, they can rent the tools from us.

You must be looking through a lot of data and insights, especially on how your customers have used the app over the past few years. How is that data helping to inform your decisions?

We are absolutely data-driven, and we do draw on a lot of data to really understand what challenges our Pro customers have when completing jobs and delivering value to their clients. We are also very focused on using the data to figure out what our customers' behavior [looks like] and how the experiences we offer can make their lives a bit easier, so that we can save them time and save them money.

Are you also leveraging these insights to create more personalized experiences?

Personalization for us is all about being relevant to our customers. We're extremely careful and thoughtful with the data that our customers provide us. When they engage with us in our app experience, we show them the products that we think they are most likely to be interested in.

Some Pros may have a small crew and one truck, while other Pros may have multiple crews, so there are different needs among our Pro customers. Personalization is all about being relevant to our customers and meeting their needs.