

# eCommerce in DIY

**Tony Stockil, CEO**

**8<sup>th</sup> June 2011**

- ▶ **What's happening in retail and how are retailers responding?**
- ▶ **What are the implications for leading DIY retailers?**

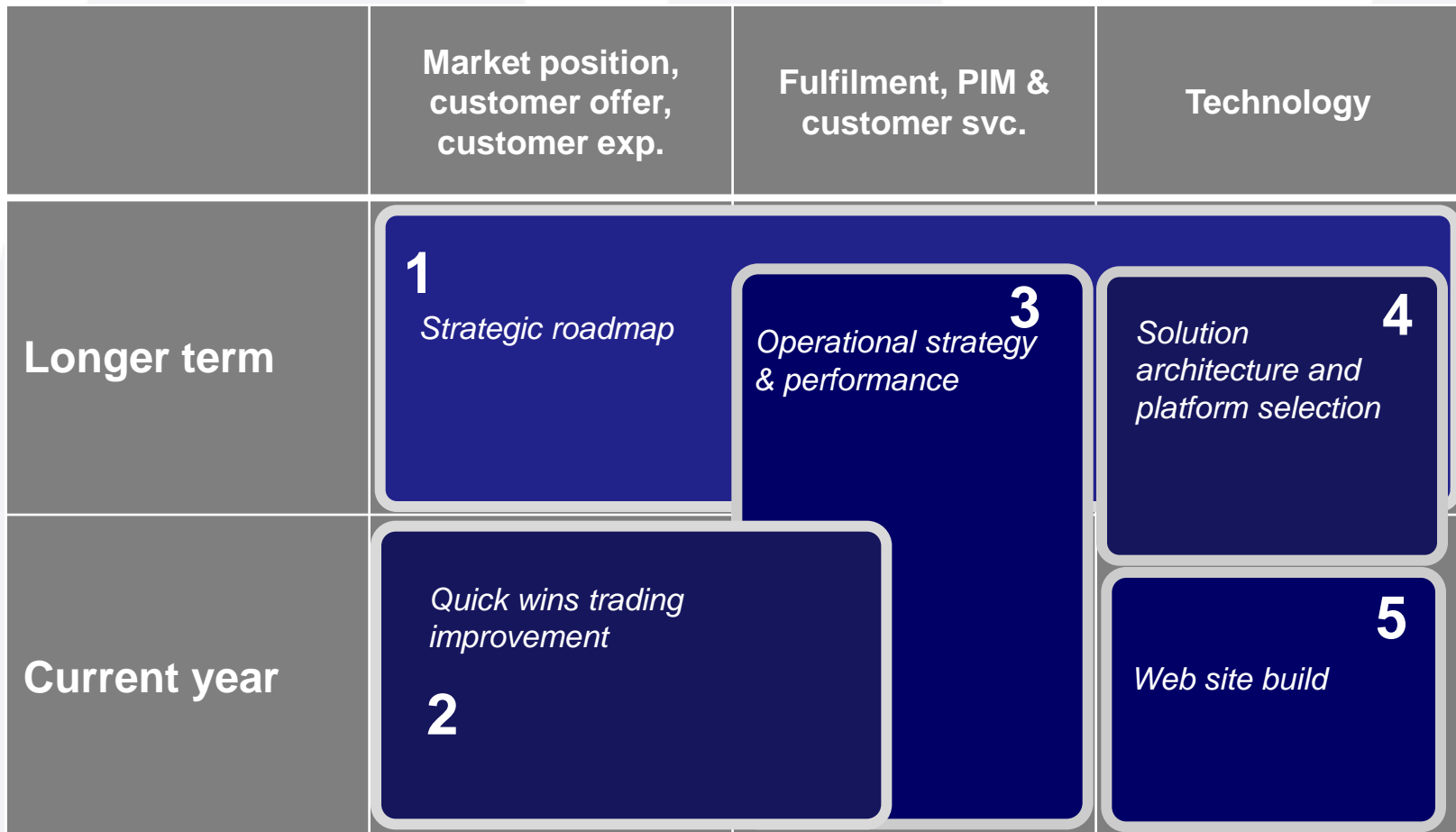
- ▶ EU's leading ecom specialists
- ▶ Based in London, Paris, Sofia
- ▶ Work across the world
- ▶ 17 of the top 20 UK retailers
- ▶ 50 of top non-UK EU retailers
- ▶ All categories and formats

## Retail & B2B clients



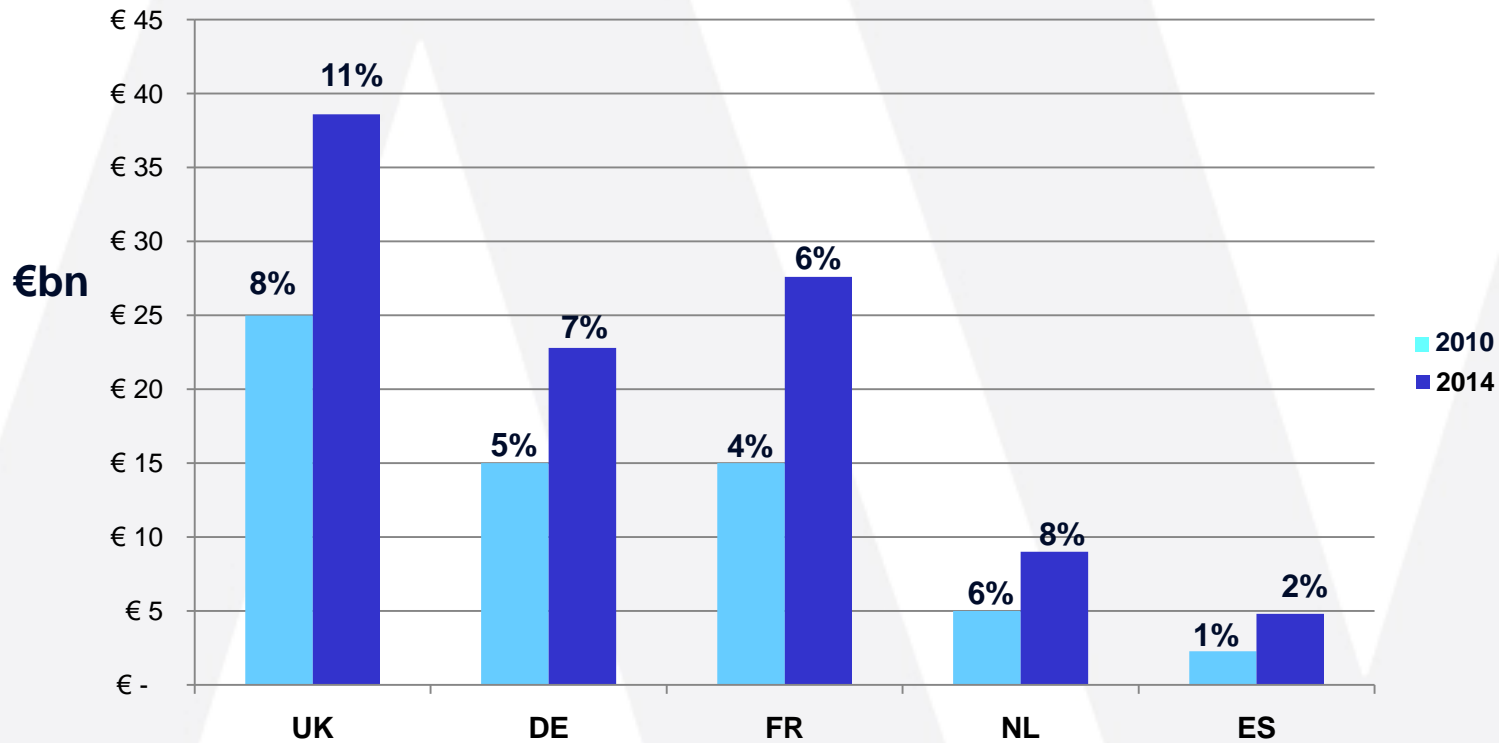
**Enabling eCommerce & MCR**





▶ Across all categories, channels, formats, and geographies

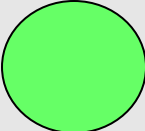
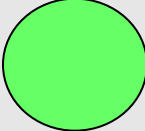
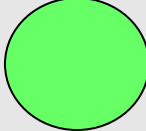
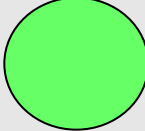

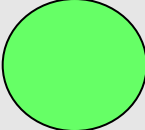
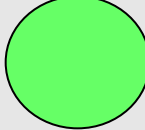
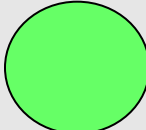


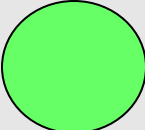
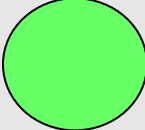
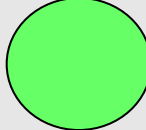
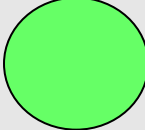

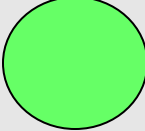
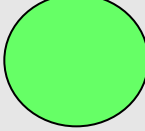




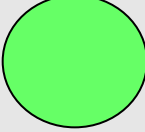



## Retail ecommerce sales, excluding services and travel, in €bn



Source: Combined Mintel, Verdict, Javelin Group estimates

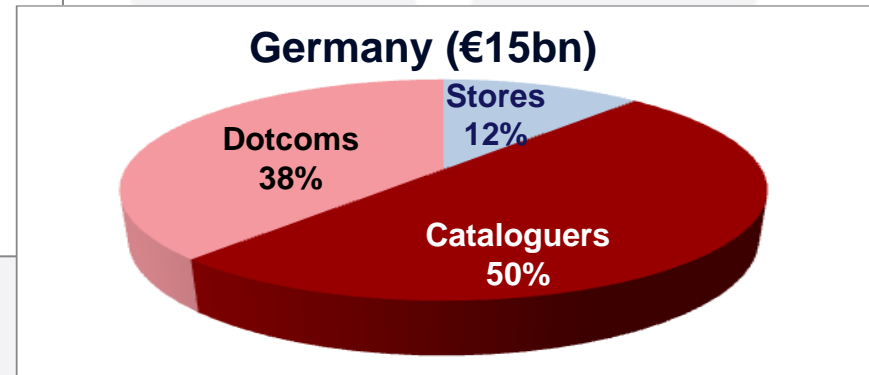
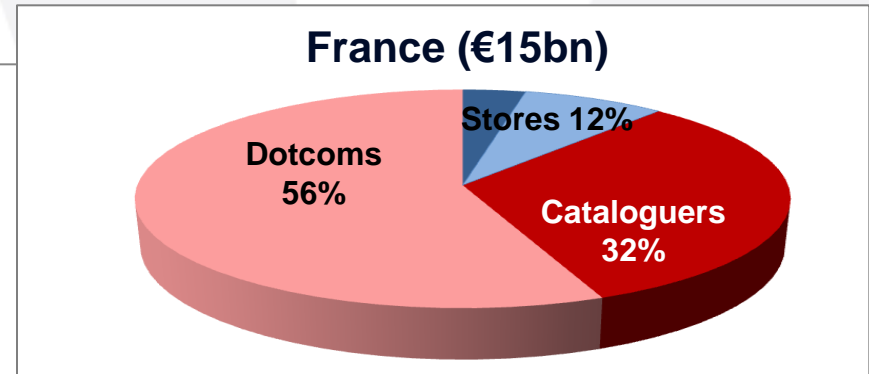
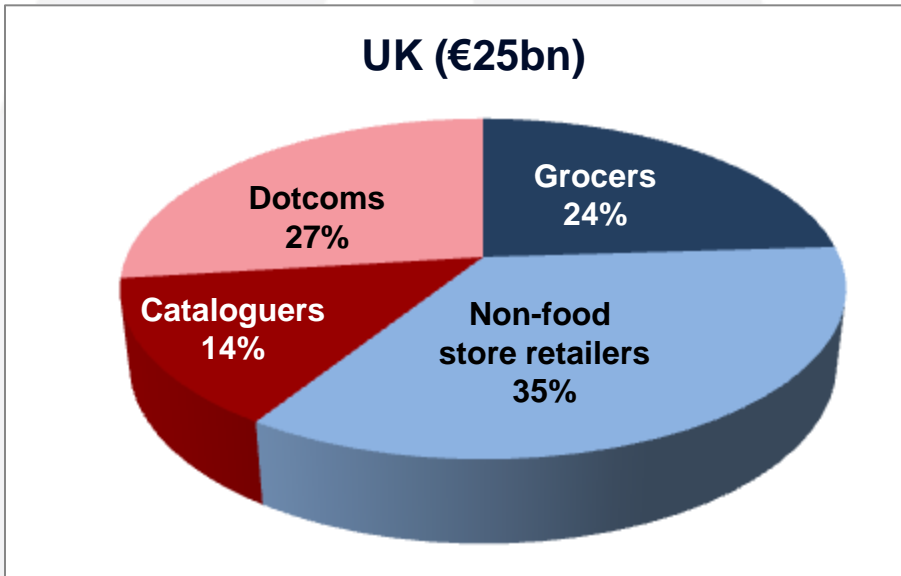
For comparison, USA's retail ecommerce sales were €116bn (6%) in 2010, growing to €190bn (8%) by 2014

Assumed exchange rate throughout presentation: €1.00 = £0.85

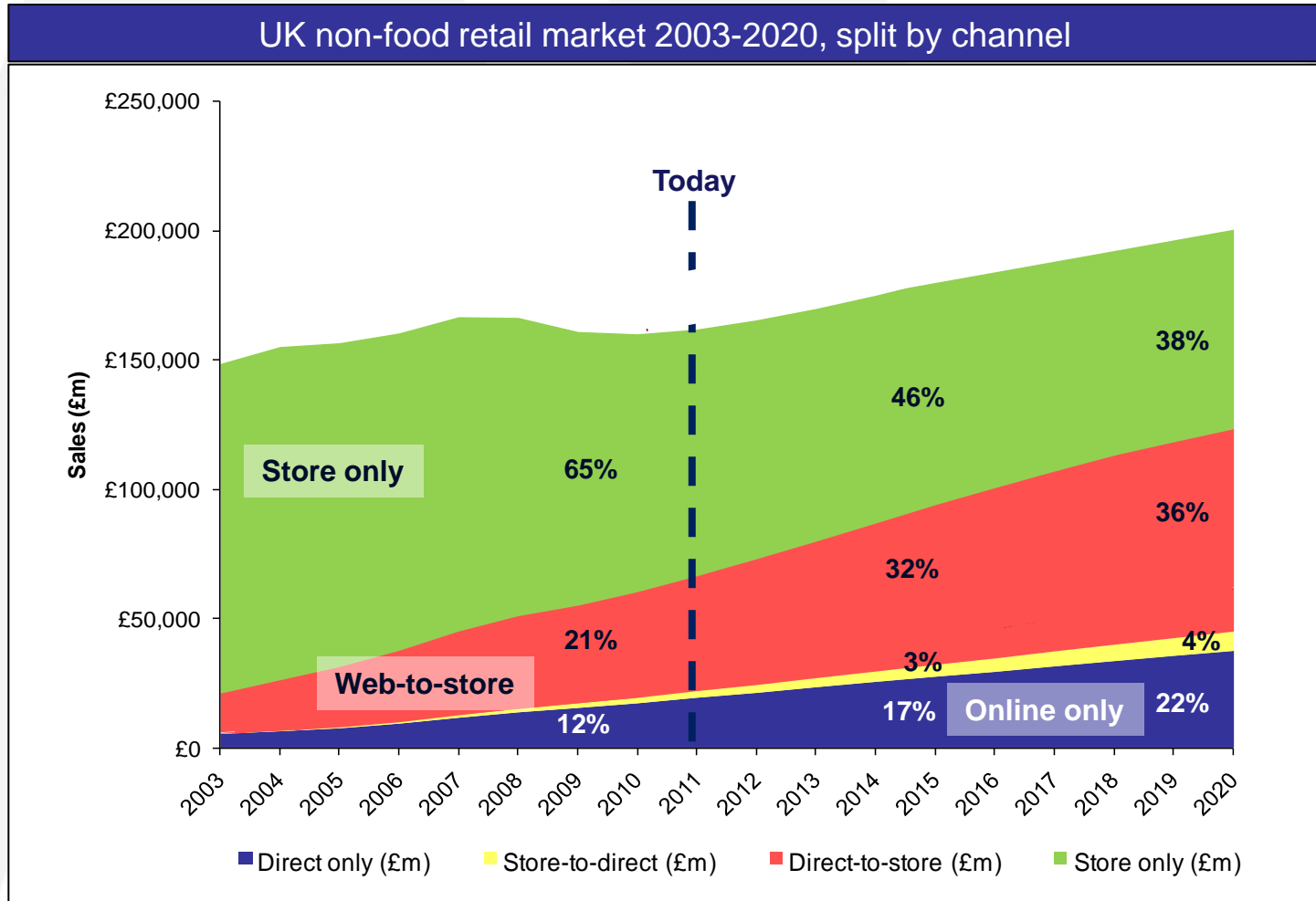
	USA	UK	DE	FR	ES
Wealthy population					
Internet/BB penetration					
Home shopping infrastructure					
Centralised retail					
Concentrated population					
<b><i>eCommerce penetration</i></b> <i>(% of retail sales)</i>	<b>6%</b>	<b>8%</b>	<b>5%</b>	<b>4%</b>	<b>1%</b>

- ▶ UK ecommerce is dominated by store-based retailers
- ▶ Germany and France dominated by dotcoms and cataloguers

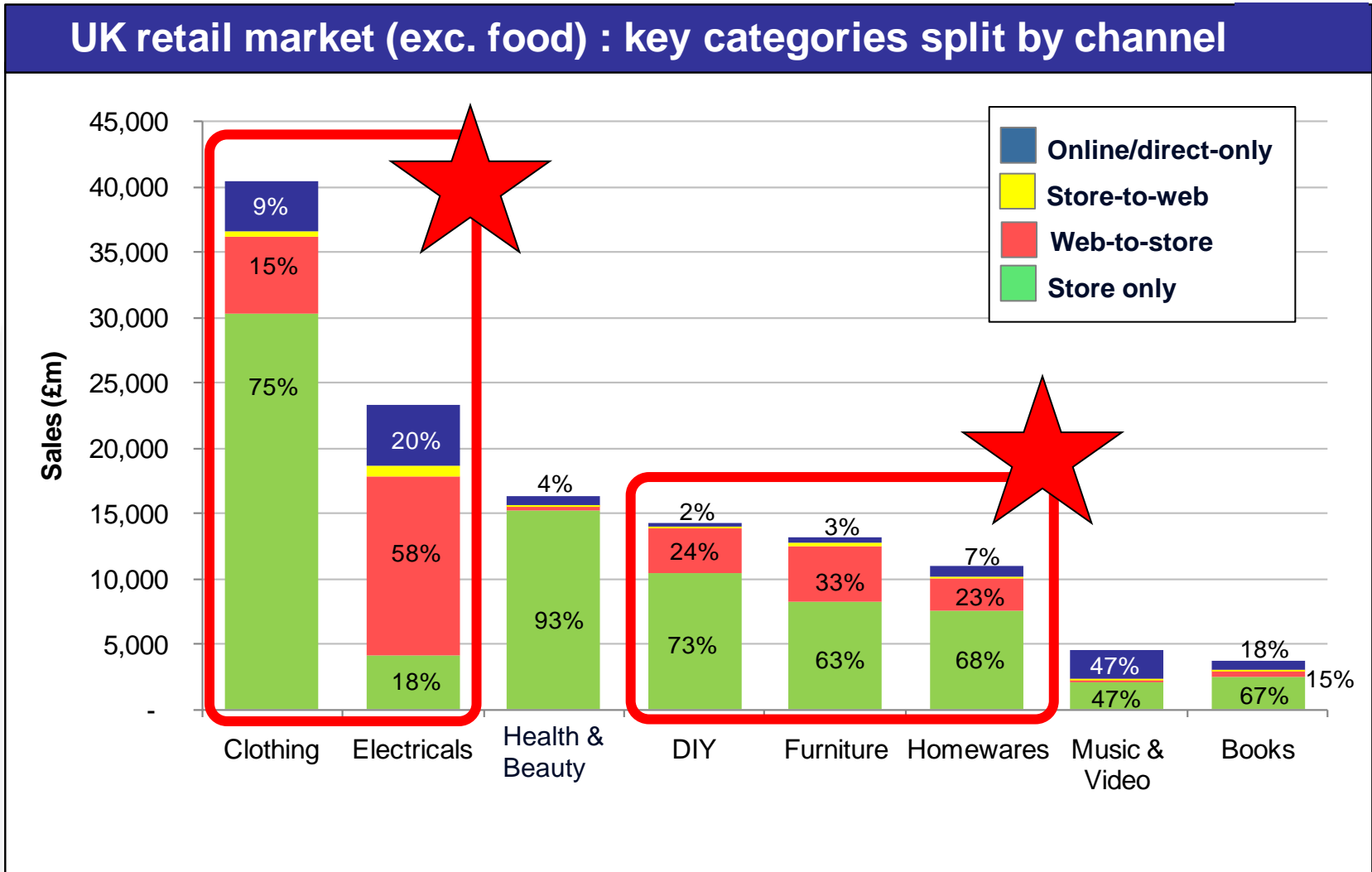
## 2010 eCommerce revenues by retailer type



Source: Mintel/BHV  
(data excludes eBay and eBay Powersellers)



Source: Javelin Group analysis

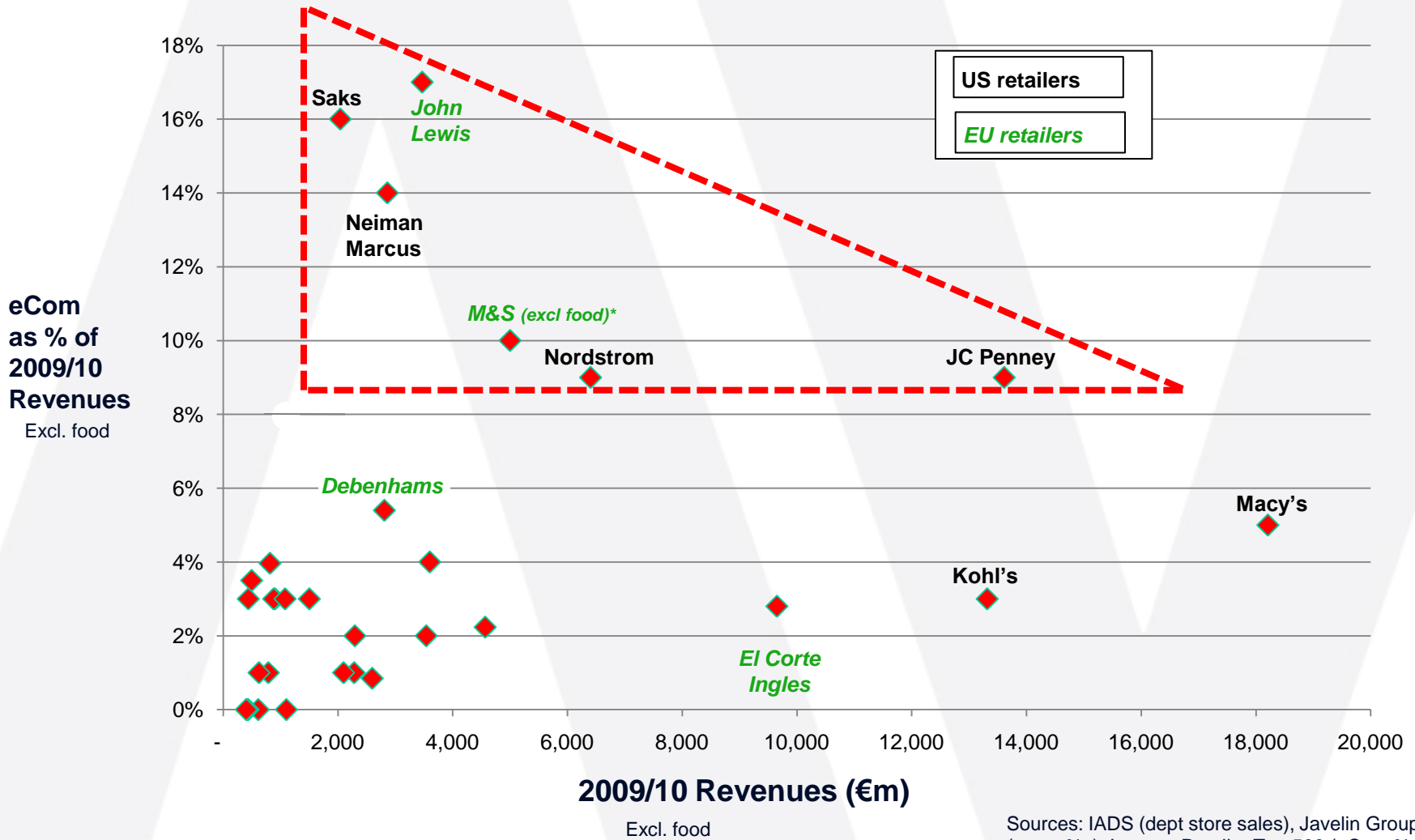




**John Clare**  
**Former CEO of Dixons Group**

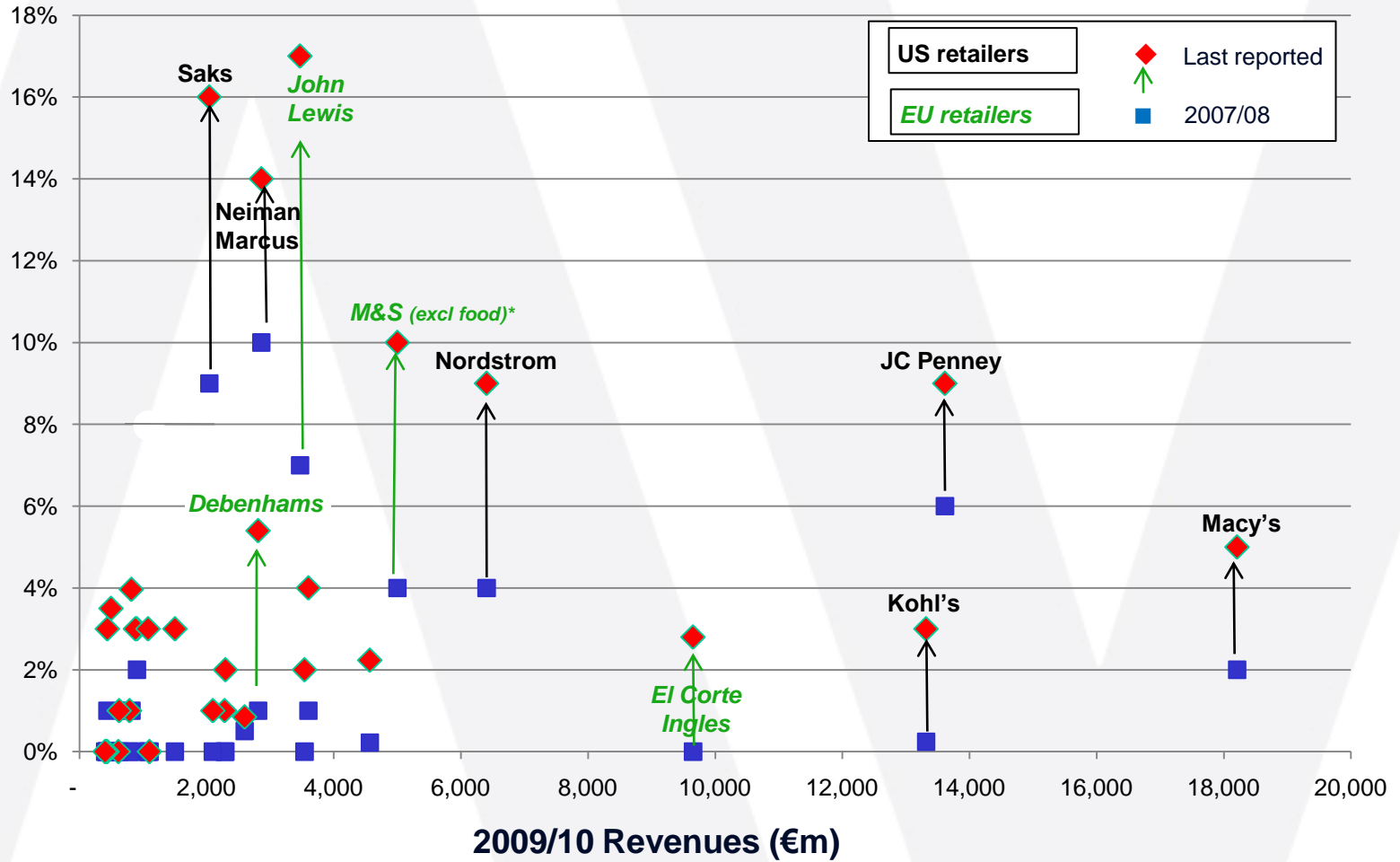
**“When the internet first started to grow significantly, the expectation was that people would go to the stores and then buy what they wanted online. In fact, the complete opposite has happened. In practice, people go to the internet first and then visit the stores. So today we’re seeing in stores like PCWorld and Curry’s that between 60 and 70% of all customers visiting the stores have been online first.”**

# Department store ecommerce % (Europe & USA), today

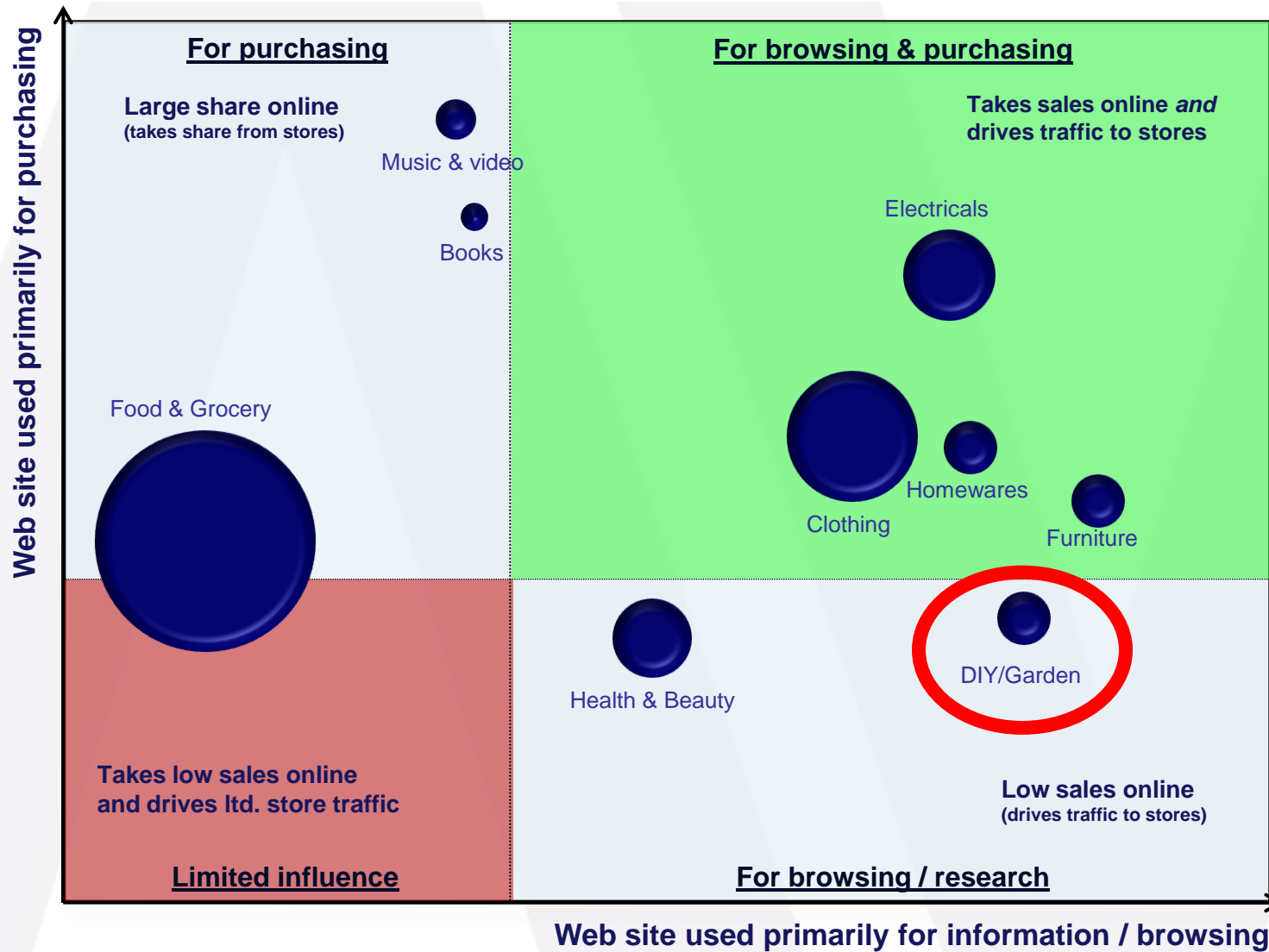


Sources: IADS (dept store sales), Javelin Group (ecom %s), Internet Retailer Top 500 (eCom %s)

eCom  
as % of  
2009/10  
Revenues  
Excl. food



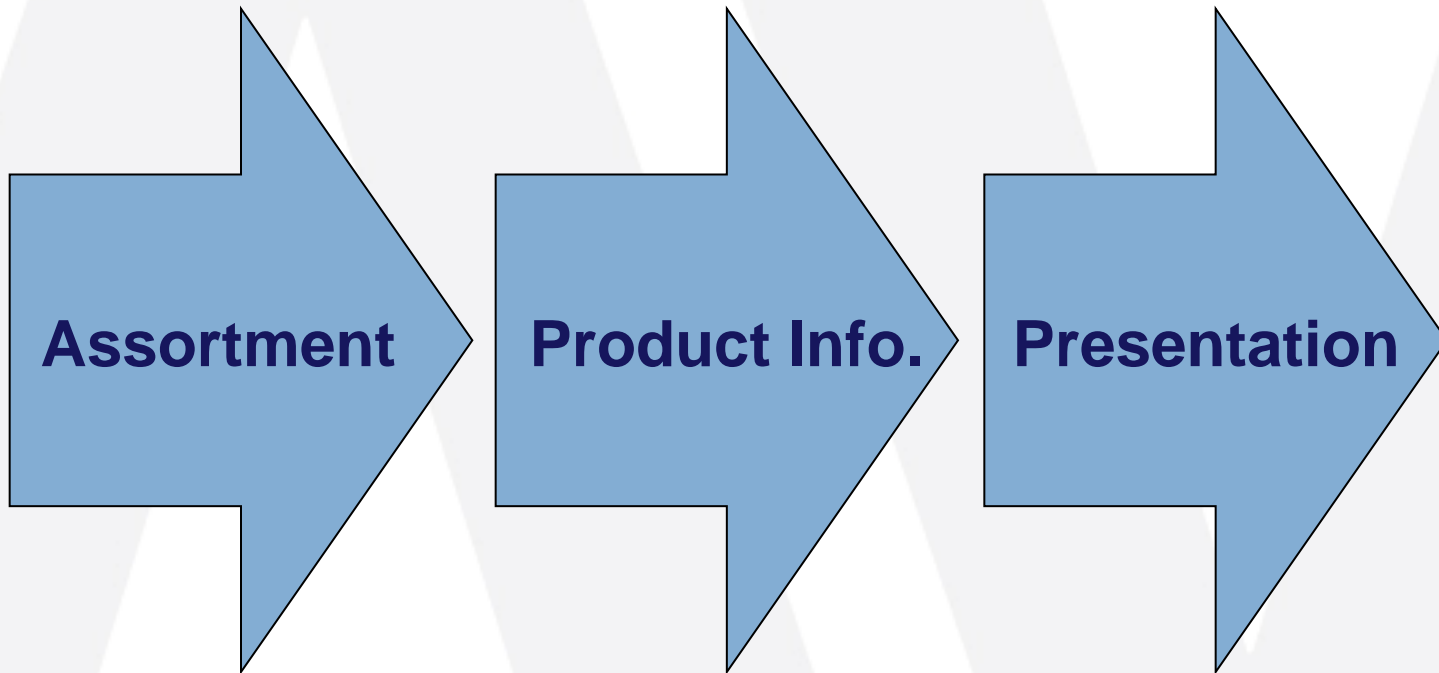
Sources: IADS (dept store sales), Javelin Group (ecom %s), Internet Retailer Top 500 (eCom %s)







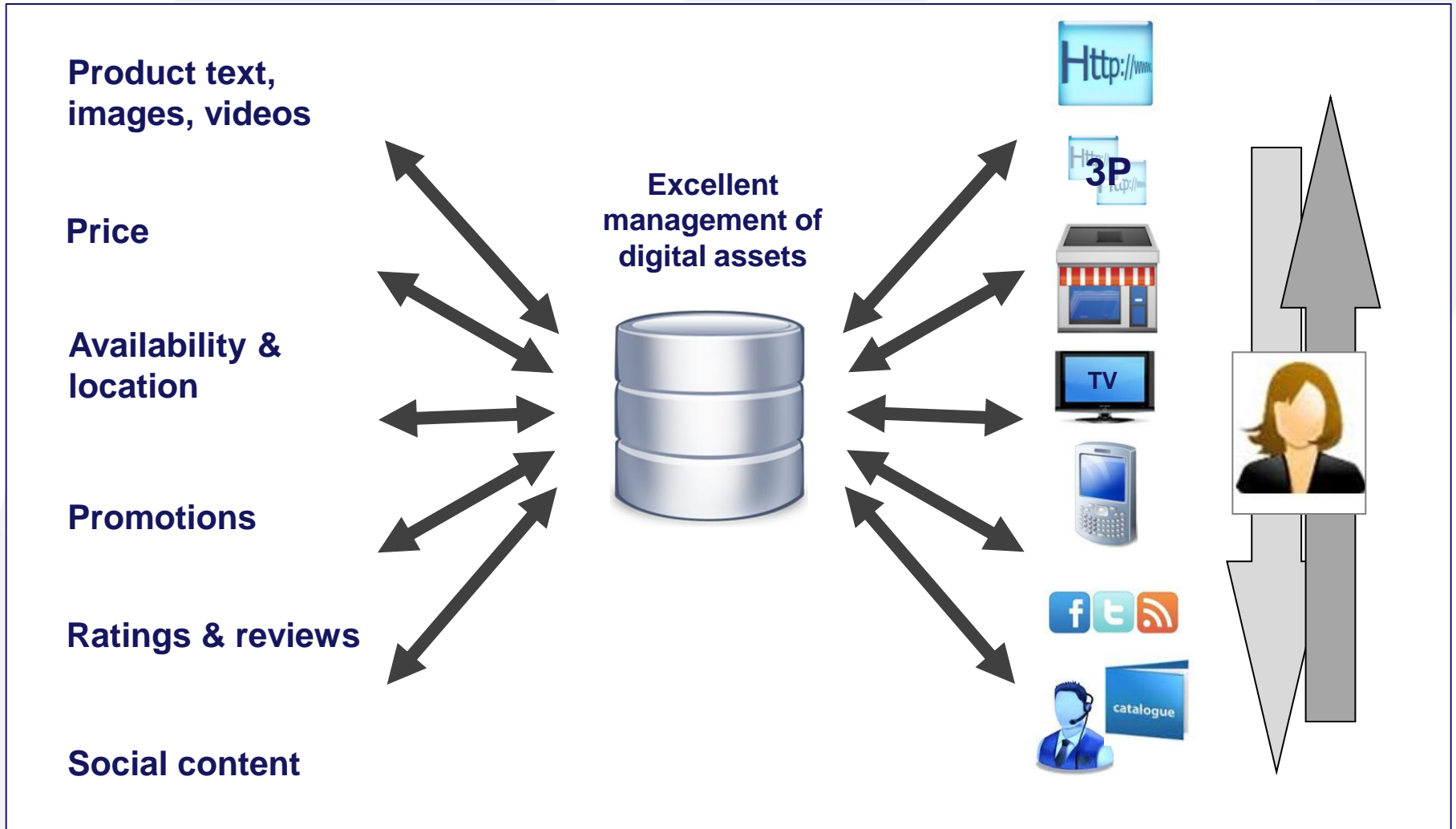




“Because product information management is so important we’ve wanted to make it a really robust process. So part of what we’ve done is actually to take that offshore and almost to industrialise it and make it very systematic, and that’s been very successful. We’re doing a lot to enrich the basic data that is in Tesco’s core systems, and this is critical to customer conversion.”

**Laura Wade-Gery**  
CEO of Tesco.com







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## How to pack for a perfect weekend away

frenchconnection

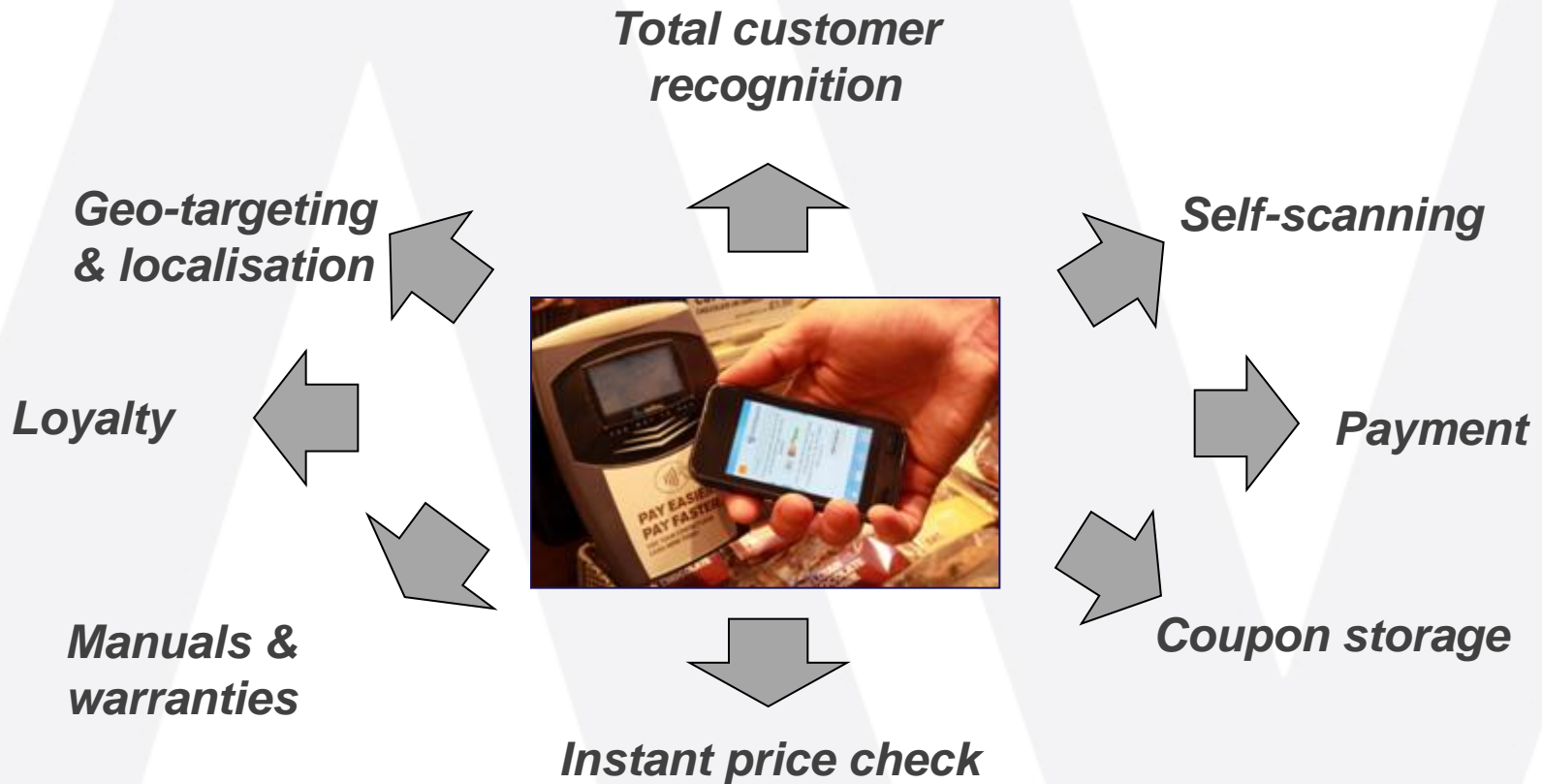


0:32 / 0:56 360p

frenchconnection | 22 September 2010  **12** views

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- [How to sparkle at a wedding](#)  
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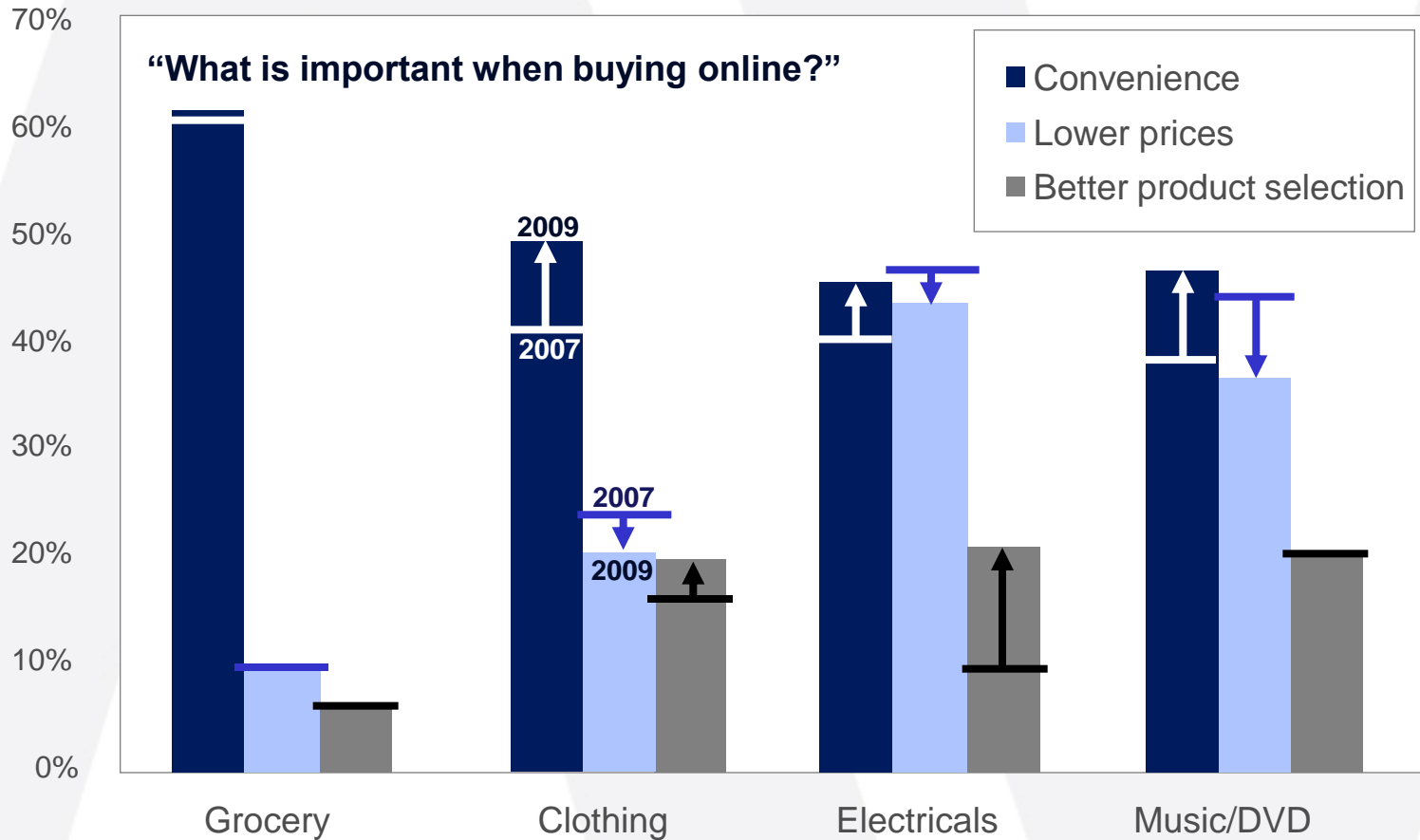
“One of the most exciting changes in the last year has been the rise of Mobile. We now think about 14% of our customers have an iPhone and probably 40% have a smart phone, and that’s just driving huge changes in how they shop. So one of the initiatives we’re proudest of is our Grocery Shopping App. which we launched in the Autumn, and we’ve added a barcode scanner so that, as you get rid of products in your house, you can scan them with your phone and they pop into your shopping basket. Talk about automatic re ordering, it’s great!”

**Laura Wade-Gery**  
CEO of Tesco.com





## ► Reasons for shopping online (UK)



### **Charlie Mayfield Chairman of John Lewis**

**“We’ve seen a really good take up for Click & Collect. We launched it in September 2008 and it has just helped to fuel and support what we already knew was happening, which is that customers were coming online, researching and then wanting to go to the store to pick up the product.”**





- ▶ **Full assortment**
- ▶ **Great product information & content from many sources**
- ▶ **Easily accessed across many touch points**
- ▶ **Convenient delivery/collection options**



# Thank you

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