

## DIMENSION REPORT

### THE CUSTOMER: NOVEMBER 2018

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**RedEye**

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**“** For me the trick is finding the balance between technology and human interaction – that’s where the true connection happens **”**

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INSIDE

- Interview with Sara Prowse of Hotter
- Discover the Top100 UK retailers that stand out in The Customer dimension
- 12 best-practice approaches to customer service and customer experience

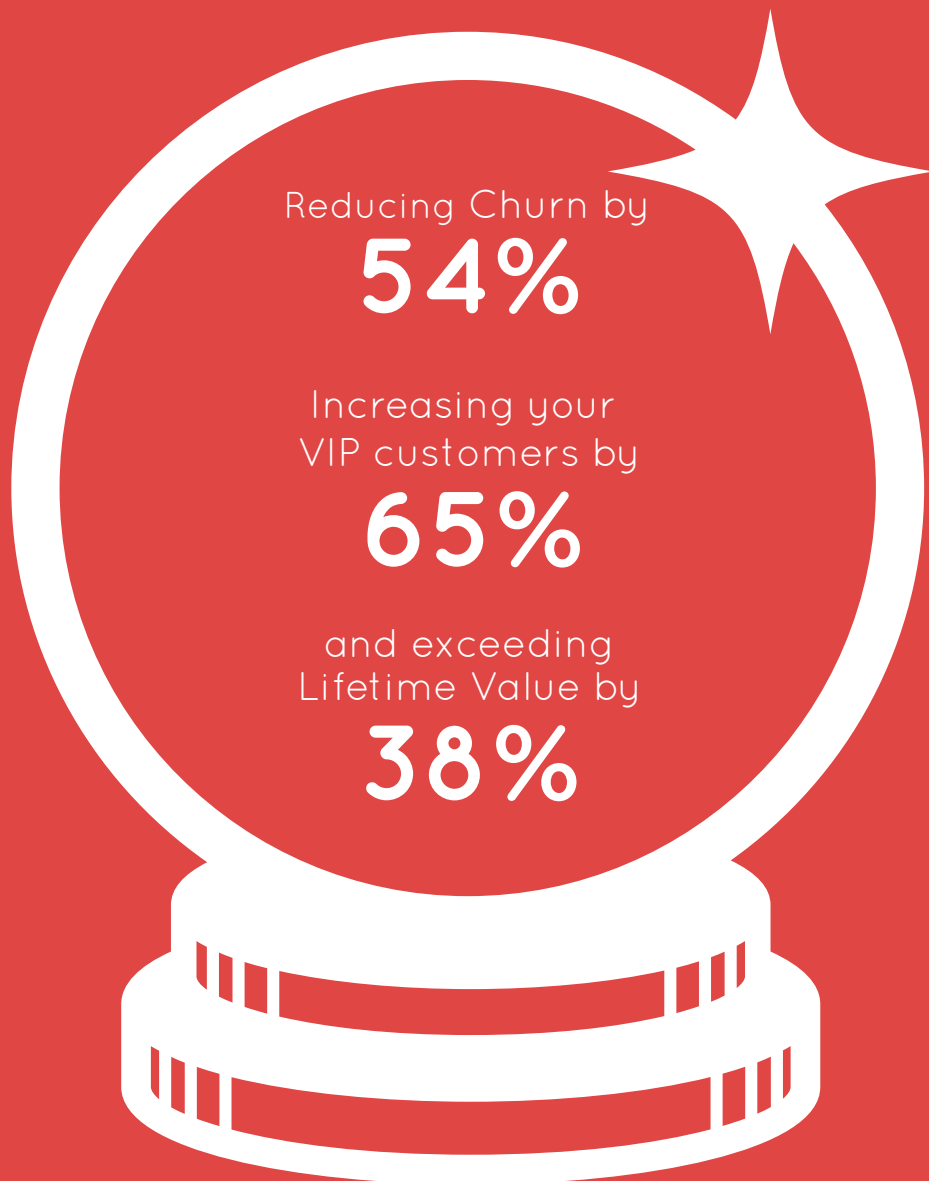
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# RedEye

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customers are going to do next?

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## INTRODUCTION



WELCOME TO THIS year's IRUK Top500 The Customer Performance Dimension Report, where we focus on how the UK's leading retailers are serving the people who should be at the heart of any retail business – their customers. Today's customer is firmly in charge, setting out where, when and how they'd like to shop. Their expectations have been raised by leading retailers offering

new levels of service in recent years. It therefore makes perfect sense that retailers who give them the experience they demand are more likely to prosper.

We assess how well ecommerce and multichannel businesses are serving their shoppers, looking at our research to understand how responsive and relevant the user experience that they offer is. At its core, selling now relies on giving shoppers the choice of how they want to buy. Personalisation goes that step further to learn from the choices that shoppers have previously made in order to offer service in the future.

In this report, we're sharing practical examples of how the most successful retailers approach the job of satisfying their customers, at a time when those customers have come to expect a seamless, joined-up experience that makes shopping something that's easy to do. We're also looking at how the Top500 as a group are working to serve shoppers, and how much that has changed since last year.

Our performance-based assessment of customer-focused strategies among Top500 retailers, seen through the prism of RetailX research, is designed as a tool that retailers of all sizes can use to assess their own performance, by benchmarking it against what the Top500 do to find areas where strategic improvement can put them ahead of the crowd.

We believe that our findings will be of interest to retailers of all sizes. We are sure that you will find this report useful and look forward to your feedback on new areas that we should consider in future iterations of this research.

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# EDITOR'S COMMENT

THE CUSTOMER IS now, in theory at least, at the centre of every 21st century retail business. But often the practice lags behind the theory. In this latest IRUK Top500 The Customer report, we look at what customer-centricity means, day-to-day, for leading retailers in this Dimension. We ask how these, and other, retailers can go about understanding their customers, the way in which they buy, and the way they'd like to buy.

In our strategic overview, we set the context for how Top500 retailers are working to get to know the shoppers who buy from them, as well as deliver the kind of service that they want to receive.

Our interview is with Sara Prowse, chief executive of Hotter, whose focus is on giving customers a comfortable experience. Hotter's aim is that, like its shoes, the experience should be without pain points or friction. Our case studies continue by focusing on how Top50 retailers in this Dimension, from Sainsbury's and Halfords through to Debenhams and Asos, understand their customers, the kind of service they want, and how they should go about delivering that.

The 12 approaches to the customer feature takes a practical yet strategic look at how businesses are delivering on the metrics that RetailX researchers consider important in this area. Their analysis is outlined in more detail in both Martin Shaw's analysing the numbers feature, and his new research feature.

You'll find the list of the Top100 retailers that stand out in this area in this Dimension report, as well as our overall Top500. Some retailers originally listed in the Top500 have gone into administration during the course of this year, so we've updated details in this report accordingly.

We hope you find this Dimension report useful and we look forward to hearing your feedback on this approach, as well as on any ideas that you have for our future explorations of this subject.

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# WHY RELEVANT PRODUCT RECOMMENDATIONS ARE THE KEY TO CONVERSION



ORACLE® Bronto

## Saima Alibhai, managing principal consultant at Oracle Bronto on personalised recommendations

Imagine this scenario playing out...You visit a high street store and seek the advice of their personal shopper. After you give them all sorts of information – your dress size, shoe size, the styles you usually wear – they return with an outfit almost identical to the one you're wearing.

Wouldn't you expect more than that? Would you think less of the assistant, or even the entire store? Yet this exact type of interaction happens daily between retailers and consumers online with product recommendations, the online equivalent of the personal shopper.

Such a disconnect can quickly turn consumers off and send them searching for other options. They demand experiences that are personalised and expect relevant recommendations in exchange for sharing information about themselves.

When they're done well, product recommendations are a powerful tool for connecting with consumers, making them feel like you truly understand them and are helping them to discover your products. They can be used in virtually any email, from day-to-day promotional emails and automated lifecycle messages, such as post-purchase and browse recovery, to order and shipping confirmations. So let's quickly explore some of the dos and don'ts.

### BE SPECIFIC TO THE INDIVIDUAL

Create recommendations that are subscriber-specific. 'Listen' to the data. Email subscribers give you all sorts of digital cues, from click activity and browse history, to preference data and purchase behaviour. This data allows you to generate more relevant results, which is particularly critical when using recommendations in a batch-and-blast message. By nature, these emails are often irrelevant to a majority of recipients but including targeted recommendations based on individual data can often be enough to capture interest and inspire action.

### TARGET YOUR PURCHASE-RELATED MESSAGES

Using recommendations in both transactional and post-purchase messages should be a no-brainer. You can offer specific recommendations to sell complementary items. Did

a customer buy a pair of boots without waterproof spray or a hat and scarf without the matching gloves? This is the perfect place to cross-sell the customer and showcase your entire range of merchandise.

### AVOID 'JUST FOR YOU' SUBJECT LINES.

Have you ever received a message that claims to be "just for you?" Yet, when you open the message, the results aren't relevant to you and the retailer's behaviour, along with all credibility, is lost? I know I have. If you were to receive another message from this brand containing that same subject line, would you open it? Doubtful. Instead, go with a message such as 'top sellers', 'customer favourites', 'highest rated', 'new additions', 'picks of the month', 'most viewed' or 'staff picks'. These will set the right expectation level for subscribers.

### MAKE RECOMMENDATIONS WORK FOR YOU

When it comes to recommendations, ignoring your data is the worst thing you can do. Think of yourself as that personal shopper, helping the customer to discover relevant products in your range. When your customers offer you information, use it to meet their needs and expectations. If you don't, they'll begin to feel undervalued and lose faith in your brand. They trust you – don't give them a reason to stop.

### ABOUT ORACLE BRONTO

Oracle Bronto arms high-growth retailers with sophisticated marketing automation to maximise revenue opportunities. The Bronto Marketing Platform powers personalised multichannel content that generates the higher engagement needed for retail success. Keenly focused on the commerce marketer, Bronto continues its longstanding tradition as a leading email marketing provider to the global Internet Retailer Top 1000 and boasts a client roster of leading brands, including Euro Car Parts, notonthehighstreet.com and OKA. For more information, visit [bronto.com](https://bronto.com).

# PUT THE CUSTOMER FIRST

**Technology can help retailers make the shopping experience all about the customer, argues Garry Lee, chief executive of RedEye**



**RedEye**

In my foreword to last year's report, I talked about better anticipating the customer's needs, being prepared for GDPR and the omnichannel experience. Apologises for repeating myself a little, but I'd like to touch briefly on one of those subjects again, before talking about something a little different for this coming year – how AI is the saviour of both marketing *and* the customer, not the wolf in sheep's clothing it's sometimes pictured to be.

I'm pleased to say that the omnichannel experience has become a hot topic over the last 12 months, although I'm not seeing a wealth of data showing that brands have cracked it yet. There are more and more brands getting the multichannel process right, ensuring that the same general message translates across the different channels your customer uses. However, what brands need to strive for is an individualised message that follows the customer across channels, a one-to-one communication regardless of where that customer interacts with you.

If you know that a specific customer could lapse, recently looked at trainers and loves a bargain, let's make sure this information is fed into your email campaigns, messages in the customer's social media timelines, a push notification or even a mail drop (what's old is new!).

Let's use the technology to make it genuinely about the customer. This is where I believe AI can increasingly support retailers in the future. It can help you to both anticipate the customer needs and fuel powerful marketing automation. It supports you in not only understanding your customer, but also in using that knowledge to communicate a resonant message across different channels. I'm hopeful this is where we are heading in 2019.

## AI IN RETAIL

AI and its influence on retail and the customer experience is one of the most in-vogue topics right now. I hear the following phrase a lot: "AI will kill the influence of marketing". People assume that the rise of things such as machine learning and the increasing influence of marketing automation means that traditional marketing and marketers

will lose their influence. However, I firmly believe the opposite! It frees marketers up to focus on where they can make the difference – understanding the customer and delivering the right message, free from all the manual work that the computers can do for you. I think this is exactly the same for customer services and our ability to improve the experience we deliver to the customer. Imagine, if through things such as automated response systems and chatbots, you were able to manage quickly and effectively 90% of customer enquiries. We are already in a world where this happens and, as we head into 2019, it will become the norm.

Next year will bring more intelligent use of data to further anticipate problems before they happen. The focus will switch to spotting patterns and then interrupting a poor experience to help the customer get back on track before the issue becomes fatal to the relationship. All of this then leaves you much more time to focus on the 10% of enquiries that need your attention and allows you to take a genuinely personal approach with those people. Improving the customer experience, lowering complaints and, ultimately, increasing revenues in the long term, all the while giving those working in marketing and customer services more enjoyable jobs... what's not to love about that?

So, let's continue to embrace change. Allow the machines to take on the jobs we don't actually want, and free us up to focus on what's important – the customer.

## ABOUT REDEYE

Using RedEye's Multi-Channel Marketing Hub, B2C brands increase their income by an average of 38% in only their first year, with our unique mix of data, people and technology. And that's our goal: to help you deliver amazing results. We're fans of big words like 'AI-driven marketing automation' but really, we believe that sophisticated solutions can be simple. Wherever you are in the process of automating your marketing, the RedEye team is here to help.

[www.redeye.com](http://www.redeye.com)

# GETTING TO KNOW YOU

## Retailers that understand their customers are better placed to give them more relevant service, writes Chloe Rigby

SHOPPING IS JUST easier for customers when they are recognised by their favourite retail websites. And arguably, retail websites that recognise their customers are more likely to become favourite destinations. For when shoppers are known to retailers, they're more likely to see web pages, products and recommendations that are relevant to them. They can pay in as little as one click while saved delivery and collection options mean the items they buy are sent to the most convenient place at the right time. All of these little relevancies help to save time and make shopping less of a chore. It's easy to see how such an experience might improve customer loyalty, and how retailers that give their customers such an experience might stand apart from the crowd. Salesforce's *Connected Shoppers* report suggests that only 37% of shoppers feel that retailers know them. More than half (54%) of UK consumers said they felt more loyal to brands that showed a deep understanding of their preferences and priorities, according to ecommerce consultancy Wunderman's *Wantedness* playbook. The report also suggested that 74% of UK and US shoppers say brands can set new standards by providing a higher level of customer service.

The demand for service comes against a challenging retail environment in which shoppers are both

“ It's easy to see how this experience might improve loyalty ”

slowing their spending and making a greater proportion of their retail purchases online. In its *September 2018 Retail Sales Report*, the UK's Office for National Statistics found that 17.8% of all retail sales took place online that month. But at the same time, while shoppers were spending more than they did at the same time the previous year (+4.2%) on retail purchases, they were spending less (-0.7%) than they did the previous month. Online sales may have accounted for a greater proportion of sales, but while they too grew in September 2018 compared to the previous year (+11%), they fell by 2.1% compared to the previous month. If personalised service will make such a difference to how much of that business retailers see, then it's little surprise that many Top500 retailers are seeing the importance of getting to know their customers and are going to sometimes great lengths to do so.

### A DEEPER UNDERSTANDING

Shop Direct, the home shopping group behind brands including Littlewoods and Very, got to know some of its best customers very well as part of its focus on putting the customer at the heart of its business. Derek Harding, chief finance officer, told InternetRetailing Conference in October that Shop Direct wanted to develop services and ways of selling that were more relevant to them. To that end, it invited about 50 of its highest-spending shoppers to take part in research that used tools including surveys, eight-week video diaries and focus groups to get to know them, what they buy from the business and how they buy it.



Credit: Hotter

Hotter's Sara Prowse says 18% of the brand's customers now shop across channels





Credit: John Lewis

John Lewis is putting the emphasis on experiences in its newest stores

From these in-depth findings, the business created around 50 customer personae that its staff will have front of mind as they revamp the website over coming months. “We’ll be thinking about the customer journey through the customer’s eyes, working with those customer personas to understand what works for them over mobile and desktop journeys,” said Harding.

#### THE PERSONALISATION IMPERATIVE

Fashion retailer Next has appointed a head of personalisation as it looks to build the business. Rob Pearson, who has taken on this role, explained at IRX 2018 just why personalisation was so important for the business. It was time, he said, to go beyond catering for the typical Next customer – a woman who shops for herself and her family, buying homewares as well as clothing. “The experience has been designed for her for years,” he said. “But we have other customers – who buy from Lipsy, buy male fashion, or are focused on kids. We need to engage with each while shopping. If we don’t start personalising things for people, we run the risk of losing them.” When

customer services are more relevant, he noted, this leads to happier customers.

Homeware business Dunelm is also working to create experiences that work for different groups of shoppers. In its latest full-year results, it identifies segments that it underserves – including the “confident nest builders” and “necessity buyers” – and says it will meet customers’ needs by both offering a wide range of products and raising awareness of what it sells. Serving such groups more effectively is, after all, critical for the bottom line.

“By listening to our customer and serving them better, we have a significant opportunity to sell more,” said chief executive Nick Wilkinson, adding, “We continually listen to our customers and colleagues using our ‘always on’ feedback and engagement tools. Significant actions taken in response to feedback from our colleagues includes restructuring our technology teams to become more agile and product focused, and combining our buying and merchandising functions into an integrated team.”

## STRATEGIC OVERVIEW

### RECOGNITION FACTOR

Recognising the customer is key in this. Halfords is among the retailers developing a single view of customers. In its latest results, the car to cycle equipment and services retailer said it could now match 59% of transactions to customers. This gives insights that help it to understand how and what its customers are buying.

Footwear brand Hotter, ranked Top50 in this Customer Dimension of IRUK Top500 research, is set to introduce a single view of its customers when it introduces a new platform and ERP (enterprise resource planning) system over the course of the next year. But even while still working from legacy systems, it commissioned a project to understand how its shoppers were buying. It found that 18% were omnichannel shoppers and that those omnichannel shoppers spent five times as much as its single-channel shoppers, with customer retention rates three times higher than those that shopped through just one channel. The brand has responded, says chief executive Sara Prowse, by analysing the multichannel customer's experience. "We've looked very closely at the journey on the different devices to see if we need to make changes there," she says. [For more insights, see our interview with Sara on page 20].

### TEST AND LEARN

Understanding what works is important and such understanding is made possible through rigorous testing. Next, which uses the Monetate platform to power its personalisation, uses a test and learn programme to show what is working and what isn't. In one example, Next saw that different people arrived via different routes and at different times to a product page. New visitors might come straight from search to a product page and miss home page messages as a result. "We tested a message to say 'order now for next-day delivery' and A/B split it so that 50% of new visitors saw it," said Pearson. "Revenue and conversion rose." The retailer plans to continue to introduce new experiences for different groups of customers. Experiences are informed by the retailer's data

“ On a mobile device, there's a smaller screen to talk to customers about what we have to offer ”

drawn from how customers behave, with hypotheses – right down to where a message is placed – tested at every turn. "The original Hepworths store [from which Next evolved] was a gentleman's tailoring store and it had local knowledge of customers," he says. "Data now fuels getting that insider knowledge of the customer and what's right for the experience. Now the job is to increase conversion."

### MAKE SURE THE MOBILE EXPERIENCE IS A GOOD ONE

With more shoppers now opting to browse and buy via mobile phones, it's become more important to make the shopping experience relevant for them on a small-screen device by ensuring that shoppers see the right products.

Next's Rob Pearson says that the larger the product range, the more important personalisation becomes. "In a mobile world, there's a smaller screen to talk to customers about what we have to offer," he says.

That was an issue for Express Gifts, the retailer behind websites studio.co.uk and ace.co.uk. It has found that 70% of its visitors come from search, and that 70% of those shoppers are using a mobile device to find an item. It's now using machine learning, in the form of Apptus eSales, to ensure that the results those customers see are more relevant. "In that context [of mobile searchers] it's even more important for us to deliver a superior search experience," says Express Gifts head of ecommerce, Craig Elwell. "There's less screen real estate to play with, so relevance is very important. It's vital in the limited screen space available to show shoppers the right products at the right time, every time."

### LINK ONLINE WITH THE STORE

Retailers are using systems from e-receipts to loyalty cards to get to know how their customers buy, or want to buy, across channels, as well as understanding what it is they are buying, and where relevant offers might be able to be delivered. Morrisons, for example, launched a Morrisons More mobile app this autumn to enable shoppers to collect and spend loyalty points. In a third-quarter trading update in November, Morrisons noted that the app is easier to use than paper coupons or plastic loyalty cards, while it also enables the supermarket to send its customers relevant recipes and personalised offers.

The John Lewis app also works across channels, giving customers access to their loyalty card, to claim and redeem rewards, as well as a 'kitchen drawer' store of receipts for purchases made both online and in the store.

Shoe business Clarks is another retailer that uses e-receipts to tie up online and in-store customer spending in order to gain a better understanding of its shoppers.



Credit: Debenhams

Like many high street department stores, Debenhams is focusing on making the in-store experience something that will attract shoppers

### GIVE SHOPPERS NEW REASONS TO VISIT THE STORE

Department store shoppers are moving online fast. ONS figures show that internet sales at this category of retailer grew by more than 30% in August 2018. Retailers are responding by not only honing their online experience, but also by giving shoppers new reasons to come into their stores. At both John Lewis and Debenhams, the focus is firmly on customer service. John Lewis has an Experience Desk at two of its most recent stores, in Oxford and at Westfield London, offering a concierge-style service for in-store events, experiences and table bookings for restaurants. It has worked with theatres to train its staff in the skills needed to give guided tours of the store, as well as with the London College of Style to train in-store personal stylists on advising shoppers and on translating catwalk trends to the changing room. The John Lewis Partnership's latest JLAB challenge, meanwhile, centres on experiential retail as it looks for technology companies that have solutions capable of changing the way we shop in the future, focusing on shopping as an experience rather than as a utility.

Debenhams, meanwhile, is hiring from the hospitality industry as it looks to give its shoppers top-level service. It's focusing on beauty in its multichannel Beauty Club that provides an online social forum alongside in-store events and beauty treatments. Its new look Beauty Hall of the Future is designed to integrate digital into the in-store shopping experience.

These are just a few of the many practical, real-life examples of how retailers are finding new ways to understand their existing and potential customers and put them at the centre of their businesses. They are also examples of how retailers are working to create new shopping experiences that work for digitally-enabled shoppers whose expectations have changed as technology evolves. The rate of this change is no doubt set to accelerate, which means that the most agile retailers will be the ones at the forefront of this change.

# BEAT CUSTOMER EXPECTATIONS ON SERVICE

**Shoppers are well served when retailers provide an experience that meets their needs, whether they're browsing, buying or asking a question, writes Martin Shaw of InternetRetailing's RetailX research team**

BRITISH SHOPPERS ARE seeing a steady improvement in the service that they receive from retailers across digital sales and communication channels. Leading retailers in The IRUK Top500 Customer Performance Dimension offer shoppers a wide choice of channels that they can use to get in touch with a question or problem. They answer those questions quickly. They then also impress with how relevant they make their website to browsers, whether that's through strong navigation or personalised service. This is important because the evidence suggests that retailers that make their websites relevant to shoppers are more likely to see their conversion rates, sales performance and, in due course, also their profits rise.

Performance among the Top500 as a group is developing steadily too. Under the twin pressures of customer demand and competitor improvements, UK retailers across the industry are steadily developing their own performance. In doing so, they're likely to be responding to how their particular group of customers wants to be served, doubling down on the investments that they make that increase conversion and moving away from those that reap few returns. Fine-tuning performance in the light of customer demand, and through the use of a testing programme, can be demanding in the short-term, but it's something that should pay off long-term.

### HOW WE APPROACHED THIS DIMENSION

In our research we've worked to measure the quality and breadth of experience that customers receive, whether they buy via their mobile phone or from their desktop, and whether they choose to communicate with retailers over the telephone, social media or email. It's by giving the customer the best online experience that retailers stand out for their performance in this Dimension.

As in previous years, we've measured how many channels shoppers can use to get in touch with each Top500 retailer, and we've evaluated the service they

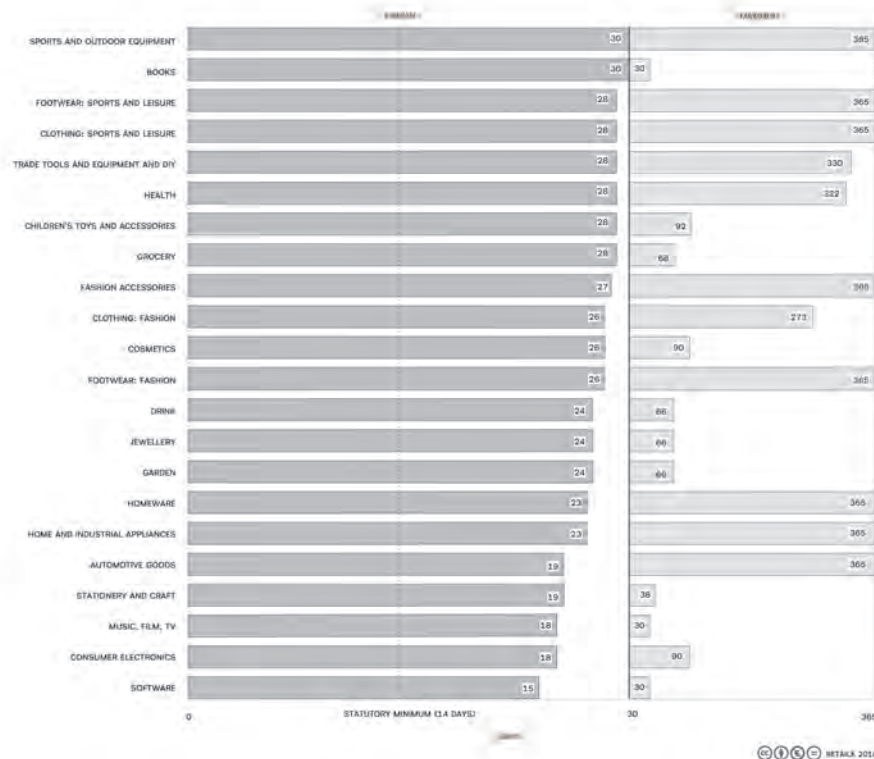
offer in response to email and Facebook messages. We contacted each and noted both how quickly the response arrived, and how relevant that response was to our original question. We looked at how quickly desktop and mobile websites launch, measuring a number of metrics, such as how quickly the home page starts to load, to how quickly it reaches the point at which it is visually complete. These, we believe, are important measurements in light of the insight that shoppers tend to move away from websites that don't launch quickly. Google research, *The Need for Mobile Speed*, published in 2016, found that 53% of mobile users abandoned websites if they didn't launch within three seconds. That's a statistic likely to have grown in the intervening time, so we believe it's an important measure of the customer experience. Crucially, when website visitors abandon a website, they're likely to have found the experience a frustrating one, so will be far less likely to return in the future.

We've also measured how easily shoppers can navigate a desktop website and whether both websites and mobile apps feature product reviews and ratings. These are important as they enable customers to share their own feedback and to take what other people thought into account when deciding whether to buy. We also include in this Dimension a focus on returns, since this gives an insight into customer service after the purchase. We look at whether retailers fully refund an item that is returned, and whether they also underwrite the cost of making that return through postage or pre-paid envelopes. We look at how long the returns process takes, as well as how long after delivery customers are able to return items.

The customer experience is, inevitably, changing as the ecommerce and multichannel retail markets mature. We've responded to that fast change by expanding our research to include new metrics in 2018 that better reflect the efforts of an industry that is constantly evolving. Measures that are new this year include the average time

**THE MEDIAN AND MAXIMUM RETURNS POLICY LENGTH OF THE TOP500, BY SECTOR**

Returns policies of the Top500 vary between 14 days, the minimum by law, to more than one year, with an overall median of 27 days



shoppers spend on a website, as calculated in partnership with InternetRetailing Knowledge Partners Hitwise and SimilarWeb. We believe this metric reflects how engaged shoppers and browsers are with a website. It's also likely to illuminate whether they find it easy to use and whether it meets their needs.

That last point is also reflected in our focus on personalisation and relevance, both important factors in this Dimension this year. We look in particular at the relevance of search results on a desktop and a mobile website, the use of personalisation on the website, and a number of mobile-specific user experience (UX) metrics that are assessed for the first time.

We assess ease of navigation, the relevance of search results, and note the use of a 'hamburger' button – the three lines that are standard in modern mobile navigation – on mobile websites for this year's ranking. Around half of Top500 retailers have one or more mobile apps, and the user experience on their main app forms part of this assessment. It's important to note that retailers without

an app are not marked down in this research. However, retailers that *do* have them will be judged on the user experience they offer through this channel. Metrics here include whether live chat (one of the most popular customer service channels) is available on the app, along with different features that retailers can use to personalise their experience. Whether app users can scan in a store loyalty card has a particular significance because it suggests that retailers may be using loyalty on the app to complete a single view of the customer across sales channels. It's on this single view of the customer that more personalised and, in turn, relevant service can be built.

**WHAT THE TOP500 DO**

Top500 retailers enable shoppers to communicate with them via a median of eight channels. Almost all (98%) use both Facebook and Twitter. That's followed by the phone (96%) and email (95%). Least widely used of the 13 channels assessed are live chat (37%), Snapchat (22%) and Tumblr (17%).

## ANALYSING THE NUMBERS

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We found that desktop home pages are bigger in 2018 than they were in 2017, and take longer to become visually complete, but that mobile pages are getting faster to load, even though they are slightly larger than they were last year. Researchers found that among the Top500, desktop home pages come in at a median 2.6MB, up from 2.3MB in 2017. In tests, they started to render in a median of 1.9s and were visually complete in 8.2s. That's up from 7.4s in 2017. Mobile home pages started to render in 2s and were visually complete in 7.2s, after a page of a median 2.1MB was downloaded. In 2017, a median 1.8MB page was visually complete in a median of 8.2s.

Research carried out in conjunction with Knowledge Partners Hitwise and SimilarWeb showed that shoppers visit a median of seven pages per visit to Top500 websites, spending a median of 4m 45s on it. However, 30.4% of visits bounced. It seems likely that this bounce rate is due to pages failing to download quickly enough.

Researchers assessed how far websites gave shoppers insights into what others thought about the products they were considering buying. They found that 62% of Top500 retailers offer product ratings – up 11 percentage points from 51% in 2017, and 61% offer product reviews, up by seven percentage points from 54% in 2017. Almost all retailers that show product ratings also share reviews. This fast growth suggests that businesses are answering customer demand for information and informed opinions. Perhaps they have found that investment in reviews and ratings earns a return through boosting conversion.

When we looked at customer service around returns, we found that almost half (49%) of Top500 retailers fully refund an item, and 22% refund the cost of a return. Retailers give shoppers a median of 28 days to return an item – staying the same as in 2017 – and take a median of 10 days to process it.

About half (265) of Top500 retailers have an iOS app. For the first time, researchers assessed whether apps add to the customer experience by offering live chat – 6% do. The feature was measured for the first time in 2018 and will be monitored over time to see if uptake increases.

In total, 6% of multichannel retailers enable shoppers to enter the details of an existing store loyalty card (down from 9% the previous year), but only 2% offer the ability to scan a loyalty card – a figure measured for the first time in 2018. Meanwhile, the 2% of retailers with mobile apps that enable shoppers to set up a loyalty account on the app halved from 4% in 2017. The decline in retailers enabling shoppers to manage and activate loyalty accounts through their retail app may reflect a lack of consumer interest in

the function. However, those retailers that do enable such functionality stand to benefit as shoppers use their loyalty card across all channels, completing retailers' views of their behaviour.

There were also small declines in the number enabling shoppers to leave reviews (26% from 27%) and ratings (26% from 28%) via the app. The quality of apps also seemed to have improved since last year's research: in 2017, 29% of Top500 apps had bugs – down by 11 percentage points to 18% in 2018.

### WHAT LEADING RETAILERS DO

Leading retailers stand out when they offer services that are relatively uncommon among the Top500, suggesting that they are ahead of the competition in this area.

Commonly, they stand out when they offer product reviews, whether on desktop or in their mobile apps, and score well for personalisation. This suggests that these are emerging technologies that many do not offer. Being ahead of the curve makes them well-placed to respond to customer demand, and to set the bar for those customers' expectations. Standing still, however, will not be enough for retailers to maintain their position in the future.

In our research, we found that high street favourite, the food-to-homewares retailer Marks & Spencer, stands out for a generous policy that sees both the return and the cost of the return refunded. It also offers written product reviews and scores well on personalisation.

Health and beauty specialist Superdrug performs strongly for customer service and for personalisation. When shoppers return an item, the retailer refunds not only the return but the postage cost of making that return.

Customer service is highly rated at both fashion-to-homewares retailer Laura Ashley and supermarket Morrisons, which also scores high on the ease of navigation. Laura Ashley supports a wide number of channels that shoppers could use to get in touch, giving its customers the opportunity to use their preferred communication method.

Boots' mobile app combines with top-class customer service to place it among the leaders in this Dimension. It shares product reviews on both its desktop website and mobile app.

**IRUK 500 THE CUSTOMER DIMENSION**

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The Top100 retailers of the IRUK Top500 2018  
The Customer Dimension, as measured across dozens  
of metrics for innovative practice in this area

Share your thoughts on #IRUK500 with @etail

**THE CUSTOMER TOP 50**

- |                            |                        |                     |
|----------------------------|------------------------|---------------------|
| Amazon                     | Hotel Chocolat         | Pull & Bear         |
| Argos                      | Hotter                 | Reiss               |
| Asos                       | Hugo Boss              | River Island        |
| Boots                      | Iceland                | Rohan               |
| CeX                        | Ikea                   | Sainsbury's         |
| Debenhams                  | John Lewis             | Samsung             |
| EAST                       | JoJo Maman Bébé        | Selfridges          |
| eBay                       | Laura Ashley           | Space.NK            |
| The Edinburgh Woollen Mill | Marks & Spencer        | Specsavers          |
| Estée Lauder               | Morrisons              | Sunglass Hut        |
| Evans Cycles               | Mothercare             | Superdrug           |
| Everything5pounds.com      | Mountain Warehouse     | Ted Baker           |
| Foot Locker                | New Look               | Tesco               |
| Footasylum                 | Next                   | Waterstones         |
| Game                       | Nisbets                | Whittard of Chelsea |
| H&M                        | NotOnTheHighStreet.com | Wilko               |
| Halfords                   | Oasis                  |                     |

**THE CUSTOMER TOP 100**

- |                       |                     |                   |
|-----------------------|---------------------|-------------------|
| Agent Provocateur     | Fat Face            | Schuh             |
| Aldi                  | Holland & Barrett   | Screwfix          |
| Ao.com                | Hollister           | SecretSales       |
| Apple                 | Homebase            | Shoe Zone         |
| Avon                  | Jewson              | Skechers          |
| B&Q                   | L'Occitane          | Snow+Rock         |
| Boohoo.com            | Matalan             | SportsDirect.com  |
| Bravissimo            | Microsoft           | Superdry          |
| Card Factory          | Mole Valley Farmers | Tiffany & Co.     |
| Chain Reaction Cycles | Moonpig             | Topshop           |
| Claire's              | Nespresso           | Very              |
| Clarks                | Nike                | Victoria's Secret |
| Crew Clothing Company | Pavers              | Wex Photographic  |
| Currys PC World       | Phase Eight         | The White Company |
| Dorothy Perkins       | Post Office Shop    | Wickes            |
| Dunelm                | Richer Sounds       | Yankee Candle     |
| Euro Car Parts        | Sally               |                   |

# THE IRUK500

## The Top500 2018

These are the largest online and multichannel retailers in the highly competitive UK market,

first ranked in January 2018. Since then, four companies have ceased trading and are scored through in the list below. For more, see the

InternetRetailing 2018 Top500 Report, <http://etail.li/IRUK2018>

Amazon	Elite	Accessorize	Top_100	Andertons Music	Top_150	Adidas	Top_250	Links of London	Top_250
Argos	Elite	American Golf	Top_100	AppliancesDirect	Top_150	Aldo	Top_250	<del>Lipsy</del>	<del>Top_250</del>
Boots	Elite	Ann Summers	Top_100	Bathstore	Top_150	Arco	Top_250	Long Tall Sally	Top_250
Marks & Spencer	Elite	Axminster	Top_100	Blacks	Top_150	Aria Technology	Top_250	Louis Vuitton	Top_250
Screwfix	Elite	Blue Inc	Top_100	Bonmarché	Top_150	Beaverbrooks	Top_250	Lovehoney	Top_250
Tesco	Elite	Chain Reaction Cycles	Top_100	Boux Avenue	Top_150	Bensons for Beds	Top_250	Lush	Top_250
Asda	Leading	Claire's	Top_100	Cath Kidston	Top_150	Blackwell's	Top_250	Mango	Top_250
B&Q	Leading	Cotton Traders	Top_100	Crew Clothing Company	Top_150	Boden	Top_250	Marisota	Top_250
Currys PC World	Leading	Early Learning Centre	Top_100	Decathlon	Top_150	The Body Shop	Top_250	MenKind	Top_250
Debenhams	Leading	eBay	Top_100	Ebuyer.com	Top_150	Boohoo.com	Top_250	Microsoft	Top_250
Dunelm	Leading	Ellis Brigham	Top_100	Euro Car Parts	Top_150	Burberry	Top_250	Mint Velvet	Top_250
Halfords	Leading	The Entertainer	Top_100	Evans	Top_150	Burton	Top_250	Molton Brown	Top_250
Holland & Barrett	Leading	Estée Lauder	Top_100	Fat Face	Top_150	Burton Menswear	Top_250	Mr Porter	Top_250
House of Fraser	Leading	Footasylum	Top_100	Fragrance Direct	Top_150	Cass Art	Top_250	Net-A-Porter	Top_250
John Lewis	Leading	The Fragrance Shop	Top_100	Freemans.com	Top_150	Charles Clinkard	Top_250	The North Face	Top_250
Morrisons	Leading	Goldsmiths	Top_100	Getthelabel.com	Top_150	Charles Tyrwhitt	Top_250	NotOnTheHighStreet.com	Top_250
New Look	Leading	H.Samuel	Top_100	Grattan	Top_150	Clas Ohlson	Top_250	Oliver Bonas	Top_250
Next	Leading	Jacamo	Top_100	Hobbs London	Top_150	Coast	Top_250	Orvis	Top_250
Oasis	Leading	JD Williams	Top_100	Hobbycraft	Top_150	Costco	Top_250	Outdoor & Country	Top_250
Sainsbury's	Leading	Kaleidoscope	Top_100	Home Bargains	Top_150	Cotswold Outdoor	Top_250	Overclockers UK	Top_250
Schuh	Leading	Laura Ashley	Top_100	Hughes Electrical	Top_150	CycleSurgery	Top_250	Pandora	Top_250
Superdrug	Leading	M&Co	Top_100	Jack Wills	Top_150	Deichmann	Top_250	Paperchase	Top_250
<del>Toys R Us</del>	<del>Leading</del>	MAC Cosmetics	Top_100	Jigsaw	Top_150	Disney Store	Top_250	Peacocks	Top_250
Waterstones	Leading	Mamas & Papas	Top_100	JoJo Maman Bébé	Top_150	Dr. Martens	Top_250	Phase Eight	Top_250
Wickes	Leading	Matalan	Top_100	Joules	Top_150	Dreams	Top_250	PrettyLittleThing	Top_250
Ao.com	Top_050	Millets	Top_100	Karen Millen	Top_150	Ernest Jones	Top_250	Reebok	Top_250
Apple	Top_050	Miss Selfridge	Top_100	L'Occitane	Top_150	F.Hinds	Top_250	Robert Dyas	Top_250
Asos	Top_050	Missguided	Top_100	Laitwhite's	Top_150	Feelunique.com	Top_250	Rohan	Top_250
Carphone Warehouse	Top_050	Moss Bros.	Top_100	Lakeland	Top_150	Fitness Superstore	Top_250	Route One	Top_250
Clarks	Top_050	Nisbets	Top_100	Lloyds Pharmacy	Top_150	Foot Locker	Top_250	RS Components	Top_250
Dorothy Perkins	Top_050	Office	Top_100	MajesticWine	Top_150	Foyles	Top_250	Scan	Top_250
Dune London	Top_050	Pets at Home	Top_100	Monsoon	Top_150	French Connection	Top_250	Skatehut.co.uk	Top_250
Evans Cycles	Top_050	Post Office Shop	Top_100	Mountain Warehouse	Top_150	Furniture Village	Top_250	Snow+Rock	Top_250
Game	Top_050	Richer Sounds	Top_100	Nike	Top_150	GAP	Top_250	SoleTrader	Top_250
Go Outdoors	Top_050	Selfridges	Top_100	Pavers	Top_150	Gear4music.com	Top_250	Stella McCartney	Top_250
H&M	Top_050	Shoe Zone	Top_100	Quiz	Top_150	Guitarguitar	Top_250	Surfdome	Top_250
Homebase	Top_050	size?	Top_100	Radley	Top_150	Harrods	Top_250	Swarovski	Top_250
Hotel Chocolat	Top_050	SportsDirect.com	Top_100	Reiss	Top_150	Harvey Nichols	Top_250	Sweaty Betty	Top_250
JD Sports	Top_050	TK Maxx	Top_100	River Island	Top_150	Hollister	Top_250	T.M. Lewin	Top_250
Littlewoods	Top_050	Toolstation	Top_100	Ryman	Top_150	HP	Top_250	Ted Baker	Top_250
<del>Maplin Electronics</del>	<del>Top_050</del>	Topman	Top_100	Samsung	Top_150	Hugo Boss	Top_250	Thorntons	Top_250
Mothercare	Top_050	Topps Tiles	Top_100	Space.NK	Top_150	Iceland	Top_250	USC	Top_250
Ocado	Top_050	Uniqlo	Top_100	Specsavers	Top_150	Ikea	Top_250	Vans	Top_250
The Perfume Shop	Top_050	Urban Outfitters	Top_100	Ugg	Top_150	Interflora	Top_250	Victoria's Secret	Top_250
Simply Be	Top_050	Very	Top_100	Victorian Plumbing	Top_150	Jaeger	Top_250	Warehouse	Top_250
Smyths	Top_050	White Stuff	Top_100	Wallis	Top_150	Jessops	Top_250	Watch Shop	Top_250
Superdry	Top_050	Whittard of Chelsea	Top_100	Wex Photographic	Top_150	Just Eat	Top_250	Whistles	Top_250
Topshop	Top_050	WHSmith	Top_100	The Works	Top_150	Kurt Geiger	Top_250	The White Company	Top_250
Waitrose	Top_050	Wiggle	Top_100	Zalando	Top_150	Lands' End	Top_250	Wynsors World of Shoes	Top_250
Wilko	Top_050	Yours Clothing	Top_100	Zara	Top_150	LaptopsDirect	Top_250	Yankee Candle	Top_250



Abercrombie & Fitch	Top_350	Jones Bootmaker	Top_350	Abel & Cole	Top_500	G-Star Raw	Top_500	Plumbase	Top_500
Agent Provocateur	Top_350	Kiddicare	Top_350	Achica	Top_500	Gabor	Top_500	Polarn O. Pyret	Top_500
Aldi	Top_350	Kiehl's	Top_350	Acne Studios	Top_500	GAK	Top_500	Prada	Top_500
AllSaints	Top_350	Kitbag.com	Top_350	Adobe	Top_500	Garmin	Top_500	Printing.com	Top_500
Anthropologie	Top_350	L.K.Bennett	Top_350	AliExpress	Top_500	GearBest	Top_500	RedBubble	Top_500
Avon	Top_350	La Redoute	Top_350	Armani	Top_500	Glasses Direct	Top_500	Regatta Outdoor Clothing	Top_500
Banana Republic	Top_350	Leekes	Top_350	Asics	Top_500	Google	Top_500	Rich Tone Music	Top_500
Barbour	Top_350	Lego	Top_350	Aspinal of London	Top_500	Graze	Top_500	Rokit	Top_500
BonPrix	Top_350	Liberty	Top_350	Asus	Top_500	GroWell	Top_500	Roman Originals	Top_500
The Book People	Top_350	Machine Mart	Top_350	ATS Euromaster	Top_500	Guess	Top_500	The Royal Mint	Top_500
Bose	Top_350	MandM Direct	Top_350	Austin Reed	Top_500	Habitat	Top_500	Samuel Windsor	Top_500
Bravissimo	Top_350	MatchesFashion.com	Top_350	Balenciaga	Top_500	Hamleys	Top_500	ScS	Top_500
Calendar Club	Top_350	Max Spielmann	Top_350	Bang Good	Top_500	Harveys	Top_500	Seasalt Cornwall	Top_500
Card Factory	Top_350	Mobile Fun	Top_350	bareMinerals	Top_500	Hattons	Top_500	SecretSales	Top_500
CarpetRight	Top_350	Mole Valley Farmers	Top_350	Barker & Stonehouse	Top_500	Hawes & Curtis	Top_500	See Tickets	Top_500
Clogs	Top_350	Monica Vinader	Top_350	Belkin	Top_500	Hawkshead Country Wear	Top_500	Select	Top_500
The Cotswold Company	Top_350	Mulberry	Top_350	Berry Bros. & Rudd	Top_500	The Idle Man	Top_500	Sevensoaks Sound and Vision	Top_500
Countrywide	Top_350	Musto	Top_350	Bershka	Top_500	ITS	Top_500	Sneakersstuff	Top_500
Craghoppers	Top_350	Myprotein	Top_350	Betys	Top_500	J Crew	Top_500	SportsBikeShop	Top_500
Dell	Top_350	Naked Wines	Top_350	Billabong	Top_500	John Smith's	Top_500	Steam	Top_500
DFS	Top_350	Nespresso	Top_350	Bondara	Top_500	Juno Records	Top_500	Stradivarius	Top_500
Dobbies Garden Centres	Top_350	Novatech	Top_350	Build-A-Bear Workshop	Top_500	Kärcher	Top_500	Superga	Top_500
Dulux Decorator Centres	Top_350	The Outnet	Top_350	Catvin Klein	Top_500	Kenzo	Top_500	Swatch	Top_500
EAST	Top_350	PartyCity	Top_350	Carhartt	Top_500	Lacoste	Top_500	Tate Shop	Top_500
Ecco	Top_350	Paul Smith	Top_350	CeX	Top_500	Levi's	Top_500	Thomann	Top_500
The Edinburgh Woollen Mill	Top_350	Pretty Green	Top_350	Chaos Cards	Top_500	LightInTheBox	Top_500	Timpson	Top_500
Esprit	Top_350	Pull & Bear	Top_350	Christian Louboutin	Top_500	Lindex	Top_500	TomTom	Top_500
Everything5pounds.com	Top_350	Puma	Top_350	Clinique	Top_500	Leaf	Top_500	Toolstop	Top_500
Fashion World	Top_350	QVC	Top_350	The Co-operative Electrical	Top_500	LookFantastic	Top_500	Travis Perkins	Top_500
Figleaves.com	Top_350	Ralph Lauren	Top_350	Converse	Top_500	Lyle & Scott	Top_500	Tredz	Top_500
Firebox	Top_350	The Range	Top_350	COS	Top_500	Made.com	Top_500	Triumph	Top_500
Flannels	Top_350	Rapha	Top_350	Crabtree & Evelyn	Top_500	Mainline Menswear	Top_500	UK Ecig Store	Top_500
Forbidden Planet	Top_350	Russell & Bromley	Top_350	Cromwell	Top_500	Massimo Dutti	Top_500	United Colors of Benetton	Top_500
Forever 21	Top_350	Sally	Top_350	Demon Tweaks	Top_500	Mobile Phones Direct	Top_500	Vape Club	Top_500
Fortnum & Mason	Top_350	Skechers	Top_350	Diesel	Top_500	Monki	Top_500	Versace	Top_500
Fossil	Top_350	Slaters	Top_350	Dior	Top_500	Montblanc	Top_500	Walls and Floors	Top_500
Fred Perry	Top_350	Staples	Top_350	Dover Street Market	Top_500	Moonpig	Top_500	Warren James	Top_500
Games Workshop	Top_350	Sunglass Hut	Top_350	Dunnes Stores	Top_500	Muji	Top_500	Watches of Switzerland	Top_500
Gant	Top_350	Tessuti	Top_350	END.	Top_500	Muscle Food	Top_500	Watchfinder	Top_500
Gucci	Top_350	Thomas Pink	Top_350	Escapade	Top_500	National Trust Shop	Top_500	Wedgwood	Top_500
Hackett	Top_350	Thomas Sabo	Top_350	Farfetch	Top_500	Neptune	Top_500	Weekday	Top_500
Heal's	Top_350	Tiffany & Co.	Top_350	Farrow & Ball	Top_500	New Balance	Top_500	WeirdFish	Top_500
hmv.com	Top_350	TJ Hughes	Top_350	Fendi	Top_500	Offspring	Top_500	Wish	Top_500
Home Essentials	Top_350	Tommy Hilfiger	Top_350	Field & Trek	Top_500	OnePlus	Top_500	Wolf & Badger	Top_500
Hotter	Top_350	Trainline	Top_350	Field & Trek	Top_500	The Original Factory Shop	Top_500	Woodhouse Clothing	Top_500
Jack & Jones	Top_350	Trespass	Top_350	Fired Earth	Top_500	Oysho	Top_500	Wyevale Garden Centres	Top_500
<del>Jacques Vert</del>	<del>Top_350</del>	Tripp	Top_350	Fitbit	Top_500	Pepe Jeans London	Top_500	YvesSaintLaurent	Top_500
Jewson	Top_350	Under Armour	Top_350	FitFlop	Top_500	Photobox	Top_500	Zavvi	Top_500
Jimmy Choo	Top_350	Viking	Top_350	Footpatrol	Top_500	Planet Organic	Top_500	Zooplus	Top_500
Joe Browns	Top_350	Wayfair	Top_350	Fraser Hart	Top_500	Playstation Store	Top_500	& Other Stories	Top_500
				funkypigeon.com	Top_500				

# SAINSBURY'S: DESIGNING SERVICE AROUND SHOPPERS' NEEDS



Image credit: Sainsbury's

Sainsbury's high street stores are seeing a decline in footfall as online ordering grows

SAINSBURY'S AIMS TO deliver the experience that its customers want, whether that's in-store, online or through a combination of the two.

Its stated strategy is to know its customers better than anyone else, to offer them the services and products that they want, and to be there for customers wherever and whenever they choose to buy. To these ends, the supermarket is using tech to improve customer service.

Last February, it bought the Nectar loyalty card scheme, saying in its latest full-year results that this would help it develop its understanding of customers. By understanding where and how shoppers want to buy, the retailer aims to respond with the most relevant services. Its Smart Shop 'scan as you shop' technology was introduced in response to the insight that customers value saving time and having more control over how much they spend. It has responded to customer behaviour by expanding same-day and one-hour delivery and collection of online grocery orders.

"A strategy of being there for our customers whenever and wherever they choose to shop with us allows us to be flexible in adapting to these changing customer needs," said the supermarket in full-year results to March 10, 2018. "We have accelerated the rate of change and innovation across the group and we are focused on satisfying more customer missions."

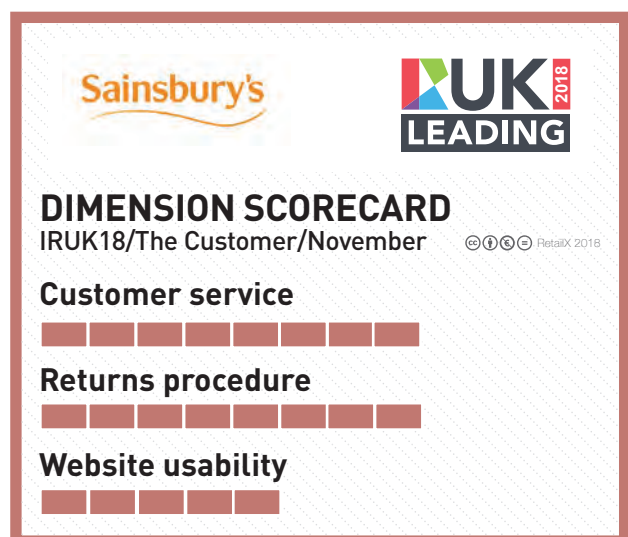
Sainsbury's sees shoppers making more general merchandise and clothing purchases online, using a wide range of delivery and pick-up from the store options. It

says stores, especially those on the high street, are seeing footfall and sales decline as online ordering grows.

Sainsbury's is also updating its stores through what it says is its biggest retail change programme ever. "We propose," it said in full-year results, "to simplify our structures and our operations and invest in technology and to improve customer service."

"In the future," it added, "retailers will need to offer a consistent and seamless experience to consumers and be able to rapidly fulfil their orders in a location and at a time that is most convenient to them."

Sainsbury's stands out in IRUKTop500 research for the quality of its customer service and for its returns promise. It enables shoppers to get in touch via seven channels, from Facebook and Twitter, to BSL Live Sign Video for sign language users.



# HALFORDS: FOCUSING ON THE LIFETIME CUSTOMER RELATIONSHIP

HALFORDS IS WORKING to build long-term relationships with its customers. The automotive and cycling equipment retailer, which also runs a chain of auto centres, unveiled in September a new customer strategy to focus on “supporting and inspiring a lifetime of motoring and cycling.” At the time, its chief executive Graham Stapleton said this was about ensuring it stayed relevant to its shoppers through a focus on a “super specialist shopping experience”, supported with a convenient range of services.

“Customer behaviours and the competitive environment are changing and we face an increasing number of headwinds,” he added. “Our new long-term strategy means we will become far more focussed on the categories we are best known for – motoring and cycling.

“We will have a more convenient, easy to shop and scaled services business, offering a thousand service locations. Customers will also benefit from unique product, services and shopping experiences, all underpinned by integrating the separate businesses within the group. We have an exciting future ahead and I am confident that we will become even more relevant to motoring and cycling customers in the future.”

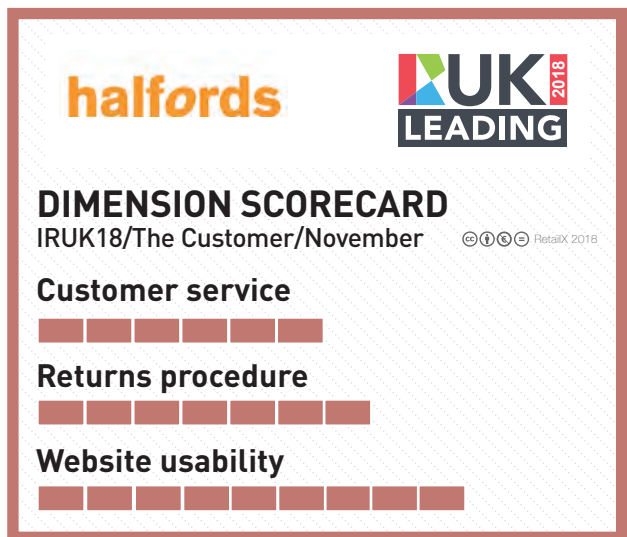


Image credit: Halfords

An increase in ‘do-it-for-me’ customers has been very profitable

In its stores, Halfords has focused on customer service, and has trained more than 70% of eligible staff to its own internal ‘gear 2’ level. Services offered include fitting car parts: in full-year results, to March 2018, the retailer said that 42% of the bulbs, batteries and windscreen wiper blades that it sold had been fitted to the customer’s car by staff. “This,” noted the report, “illustrates the increasing relevance of our services proposition to the growing number of ‘do-it-for-me’ customers. Overall, service-related income, including the cost of the item bought and the fee charged for fitting it, rose by 14.2% over the year. This helped to grow overall retail sales by 6% during the year. Halfords fitting and repair services, along with its very popular click and collect, have played a significant part in that growth. During the year, around 85% of orders placed via halfords.com were picked up in store. “This high proportion,” said Halfords’ full-year statement, “continues to differentiate us from other retailers. Instead of cannibalising our bricks and mortar operation, online sales have driven store footfall. Both our online and store sales were in growth for the year.”

The retailer has worked to gain insight into its customers’ needs by understanding their shopping behaviour. Behind this has been a project to introduce a single view of the customer. In full-year results, it said it was able to match 59% of retail customers to the transactions they have made.



# WALK THIS WAY

## Hotter plans the shopping experience around what its customers want to buy and how they want to buy it, writes Chloe Rigby

COMFORT IS IN the DNA of footwear brand Hotter, says its chief executive, Sara Prowse. The brand promises a customer experience that, like its shoes, is free of friction and pain points. Its aim is to enable shoppers who span a range of ages and attitudes to technology (its target audience is aged 50-plus) to buy in the way that they want. Some might choose to buy through the catalogue, some will prefer to call the contact centre to buy, while others can use its 80 plus stores, shop online, or use a combination spanning any or all of these options.

"A comfortable service proposition to a 45-year-old might be very different to a 75-year-old," says Prowse, "so we try to create a platform of service so you can choose where you want to be on it. You can self-serve on the web with web chat, or just transact online. In our contact centre or our stores, you can have a human interaction and a much higher degree of service. It's entirely up to the customer to choose how they want to interact with us, and the service they want. For me, the trick is finding the balance between technology and human interaction. That's where the true connection happens – when you get the balance right for the customer."

As yet, most Hotter shoppers choose to buy from the store, while older shoppers tend to buy via the contact centre. But the brand commissioned data analysis that found 18% of its shoppers use more than one channel, most often the store and the website, together. These omnichannel shoppers spend five times more at Hotter than a shoppers buying through just one channel, while customer retention rates among this group are three times higher.

While smartphone sales are growing, the most-used device is the tablet. Hotter is responding by honing an omnichannel approach to customer service and the customer experience that will put the systems in place to serve those shoppers in future, as shopper behaviour adapts to involve more channels. Already, says Prowse, click and collect is its fastest-growing channel. Speaking at InternetRetailing Conference, in October 2018, she said it has grown by 24% in the last year and currently accounts for around 10% of all sales. "Among the customers coming online, there is a high propensity to want it delivered to

store, because there's free delivery to store, so we really are starting to see from a service proposition those two come together a lot more, through that omnichannel customer."

### ENGAGING WITH CUSTOMERS

As well as enabling customers to buy via the channels they want to use, Hotter also enables them to talk to customer service whenever and however they want to. Live chat is enabled, while in the contact centre, no measurements are taken to record time spent on a call. "Because we approach service with this tenet of 'comfortable', we don't measure call times – it takes as long as it takes for the sale of that product for that unique customer," says Prowse. "In some cases, it's very quick if the customer wants to move through the transaction. But in others, it can be 20 minutes because the customer needs more help, or wants to discuss the product, or chat about other things. In our stores and contact centre, too, we very much believe that each interaction with the customer is unique, and it should take whatever amount of time it takes for that particular sale for that unique customer."

Social has a role to play too. "Facebook is our biggest social channel, though we do have a community on Instagram and Twitter as well," notes Prowse. "What we do on social is much more content-driven, story-driven. Some of this is obviously around product but we're not hard pushing and selling within the social space. It's much more about a dialogue about things that are not necessarily related to shoes. We do a lot more content-driven about things our customers are interested in – things like walking, cooking or outdoor pursuits – than just talking about shoes."

### BUILDING AN OMNICHANNEL CUSTOMER EXPERIENCE

When Prowse started at Hotter, around two and a half years ago, the brand, she says, had a "fuddy duddy" image, of providing shoes for older ladies. Since then, it has evolved to target a slightly younger consumer with more stylish products. This couldn't change overnight, for fear of alienating its core customers. The same might be said for its approach to technology. Its website has run on a legacy



Credit: Hotter

Hotter chief executive, Sara Prowse

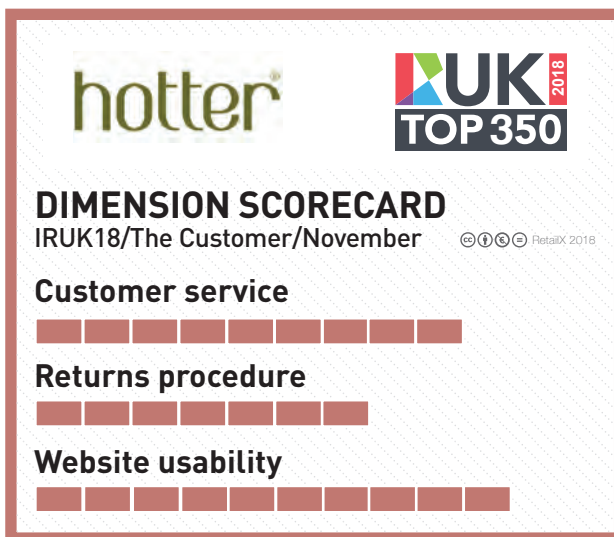
system that wasn't built for the challenges of omnichannel retail. The retailer cannot, for example, see a single view of the customer or its inventory.

Similarly, back then, the mobile website was essentially the desktop website on a small screen, something that made it "basically unshoppable". The brand has invested in a fluid, responsive website that adapts to whichever device the shopper is using. "We've looked very closely at the journey on the different devices to see if we need to make changes there," says Prowse. "We look at our product selection via device as well. The full collection is available on the web, but we have more of a personalised approach on mobile to refine the offer to what you've previously shopped and browsed. That way, on mobile you get to see more even though there's less on there."

Next summer will see the launch of a new enterprise resource planning (ERP) system that will help the retailer to create a seamless customer experience. From the back end, this will underpin a new upgraded web platform.

"Getting that single view takes friction out of the journey and should attract more customers to shop across the channels," says Prowse. "The more you can encourage customers to shop in different channels, the more they develop loyalty for the brand. Loyalty and omnichannel are inextricably linked."

What advice does Prowse have for others looking to go down a similar route? "Think in terms of what it is you want to do and what the end state is that you're trying to get to," she says. "At the end of the day, we're not a technology or a digital business but a product business. It really has to come from the product and brand and having a very clear strategy about how you want that presented to your customers."



# HOW DEBENHAMS IS REDESIGNING ITS STRATEGY AROUND ITS CUSTOMERS



Image credit: Debenhams



**Debenhams are counting on stores to become leisure destinations**

DEBENHAMS IS CHANGING the way it interacts with its customers as it rethinks the role of the department store for the 21st century. Its aim is to create what it described in its latest full-year results as a “sociable, easy and fun shopping experience for our customers.”

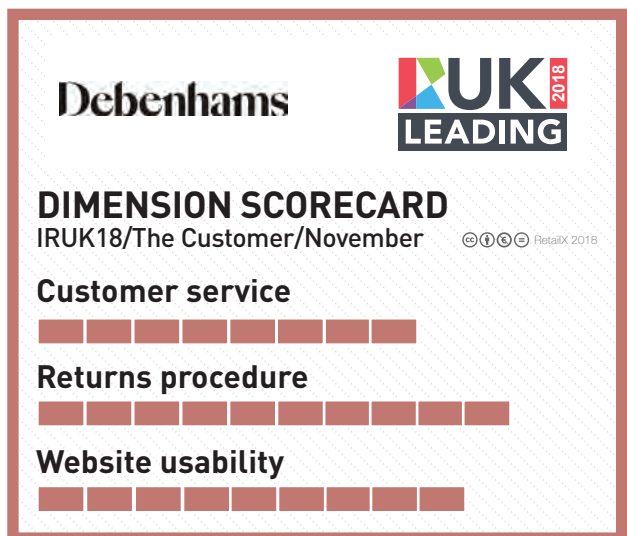
Over time, the company expects to reduce its store numbers by as many as 50 branches from a current total of 165 – a reduction of almost a third. In its full-year results, it wrote down the value of its stores by millions of pounds. At the same time, it plans to boost online to 30% of its total sales. Currently, it makes about 20% of its sales online – with mobile accounting for about 60% of digital demand. Mobile – initially smartphone and subsequently tablet – has been a focus of platform improvements over the last year, with the retailer seeing a 17% improvement in smartphone conversion as a result.

All the same, stores remain firmly at the centre of Debenhams’ vision for the future. It recently opened its first ‘store of the future’ in Watford, incorporating relaxed dining options alongside a new format, digitally integrated ‘Beauty Hall of the Future’. When it opened, Debenhams chief executive, Sergio Bucher said, “With our Beauty Hall of the Future, we are responding to the way that customers say they want to shop, as well as offering a compelling food

offer and choice of beauty treatments in order to offer a destination where shopping can be enjoyed with friends and family.” The in-store customer experience has also been reworked through a ‘service redesigned’ concept that is seeing the retailer launch new staff training as well as recruiting from the hospitality industry.

But the retailer is also talking to its customers across channels, with the launch of an online – and mobile – Beauty Club. This, it says, is the UK’s first social forum built around beauty, where users can discuss beauty trends and advice, and build rewards and recognition for their contribution to the forum. The club is promoted in store as well as online and, by the time of its full-year results, already had 1.3m members and 0.5m followers on Instagram and Facebook. The community, said Debenhams in its full-year statement, “will transform our relationship with customers and demonstrate digital leadership in the category.”

As well as talking, Debenhams is listening to its customers. It’s using online analytics to understand what brands and products customers are searching for on its website, and then using those results to make decisions about what items it stocks. Once in stock, it will use local mobile search to raise awareness that these products are available from its local stores.



# HOW INCREASED ENGAGEMENT WITH ITS CUSTOMERS HAS BOOSTED SALES FOR ASOS

FAST-FASHION RETAILER Asos is seeing sales, orders and profits grow fast as customer numbers and engagement grow at the same time. Since its ambition is to become the world’s leading destination for fashion-loving twenty-somethings, it is finding new ways to talk to existing and potential customers along the way.

The retailer, which saw active customer numbers rise by 19% to 18.4m during the year, has focused on student communities around the world and in response, student customer numbers grew by 31%. Social media is the retailer’s go-to tool for this kind of conversation. “Engagement through the most relevant social channels is a key part of our customer-led content strategy,” the retailer said in its full-year statement. “Asos were early adopters of Instagram Stories and have seen fantastic engagement through this content format. Our stories were viewed 244m times during the year, whilst social media followers were up 13% globally to 22.7m.”

This year and using a geo-targeted feed, Asos was the first brand to enable Instagram shoppers to pay in their local currency.

It has also focused on the customer experience, improving page download speeds along with personalisation and product recommendation algorithms as it worked towards achieving a “friction-free experience at every stage of the customer journey”. One interesting new innovation was the launch of Enki, a machine-learning enabled chatbot, to help shoppers find products through personalised recommendations.

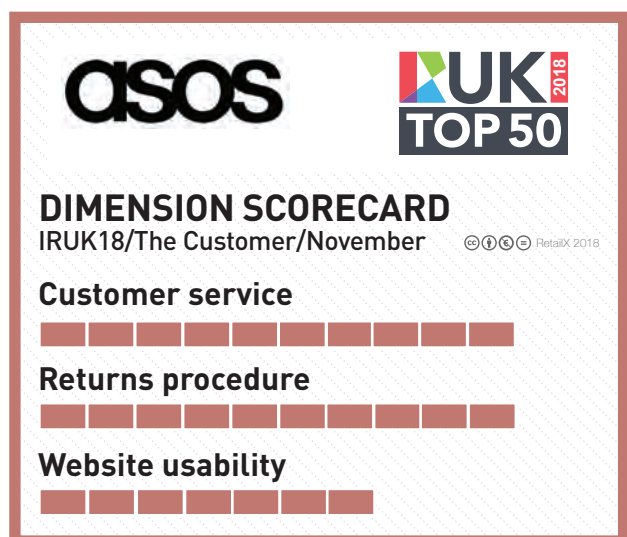


Targeted social media engagement has increased student customers

Asos is working to give its customers a local experience wherever they are in the world and, during the last financial year, enabled localisation on its global platform for international markets. The release of ‘rest of the world’ and ‘rest of Europe’ sites were part of a strategy to localise in 200 markets for customers that are outside the key markets to be served through their own localised websites, which now include the Netherlands and Sweden. This new functionality enables Asos to provide an increasingly tailored experience for different markets using different visual merchandising, price zones and currency options.

The retailer went through to the end point of the customer journey, with the launch of new returns features that pay refunds quicker and enable shoppers to see and track the status of their returned orders.

Chief executive Nick Beighton welcomed, in the full-year report, a year of substantial progress. “We delivered 26% sales growth and 28% profit growth whilst investing heavily in the long-term potential of the business,” he said. “Our reported profit increase was achieved despite bearing material transition costs due to our investment programme. All our financial and customer key metrics have shown positive growth.”



# 12 PRACTICAL APPROACHES TO THE CUSTOMER

**In recent years, retailers have moved further towards putting their customers at the centre of their businesses. Strategies built around customer service and experience will help to recruit new customers to the brand. Here we round up some of the approaches taken by retailers that stand out in this Dimension**

## 1 Develop a collection strategy

Leading retailers are working hard on getting the customer experience right for individual shoppers. That's likely to mean that customers will come to expect the shopping experience to be relevant to their needs – putting the onus on other retailers to respond.

Speaking at IRX 2018 in April, Rob Pearson, head of personalisation at Next, said it was important for the fashion-to-homewares retailer to engage with all of its different groups of shoppers, rather than simply cater for the typical Next shopper – the woman who buys clothes for herself and her family while also occasionally buying furniture. "If we don't start personalising things for people, we run the risk of losing them," said Rob. To implement personalisation successfully, he added, the retailer needs to learn from its data, setting up online experiences that are relevant to different customer groups before testing them. "Data now fuels getting that insider knowledge of the customer and what's right for the experience," he said. By doing so, retailers can increase their conversion rates and boost profitability.

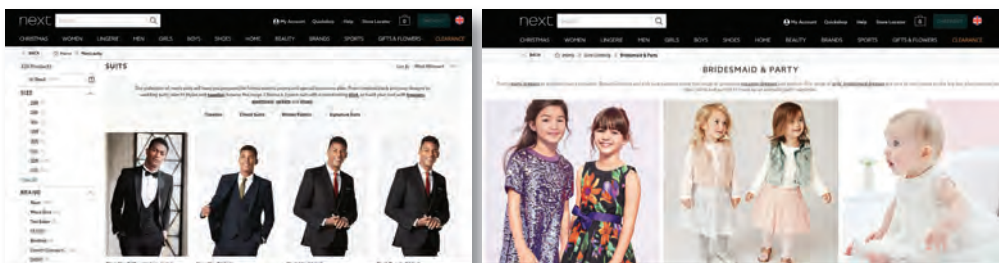
## 2 Remember the product is the star

It's important to sell across channels ranging from mobile to social media because that's the way customers want to buy. But these are simply the tool for distributing the products and remembering this is how leading retailers keep their focus.

Jonathan Wall is head of digital at Missguided and was previously of Shop Direct. Speaking on the keynote panel at IRC 2018, he said, "Customers come to us because we have great products, not because we have a great website."

Department store Debenhams gave a useful insight in its latest full-year results, into how it plans to choose which products to stock. It is using online analytics to see which products customers search for, which should point the way to 'hot' brands and products that it should be stocking. When it does stock them, it will then reflect those brands in local mobile searches as it looks to drive traffic into store.

Image credit: Next



Capturing data from online sales is not enough, so Next is looking to gain insights on shopping behaviour from it in order to better serve individuals



DFS has updated its AR app to place items virtually within the home



Image credit: DFS

### 3 Simplify website pages in order to speed up website load times

The speed at which websites load makes a real difference to the customer experience – especially for shoppers viewing from a mobile phone. According to Google, most websites lose half their visitors while still loading. It ran machine-learning based tests with performance and analytics company Soasta and found that more complex pages can hurt conversion rates since the number of elements and the size of the images they contain can significantly slow loading times.

The magic number cited by Akamai research back in 2009 was three seconds. Beyond this time, it found that 40% of shoppers would leave it. It's likely that shoppers have got more impatient in the meantime, as internet speeds have improved. RetailX research, in partnership with Eggplant, found that Top500 retailer pages visually load in a median of 8.8s on mobile, and with a median page size of 2.1MB and in 9.2s on desktop, where the median page size is 2.6MB. The fastest 5% – or 25 – of Top500 retailers came in at a median of 2.9s on mobile, the slowest at 18.4s.

The Google/Soasta study, reported in 2016, found that pages with more images and elements had fewer conversions. Sessions that converted users had 38% fewer images than sessions that didn't convert. Simple steps can make a difference. It found, for example, that saving an image as a JPG rather than a PNG can more than halve the file size.

### 4 Show how an item will fit

Products from clothing to sofas are only truly relevant if the potential buyer knows they're going to fit. In recent years, fashion retailers have come up with 'virtual wardrobes' that enable shoppers to pinpoint whether an item is likely to fit. Warehouse, for example, collects vital statistics to deliver a verdict on how a given product will fit, using Fit Match from Rakuten Fits Me. Asos's Fit Assistant collects similar information and also adds in the size that shoppers wear from brands they already know in order to deliver a verdict on how an item would fit, as well as what most 'people like you' bought but didn't return to the retailer.

Furniture and make up retailers are among the 3% of IRUK Top500 retailers that use augmented reality (AR) to show shoppers how goods would look on them, or in their home. DFS has recently updated its AR functionality that shows shoppers how a sofa would look in their living space. Based on iOS 12, it promises an improved experience for customers.

"We wanted to offer something truly unique to our customers that was not only aesthetically pleasing, but intuitive and practical too," said James Vernon, head of online at DFS. "Choosing a new piece of furniture is never an easy task – particularly online – but the new AR-enabled feature will help improve the online shopping experience and make the purchasing decision much easier."

## 12 APPROACHES THAT WORK

### 5 Enable international shoppers to buy from a website that still feels local

Shoppers want to be able to buy in a way that feels comfortable for them. That means using their own language and payment methods they trust. Global brands such as IKEA and H&M have this nailed. IKEA has 55 local language websites, from the UK to the United Arab Emirates, while Nike has a similar number, located across six continents.

Smaller businesses are no less able to target international markets. Musical equipment and accessories retailer Gear4Music sells through 20 local market websites, with all but the US site serving European markets. Meanwhile, AO.com, which sells larger and heavier white goods, alongside smaller appliances and consumer electronics, serves Germany and the Netherlands from its German logistics centre. Its approach is to take the way it runs its business in the UK to its new markets. "We have worked hard to transfer our culture across to our European operations, always respectful of different customs and ways," said AO World in its latest full-year results.

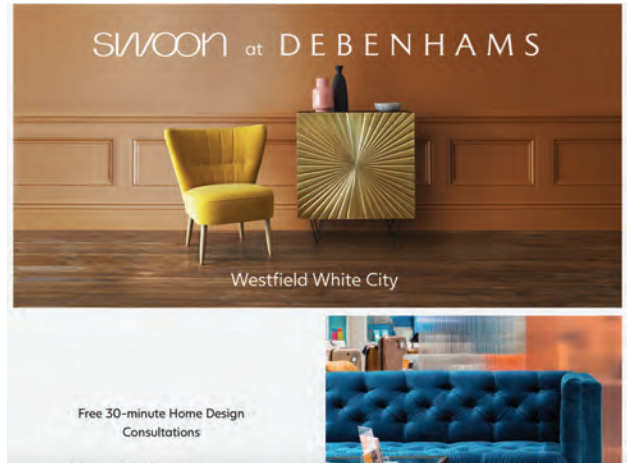


Image credit: Debenhams

Customers often want to see furniture in stores before they buy

### 6 Think about how pureplay retailers can use stores...

Retailers find new customers and raise awareness of their brands when they sell through third-party websites and stores. Predominantly online retailers, including fashion brands Boden and Hush and furniture brand Swoon Editions, are now selling through department stores. Swoon Editions' chief customer officer, Nicki Lynch, said, "Our home-obsessed customers are increasingly requesting that they want to see our furniture in real life. In an online-only world, it is harder to bring people into your brand in the same way you can with a physical store."

### 7 ...and how retailers of all kinds can use other people's websites

Many retailers now sell through other websites as they look to put themselves in front of new customers. Missguided, Quiz and PrettyLittleThing are all available through the Next website, while Boohoo, Miss Selfridge and River Island are among those selling on Asos' site. This comes with a health warning, since selling through other people's websites is likely to be less profitable than selling through your own. Quiz, for example, this autumn warned that its profits would not meet expectations, despite fast growth in sales, especially online. Even though online sales were 44% ahead of the same time last year in the six months to 30 September, the amount being sold through third-party websites had stayed flat. Quiz is now concentrating on sales through its own websites, which rose by about 70% over the same period. Chief executive Tarak Ramzan said at the time, "Although online sales through our third-party partners have been disappointing and will impact the group's performance for the full-year, increased own website sales will support profitability growth moving forward."

## 8 Consider new approaches to customer service in stores

At a time when department stores are competing for custom and visitor numbers to the high street are falling, some retailers are taking a new approach to the way they hire and train staff.

Debenhams says it is hiring more people from the hospitality industry as well as investing more in staff training as part of its 'service redesigned' strategy. "Together with our efforts to reduce back-of-house activity and increase customer-facing time, this has resulted in a 4% improvement in net promoter scores over the year," the retailer said in its latest full-year results, to 1 September 2018. John Lewis has previously used theatres and fashion colleges to train its staff to deliver service with a difference. The thinking is that more expert staff will deliver a better customer experience as stores work to attract shoppers to their store. Customers choosing to shop in-store rather than online may also be looking for more human interaction and expert advice.

## 10 Go to where the customer is

Savvy retailers are making it easier for shoppers to buy wherever they are. They're opening conversations on social media platforms that are in turn making it easier for shoppers to buy direct from the post, tweet or pin. Most (98%) Top500 retailers already enable visitors to talk to them on Facebook and Twitter, yet retailers can differentiate themselves by joining the 22% that also talk to their customers via Snapchat, or the 17% that do so via Tumblr.

Meanwhile, online marketplace eBay has worked with both Time Inc and Mashable to enable shoppers to buy products featured in their print and online magazines by pointing their smartphone or tablet at them in order to browse and buy. At the time the functionality was launched, Dan Burdett, head of the eBay EMEA marketing lab, said, "We know a lot about how people shop on our site but less about how they shop off it. So we wanted to bring a simplified shopping experience that brings products to Mashable's passionate audience, rather than expect them to come to us."

## 9 Speed up the refund when shoppers return an item

How easy it is to get a refund is fast becoming a factor that shoppers take into account when considering whether or not to buy. When the process is as easy as possible, undecided shoppers are more likely to complete their transaction in the first place. Boohoo Group has taken a small but significant step to improve its returns experience. Shoppers now receive their refund as soon as the courier has taken delivery of the returned item. This takes place via a returns portal that not only operates on its UK website but also on a number of its international sites too. This approach beats the current state of the market, since the average Top500 retailer takes 10 days to process a return.



Image credit: Boohoo

Boohoo Group has speeded up its returns and refunds

## 12 APPROACHES THAT WORK

### 11 Use new technologies to enable customers to ask their questions

Leading retailers are giving shoppers new and more efficient ways to get in touch. Dune London, for example, says on its website that live chat is the fastest way for its shoppers to get an answer to their questions. Dune is among the 37% of Top500 retailers that offer this channel, making it an obvious choice for those shoe shoppers who prefer to use live chat.

Other businesses are using machine-learning to offer customers automated answers to their questions. This improves the customer experience when those answers are relevant and when it means a conversation can take place out of hours, or give shoppers an experience they otherwise could not have.

Fashion pureplay Asos' Enki chatbot, available through Facebook Messenger, helps customers find products through personalised recommendations. Asos said in its latest full-year results that in future, customers will be able to use assistive search that might help them, for example, find that perfect pair of jeans. "The investment in new data capabilities and optimisation algorithms will continue in the next year," it said.

### 12 Make a difference through the app experience

RetailX research finds that while around half of Top500 retailers have an iOS app, the experience they offer through that app is relatively limited. Only 6% of retailers with an app offer live chat, and only 2% offer the ability to scan a loyalty card. And while most retailers now offer product reviews (61%) and ratings (62%) through their desktop website, fewer offer either (26% for both) via their mobile app. These figures reveal easy ways that retailers can outperform rivals.



ASOS' Enki chatbot gives customers quick, targeted answers 24/7

# THE ROBOTS ARE COMING

## By automating mundane tasks and freeing up staff, will robots help to improve the overall customer experience? Jonathan Wright investigates

FOR MULTICHANNEL RETAILERS, bricks-and-mortar stores are essential in communicating brand values to customers. Landmark stores generate a sense of drama and a sense of place, while even more modest shops offer the opportunity, from the retail perspective, to learn at first hand what's important to shoppers. But as the current travails of the British high street demonstrate, shop space is expensive and weighs heavily on retailers as more and more shoppers choose to go online.

One answer to these kinds of problems may be to cut costs through automation, which is where robots come in. So far, the idea of autonomous machines has been largely associated with back-end tasks such as warehousing and even deliveries, but robotics and data company Bossa Nova sees a role for robots out in front-of-house operations, scanning shelves to check stock levels and providing realtime inventory data.

It's a straightforward task but, according to Red McKay, Bossa Nova's managing director in Europe, the robots' effect on the overall business can be huge. "The solution in itself facilitates deep thinking in terms of how resource is used, how stores are laid out, and how stores react after busy periods of time when there are lots of off-sales," he says. "That feeds back all the way through the supply chain – when orders are placed, when manufacturers are ordering. It's very powerful."



Credit: Bossa Nova

A Bossa Nova robot at work in a supermarket aisle

“ Robotics company Bossa Nova sees a role for robots in front-of-house operations ”

It also frees up sales associates from what's a dull and dreary task, but nevertheless one that needs to be undertaken on a regular basis. Already in service in Walmart stores in the US, Bossa Nova's robots trundle up and down the aisles monitoring what's on the shelves through photography and 3D laser scanning technology (lidar). The robots are also being trialled by two retailers in the UK, and the company has recently opened its first international office, in Sheffield, chosen because of good communication links, access to technical skills at the local university and manufacturing expertise, and Britain's "density of retail".

It's a task the machines undertake for hour after hour with around 95% accuracy, as against an equivalent figure that can drop to 40% when humans do this job. Able to detect objects such as trolleys and boxes, the robots can navigate stores without mowing down shoppers.

### FILLING GAPS

In terms of the overall customer experience, the first big advantage for retailers here is that, in McKay's words, data gathered "aisle by aisle, section by section, shelf by shelf, product by product" can be used to ensure that any gaps on the shelves are filled without delay so that customers don't show up to find that items are missing. As McKay notes, when customers find empty shelves, "That creates an emotional response," a response that might cause a customer to try the supermarket down the road or to decide to do their shopping online with a competitor in future.

## EMERGING PRACTICE



Credit: BMW

Pepper the Robot (left of picture in image above) works alongside sales staff at the BMW Urban Store at Bluewater (right)

It's worth noting here too that customer expectations are increasing because of ecommerce. When customers go online and order an item, they can typically see instantly whether it's available or not. Increasingly, they are impatient of empty shelves in stores.

More subtly, because retailers receive real-time data, it increases retailers' ability to react to new patterns of customer behaviour. If, for example, a product becomes popular because it's been featured on *The Great British Bake Off*, retailers can react quickly. From a different angle, there can be regional differences in the kinds of products customers buy. Having an accurate and actionable picture of how this works on a day-to-day basis increases a retailer's ability to offer customers the goods they search for.

Arguably more important still is the idea of what sales associates might do instead of scanning shelves. One answer, of course, is that retailers can simply cut costs by reducing the number of staff, but another approach is to think of staff as brand ambassadors on hand to help out consumers.



"Your ability to look at customer service is increased," says McKay of how the robots can impact on overall operations. "That means those grocers could potentially look at that resource and instead of doing that [stock-taking] task, difficult, challenging, not very popular and not accurate, could look at how the customers are offered service within the store, how the customers are dealt with at the till point.

"Do we pack? Do we help them to the car? Do we have more staff available to help them ask questions rather than

“ Robots create a sense of retail drama, even those endlessly taking inventory ”

with a scanner trying to remember where their place is? So the whole customer experience is facilitated by the use of automating the collection of data.”

#### SERVICE ROBOTS

Clearly, that’s not to say that robots are likely to offer a solution to every problem within bricks-and-mortar. It’s no coincidence that Bossa Nova’s initial offering is aimed at supermarkets. This is a sector characterised by high-volume sales of day-to-day products. A robot scanning stock levels in a top-end boutique fashion store would hardly be likely to be as useful.

#### The next wave of in-store technology

What kinds of technologies might robots such as those developed by Bossa Nova ultimately interface with? One area that immediately springs to mind is those technologies being developed to analyse customer behaviour in the store. With ecommerce, behaviour is already comparatively easy to analyse, especially where customers are logged in, but the world of the high street and shopping centre is far messier.

Despite the difficulties, retailers are now beginning to experiment with techniques that not only look at how customers navigate the store – which aisles do they linger on and what kinds of merchandising displays attract the most attention? – but measure the emotional responses of these customers. It’s one thing to note that customers stop at certain points in a store, it’s far more useful to know why, what they’re thinking and feeling when they stop. Did customers stop, for example, because they were drawn to something they were interested in or simply

However, to come back to the idea of bricks-and-mortar retail as a place where brand values are communicated, there are robots that are much more fun. BMW recently opened its first UK-based Urban Store at Bluewater in Kent. Here, Pepper the Robot has been on hand to offer information about the store, to take in customer feedback and even to take contact information from customers. There’s a certain element of novelty here, but then this is a landmark store that needs to generate excitement.

And robots do create a sense of drama, even those that are endlessly taking inventory in a supermarket. As McKay reports of one exchange overheard on the shop floor: “Don’t worry nanna, it’s a robot and it’s helping us.”

it’s a place where the store’s layout is confusing? There’s a risk that even the most sophisticated heat maps don’t always tell the whole story.

If this kind of data can be married up with stock data, there’s huge potential to create better customer experiences, to analyse the customer journey from browsing through to completion with greater degrees of precision.

However, it’s also worth being cautious here. This kind of analysis of individual behaviour understandably makes people nervous as being too intrusive, something reflected in recent European legislation around data and privacy – as Bossa Nova’s Red McKay, it’s worth noting, is keen to emphasise. However, if retailers take an algorithm-based approach that doesn’t run the risk of identifying individuals, there are huge opportunities here.



Red McKay  
of Bossa Nova

Credit: Bossa Nova

## INFORMED CONTENT

### Chloe Rigby considers the findings of a new report that analyses the product content strategies of IRUK Top100 retailers, while Martin Shaw illustrates IRUK Top500 findings in these areas

PRODUCT INFORMATION, ALONGSIDE ratings and reviews, play an important part in letting customers know about the items they're considering buying. Metrics around these areas form an important part of the RetailX research that is the foundation of the IRUK Top500 The Customer Dimension. Customers must fully understand the products they're looking at in order to make a buying decision, and to reduce the likelihood that they'll need to return an item. Now, ecommerce content specialist Quill has carried out an in-depth study of the IRUK Top100, analysing how well the top retailers deploy information about the products they sell.

The report, *Quill Quality Score 100: the state of content in ecommerce*, suggests that while some ecommerce websites have successfully created websites that meet shoppers' demands, many others are spending money to drive traffic to poor quality and non-optimised website pages. Ed Bussey, founder and chief executive of Quill, suggests that "The biggest mistake that these retailers are making is overlooking the content at the conversion end of the purchase funnel – that is, the content that customers engage with right before they buy." This primary content, he says, is defined as performance-led content that drives organic search engine traffic and, along with it, conversion rates and average order values.

The Quill study rated Mothercare, Ann Summers and Beaverbrooks most highly for their content strategies. It went on to assess different retail categories and found that department stores stood out, with Argos scoring particularly highly.

“Retailers have a long way to go in supplying a streamlined, persuasive online experience”

#### HOW THE ASSESSMENT WAS REACHED

Quill audited the websites of 100 major ecommerce and multichannel websites, as identified by the IRUK Top500 2017. It removed grocery vendors, replacing them with the next ranked nine retailers. It then applied the Quill Quality Score to benchmark the quality of the primary content on those websites. The score includes an assessment of product descriptions, category descriptions, buying and how-to guides, all assessed on the quality of content. Finally, the content experience was assessed for how well each site serves customers, helping them to make their way around the site. Scores ranged from the critical (0-4) to the good (8+). Criteria included spelling, grammar, readability and originality, alongside details and technical details and whether content was optimised for mobile.

#### THE FINDINGS

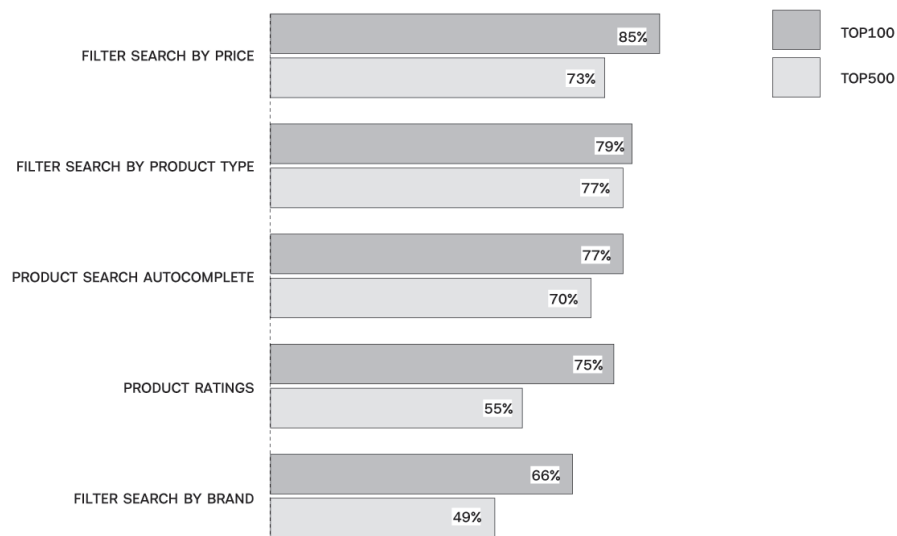
Mothercare led the top 10, followed by Ann Summers, Beaverbrooks, Currys and Boots. Burton, B&Q, Halfords, bathstore and eBuyer.com completed the top 10. That said, Mothercare, with a score of 8.1, was the only retailer to be ranked as 'good' according to the Quill research metrics.

Department stores scored well in the research, with an overall score of 5.8 – where 0 to 4 is 'low', 4.1 to 6 is 'weak', 6.1 to 7.9 is 'okay', and 8+ is 'good'. Department stores were rated 'okay' for category descriptions (6.6) and guides (7.0) but had a 'weak' score (4.3) for the content experience. Argos scored highest in this analysis, while Debenhams scored poorly. Home and DIY businesses scored an overall 5.4, with a high score for product descriptions (6.7) and a lower score (4.2) for the content experience. B&Q stood out in this analysis, while its sister company Screwfix scores



### TOP100 RETAILERS ARE MORE EFFECTIVE

The average Top100 retailer enables its customers to search, sort and research products more effectively than the average Top500 company



CC BY NC ND RETAILX 2018

were lower. Technology retailers scored an overall 5.4, with a high score of 7.9 on product descriptions but a low (3.6) score for content experience. Currys stood out here, while Game was marked down

Fashion retailers scored 4.7, including a 6.0 on category descriptions but a 3.7 on the content experience. Ann Summers scored highly, while H&M less so.

The study found that more than half (58%) of top brands produced substandard product descriptions, while 94% provided inadequate access to content via mobile. Common issues detected by Quill included duplicate content, with manufacturer's sales text used wholesale – hitting the effectiveness of their SEO performance as a result. Formatting often fell short of what Quill says is the "optimal" combination of prose and bullet points. Its own research says this optimal format makes 56% of customers more likely to buy a product, compared to 30% when only bullets are used, and 14% when only prose is used.

When it comes to content descriptions, 47% of brands have no copy at all on some category pages, a feature that Quill says is critical, while 18% have no guide content.

### CONCLUSIONS

Quill concludes that "etailers have a long way to go in supplying a streamlined, persuasive online experience to customers", with 79% of ecommerce websites audited having a sub-standard content offering that scores 6 or below. "The biggest area for improvement is content experience: may retailers are failing to optimise their websites for mobile, or to make conversion-assisting guide content visible across the purchase journey."

# CONCLUSION

THROUGH THE PAGES of this report we've taken a picture of the practical ways in which IRUK Top500 retailers are working to understand and serve their customers. That picture is a snapshot of a fast-changing scene, in which details are evolving and adapting all the time. The pace of change comes as retailers adapt to changing consumer behaviour, offering ever-more convenient delivery and collection options, effective customer service and faster mobile and desktop websites. The pace of change is getting faster all the time, as leading retailers introduce new innovation and early adopters follow their example. When we revisit The Customer dimension in 2019 we expect that in some ways the experience that some retailers offer will look very different in some ways and very similar in others. That amount of change can be hard to plan for.

A more focused approach, and one that many leading IRUK Top500 retailers take, is to take the lead from the customer. Service is most relevant when retailers find out – either through asking their customers or monitoring their behaviour – what services shoppers want, and how they want the retail experience to evolve. Sometimes relatively small changes can have a big effect, boosting revenues and profitability for low investment, while at other times more wholesale evolution is required in order to build a business that meets customers' needs.

However the sector adapts over the next year we'll be covering those changes. Over the next year the RetailX research team will also be working to extend our understanding of multichannel retail through the performance-led analysis that they've put to work here. As always, we're interested in how we can extend our research and improve the quality of our findings in this area. Is there a new or emerging tool or approach that you consider vital and that we should monitor in future reporting? Get in touch with your ideas and any potential datasets via [research@internetretailing.net](mailto:research@internetretailing.net) or tweet @etail with #IRUK500.

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