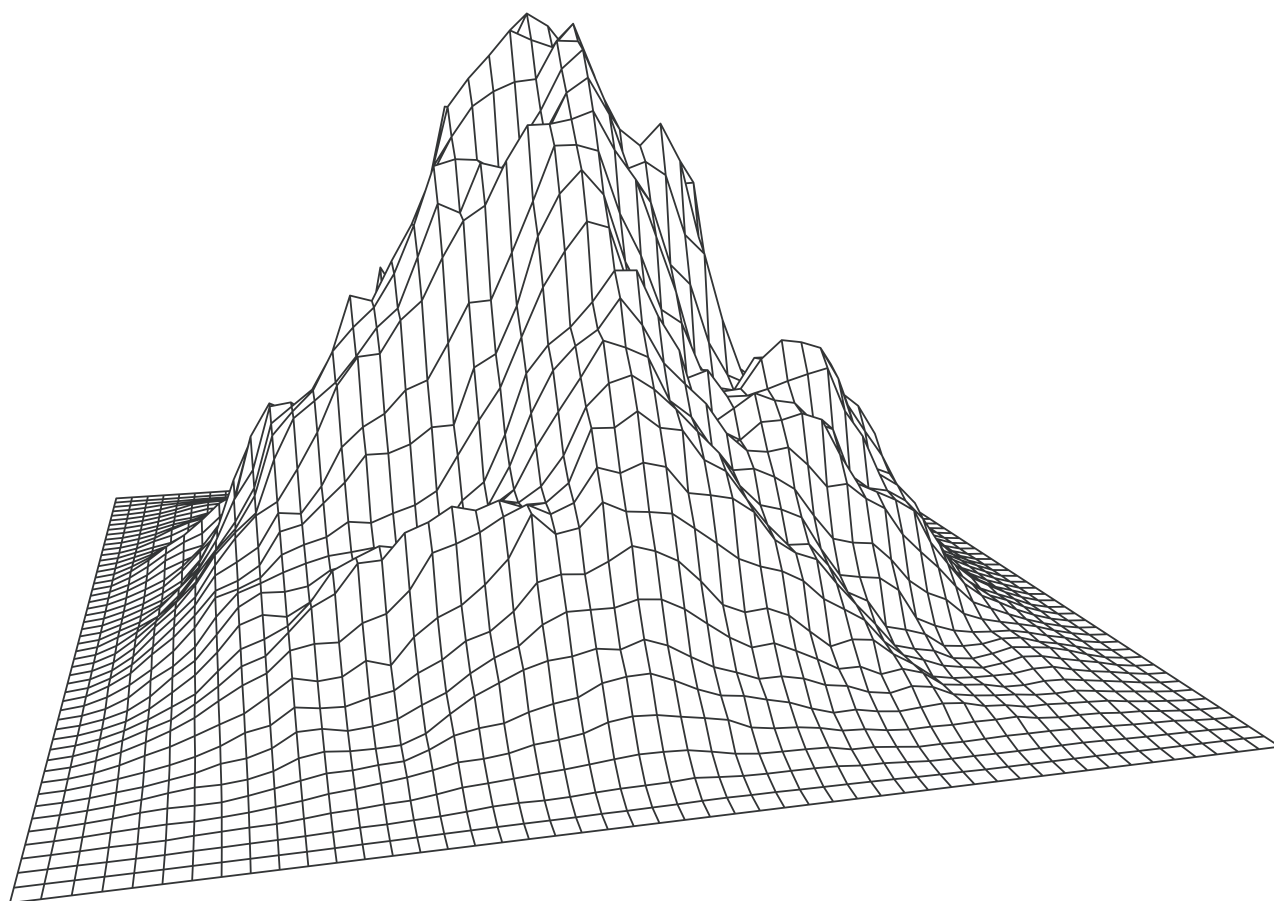


DIMENSION REPORT

BRAND ENGAGEMENT:
MARCH 2019



Pay later gets you paid.

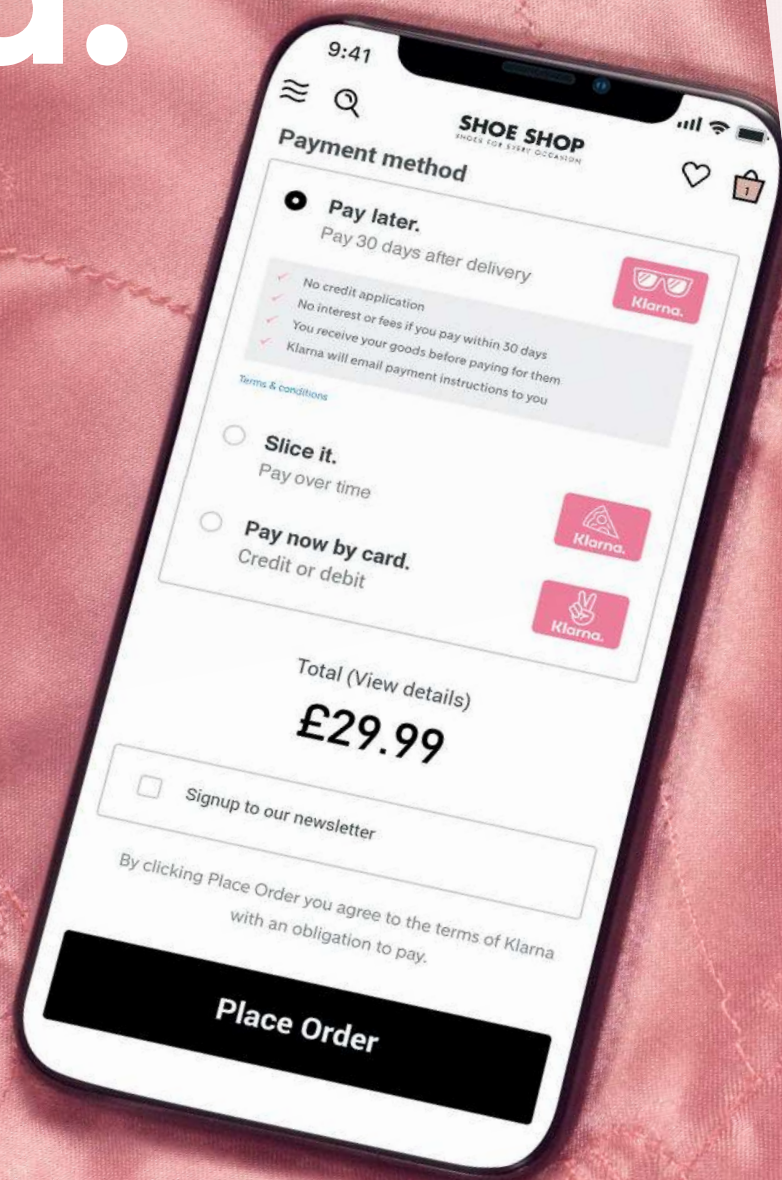
Let shoppers pay later or over time to boost purchase power right when it's needed – at the point of sale.

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INTRODUCTION



WELCOME TO THE FIRST IRUK Top500 Dimension Report of 2019, on Brand Engagement. Here we focus on the ways in which Top500 retailers selling in the UK market build their brand and engage with their customers, both online and across different channels. For in a shopping environment that's highly competitive both online and in-store, building a distinctive brand

is as important to retailers that sell consumer brands as it is to the brands themselves.

It is about retailers developing a brand look, feel and voice that shoppers can get to know. When shoppers recognise a brand they are more likely to remember it when they next make a relevant purchase, and when they get to know a brand and see it as reliable, they are more likely to trust it – and to develop an ongoing relationship with it. This is particularly important at a time when many retailers sell the same products and consumer brands: it is key to be the name sticking in consumers' minds when they consider their next purchases.

The good news is that today there is a wide range of tools available for retailers to use in building their brand's voice and image – and in this Dimension Report we look at how retailers are building followings by sharing images and videos, and by striking up conversations on channels from YouTube to Instagram, Facebook to Twitter. We look at how they use email to continue that conversation, and reviews and ratings to bring in other opinions. We also explore the RetailX original research that underpins this Dimension Report.

We believe that the overall result is a useful tool for retailers to understand how leading traders build their brands, and to understand how their own businesses measure up against the benchmark set here by members of the IRUK Top500.

As always, we are interested to hear from our readers, whether retailers, industry experts or suppliers, about useful directions in which we might take our research in coming years. Is there a must-use tool or technique that we should have covered here? Do get in touch and join the conversation.

Ian Jindal,
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EDITOR'S COMMENT

HOW RETAILERS OPEN and maintain the customer conversations that help their brand stand apart from the crowd is central to this IRUK Top500 Brand Engagement Dimension Report. In it we look at different resources and approaches that leading retailers are using to initially attract the attention of shoppers, and then maintain it over a long-term, productive customer relationship.

We start by setting out the context in our Strategic Overview feature, which considers the macro factors that are influencing the way that brands engage with their customers, and how leading brands are responding to them.

Then we look at the detail as members of our RetailX research team set out the research techniques they've used to find out how the UK's Top500 retailers engage, at a practical level, with their customers. In analysing the numbers, Martin Shaw, head of research at RetailX, explores in detail the metrics that underpin this report. In new research, team member Fernando Santos looks in detail at how leading UK retailers use Facebook in day-to-day practice.

Our final step is to provide hands-on, practical examples of how leading retailers are developing their strategies. We do this through an interview with Jack Cooper of Andertons Music Co that focuses on how the retailer has used social media to reach audiences across the UK, as well as around the world. Then our case studies on Amazon, Argos, Boots and Sainsbury's take a practical look at how these leading retailers approach mobile, voice, loyalty and social media.

That practical look is extended further through our 12 approaches to brand engagement. Our emerging practice feature looks at how retailers have evolved engagement in the light of GDPR. You'll also find full listings of the Top500 and the leading retailers in this Dimension.

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

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ONLY THE SMOOTH SURVIVE

The biggest retail trends of 2019 are going to be driven by two key things: choice and convenience. Finding ways to keep shoppers interested in, and loyal to, your brand remains a pressing priority, but those that align to the Klarna mantra of smooth (yes, so smooth we need 3 'o's) will find a significant payoff

The most successful online retailers know it takes dedication and customer-first focus to win. Here are our recommendations for retailers to boost sales and take your retail business to the next level in the coming year:

EXPAND THE PAYMENTS PORTFOLIO

Retailers can't afford to ignore the more innovative payment options in the market. And the lack of flexible and fast payments is especially frustrating to online and mobile shoppers, who want to be in and out of a transaction swiftly.

Having more financial choice is proven to be beneficial for both retailers and shoppers alike. In fact, a recent study we carried out revealed that more than half (53%) of shoppers want new and easier ways to pay online, while 56% would buy more online if there was more variation in payment options available. Alternative payment methods such as Klarna – which lets shoppers pay later for their items after they've arrived on their doorstep – fulfils the shopper's desire to "try before they buy". Klarna seamlessly bridges the infamous offline-online gap, removing a key barrier to purchase.

BOOST EXPERIENCE WITH EXCEPTIONAL BASICS

Retailers are increasingly realising they need to provide an exciting and convenience-centric overall experience, starting with the basics. Many retailers make the mistake of thinking they must roll out the latest buzzy tech tools and platforms to wow consumers. But flashy technology cannot compensate for inconvenience in the customer journey.

It's crucial that retailers consider the whole shopping experience – from browsing through to purchase, delivery and returns. This journey needs to be simple and frictionless, otherwise consumers will turn to a competitor. Perfecting the basics such as a fast checkout, mobile-optimisation, one-click repeat purchasing, easy returns and multiple payment options is fundamental to customer retention.

Only once retailers are confident that they have an exceptional foundation should they consider enhancement

via next-gen tech. Our research into the future of fashion technology revealed that half of fashion retailers want to invest in high-tech features such as Augmented Reality (AR) and Virtual Reality (VR), even though four in five shoppers say they wouldn't be interested in using it.

PERFECT THE MULTI-CHANNEL JOURNEY

Multi-channel retailing isn't new. Whether via catalogues or online, retailers have long had ways of reaching customers outside of physical stores. What is new, however, is the heightened demand for a seamless shopping experience within and between the different channels. Our research revealed that 46% of shoppers think online shopping is more convenient than in-store, and that almost half (49%) miss the personalisation that online offers when shopping in-store – this rose to 69% amongst 16-24-year-olds. Retailers must take note that no one channel holds the key to success. Diversifying the journey – and recognising and integrating the most attractive elements of both routes – is what matters.

Ultimately, the goal for retailers is to build a great experience that is convenient for customers, no matter how, where or when they are choosing to shop. And in 2019, only the smooth will survive. ■

ABOUT KLARNA

It's all about smooth (yes, with 3 o's). Klarna is Europe's leading payments provider and a newly licensed bank, which wants to revolutionise the payment experience for shoppers and merchants alike. Founded in Stockholm, Sweden, in 2005, the fintech unicorn gives online consumers the option to pay now, pay later or over time – offering a trusted, frictionless and smooth checkout experience. Klarna now works with 100,000 merchants, including ASOS, Topshop, H&M and JD Sports in the UK, to offer payment solutions to users across Europe and North America. Klarna has 2,000 employees and is active in 14 countries.

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ENGAGING ON THE CUSTOMER'S TERMS

At a time when shopping behaviour is changing quickly, Chloe Rigby considers how retailers are most effectively engaging with their customers

RETAILERS AND BRANDS are working hard to engage shoppers and give them reasons to spend with them. But the brand engagement task is more difficult when shoppers appear to be holding off from spending on non-essential items. When shoppers do buy, it's often because they're being offered a discount, with more of these purchases than ever now taking place online. This shift presents a challenge for established UK retailers who are better equipped to serve shoppers buying mostly from stores than across sales channels. But it also presents opportunities to those that are agile enough to find new ways to inspire and to talk with their customers.

SHIFTING TERMS OF ENGAGEMENT

A shift in the way that shoppers are buying is clear from the figures. This has implications for where, and how, retailers now choose to engage with their existing and potential customers. The latest British Retail Consortium (BRC) figures suggest that spending slowed both online and offline in February 2019. Retail sales for the month fell by 0.1% on a like-for-like basis that strips out the effect of store – and business – openings and closures, according to the BRC-KPMG Retail Sales Monitor. These are shoppers, says the BRC, who are feeling less confident about buying in the first place.

When the figures were released, Helen Dickinson, chief executive of the BRC, said slowing sales reflecting the wider political situation. "Uncertainty surrounding the UK's imminent exit from the European Union has hit consumer spending," she said. "The slowdown was not limited to physical stores," she added, "with growth in online non-food sales well below the 12 month average. With consumers increasingly aware of the risk of a no deal Brexit, it is likely that uncertainty has driven this cautious approach to retail spending."

When people do buy, it's now gradually more likely to be over the internet than it was previously. Visitor numbers are falling in shops, while at the same time the proportion of sales taking place online is growing – even where the

“The trend is towards more sales taking place online than in previous years”

total overall amount being spent is staying broadly similar. In February, the BRC figures showed, 29.6% of sales took place online – up from 27.5% a year earlier. For the moment, that still leaves around 70% of retail sales taking place in-store but in the longer-term, the trend is towards more sales taking place online than in previous years.

Meanwhile, footfall is falling steadily. According to the February 2019 edition of the BRC-Springboard Footfall and Vacancies Monitor, visitor numbers continued their decline to high streets, retail parks and shopping centres alike. It's all representative, says BRC's Dickinson, of the fact that, "retail is undergoing a seismic shift, with technology changing the way we shop. Consumers are making fewer visits to physical stores, choosing to research and pay for a greater proportion of their purchases online."

ENGAGING STORES

Changing shopping behaviour presents retailers with the necessity of standing out from the crowd, whether that's on the high street or online. On the high street, at a time when shoppers are making fewer visits to stores, those that give them a good reason to are more likely to win out.

Retail property developer and operator Hammerson suggests that stores are still important at a time when online is getting very crowded. It argued in its full-year results, published in February 2019, that retailers still need stores in the right places if they are to make their presence felt. "With the growth in online shopping and the increasing scale of the largest players in the market, it is more important than ever for brands to stand out from the crowded and expensive first page of Google's



Credit: Hotel Chocolat

Hotel Chocolat hosts bean-to-bar workshops in its stores

shop window,” it said. “The very best physical stores in prime locations are proving more and more important for consumer brands seeking to stand out and deliver a true omnichannel offer.”

The BRC’s Dickinson says that one answer is to change the way the stores sell. What’s required, she says, is a “reinvention of retail, with outlets investing in their physical space to encourage a more experience-led approach to shopping.”

That’s something that Hotel Chocolat is doing. The chocolate manufacturer and retailer has focused on building the in-store brand experience. In-store events include chocolate lock-ins and bean-to-bar workshops, where participants can find out more about the end-to-end process of making chocolate. In doing so, the retailer engages with chocolate aficionados through their shared passion. Finding a shared interest has also been key for retailers from Andertons Music Co (see full

interview on p20) to Evans Cycles, which has led cycle rides from its stores. Games Workshop hosts events and workshops based around the tabletop war game in its stores, while also taking the conversation online. The retailer’s Warhammer TV channel has more than 276,000 subscribers at the time of writing. Debenhams, meanwhile, has a very active Debenhams Beauty Club online community that enables shoppers to test products, ask others what they thought, and get recommendations.

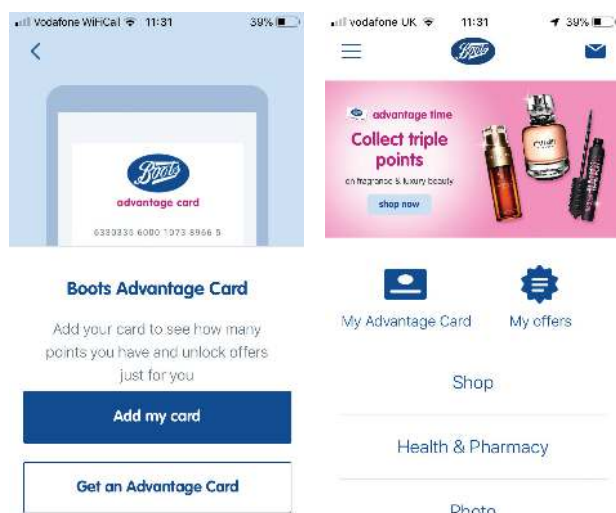
Of course, not everyone sells goods that shoppers are passionate about. For those retailers, John Lewis may offer a model. The department store group has focused on services as a way to give its shoppers a reason to come in store. It offers a concierge-style experience desk, where visitors can book anything from a table in a restaurant to a place in a specialist workshop on subjects from the perfect lighting, to smart homes, to fashion. This can help shoppers get to grips with products that they want to use

“ Last Christmas marks the first time that shoppers spent more money online through their smartphones than on other devices ”

but are not expert, or even passionate, about. The retailer has described its approach as that of creating a 'brand experience'. By doing so, it hopes to become the go-to retailer for shoppers buying anything, whether it's the latest technologies or just everyday kitchen items.

ENGAGING VIA MOBILE

Shoppers are fast adopting smartphones as their preferred method of buying online. Analysis from retail trade association the IMRG found that over the Christmas quarter, from November 2018 to January 2019, 40.4% of all retail spending was via a smartphone, with 39.7% spent via desktop and 19.9% via tablet. The finding, which emerged in quarterly data from the IMRG Capgemini eRetail Sales Index, marks the first time that shoppers collectively spent more money online through their smartphones than through other devices. Lucy Gibbs, senior consultant in retail analytics at Capgemini Invent,



The Boots app encourages spending across channels



Credit: Andertons

Andertons Music engages with shoppers through their passion for guitars and other instruments

said at the time: "Smartphones make it easier to be truly omnichannel, which is about being where your customers are, and therefore optimally placed for influencing the retail customer journey." The suggestion is that if you can get engagement right on smartphone, then any retailer can reap the benefits.

Every mobile engagement strategy will be different, as retailers look to meet the needs of varied groups or demographic of shoppers. Customers may well want to download an app for those brands that they use the most, whenever it's really useful, while they'll want to engage with others via high functioning mobile websites. Debenhams has chosen to invest in a progressive web app approach that enables its mobile site to load quickly even when shoppers are not using a fast internet connection. Others opt for apps to give deeper engagement with the end shopper. But retailers must offer something special if they are to convince customers to give them space on their smartphone. In fashion, Missguided is known for the Tinder-style feature on its app that shoppers use to talk to the retailer about what styles they like – in order to be presented in the future with items that best reflect their style.



Boots also stands out here for the way shoppers can use its app to collect and spend loyalty points across channels. Tesco customers can use the Tesco Pay+ app to collect and spend clubcard points, scan and pay for shops worth up to £250 in store, and track their spending with the supermarket. The app is both useful for shoppers wanting the convenience of buying easily and quickly in store, and for Tesco, since it gets to know its shoppers better.

Both Boots and Tesco are, however, among the minority of Top500 retailers. RetailX research shows that just 37% of Top500 retailers had an iOS mobile app in 2019 – and only a small minority of those enable shoppers, as Boots does, to create a new loyalty account via an iOS mobile app or to enter the details of an existing account. Offering convenient loyalty on a mobile, then, seems a strong approach for retailers looking to steal a march on rivals.

SOCIALLY SPEAKING

Mobile is also the place that many shoppers go to view their social media accounts while travelling, at work, shopping in a store, or dual screening from the sofa. But while most Top500 retailers operate social media channels – 94% have Facebook accounts and 88% are on Twitter – not all choose to connect them closely to their

retail websites. More than a third (34%) of Top500 retailers enabled shoppers to share a product on social channels on their app, while 24% show social media Likes on product descriptions on the app.

From desktop websites, almost a third (30%) of 2019 Top500 retailers enabled users to share a product with friends on social media, while 8% enabled them to Like a product on social media through a link on the product page in 2019. That's changed since last year, when 53% of retailers included in the Top500 in both 2018 and 2019 enabled sharing via social media, and 18% enabled social media Likes.

Why the change? Jack Cooper, digital marketing manager at Andertons Music Co, may have an answer. "From an SEO standpoint, my knowledge tells me that it's kind of a small opportunity to show Google that you get the social signals," he says. "We find there are plenty of ways to do that. We get a lot more shares of our social post natively. We opt for distraction-free shopping, so when you're on a product page, you're really just looking at the details and the value proposition of how easy is it to check out. It's about how can I get this product? Are they competitive on price? Is it fit for purpose?"

"Instead, we include product stamps on all our ecommerce news stories and in all of our blogs too. We'd much rather people shared our content that included links to the products in it. So we do share on social but we do it in a roundabout way."

When considering new approaches to engagement, however, it's important not to neglect those that already work well. It's likely that none of these channels will be enough on their own. Shoppers are not leaving stores behind as they move into a mobile-only future. Rather they are opting to buy and engage via a range of channels. Retailers that find out how their customers want to engage, and enable them to do so via the channels that work for them, will ultimately stand a better chance of engaging with them on their own terms. ■

ENGAGING IN CONVERSATION

Retailers stand out in the Brand Engagement Dimension when they inspire and include customers in conversations, says Martin Shaw, head of research at RetailX

HOW DO THE UK's leading retailers enable customers to engage with their brand, and what can others learn from that? That's what we set out to find out in our research for the Brand Engagement Dimension. To do this, we looked to metrics such as how many communication channels Top500 retailers maintain between their customers and their brand. These channels range from email and telephone through to social media platform and blogs. We looked at whether retailers enable their website visitors to share their feedback on a product, either via ratings, reviews, or through social media sharing.

We also took into account retailers' reach and interaction on Twitter through metrics including how many followers, retweets, and favourites they had, as well as how often they updated their status. We included other metrics that help to show shoppers' interest in the retail brand, thanks to InternetRetailing KnowledgePartner SimilarWeb. They included the number of annual website visits and the bounce rate. Finally, we measured whether the site requires visitors to register before they check out. This last metric is significant because when retailers require registration, they can improve their single view of the customer but at the same time, it may deter shoppers from buying. It certainly adds an extra point of friction that can slow down the final transaction.

We believe that these metrics combine to show how available Top500 retailers make themselves to their online audience, whether they're inspiring them through content, answering their questions or sharing product feedback in a way that others can learn from. All of this is about enabling shoppers to be fully informed before they buy, which is important because those buying online cannot touch the items they are buying. They need to understand exactly what they're getting in order to reduce the chances of the items being returned because they are not what the shopper had understood them to be.

“When retailers require registration, they can improve their single view of the customer”

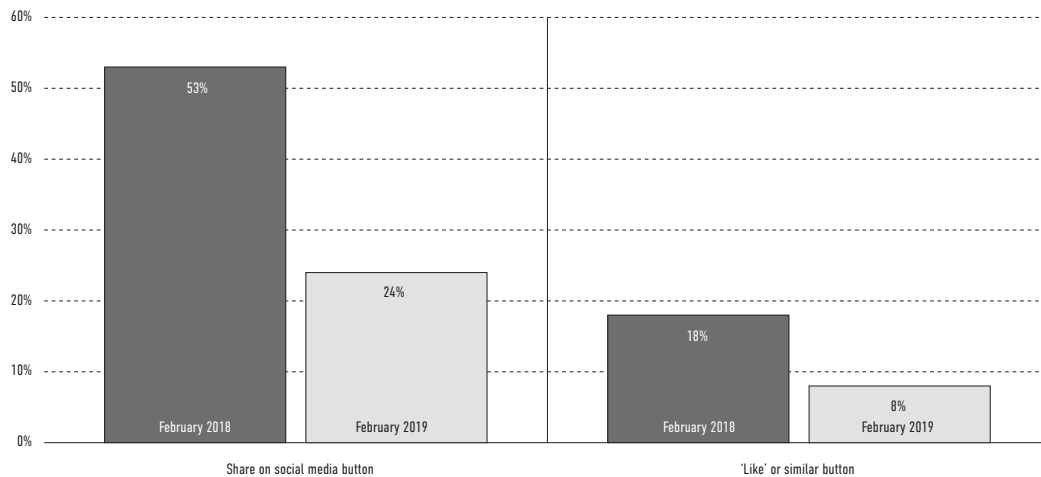
COMMUNICATION CHANNELS

We found that retailers are steadily offering more channels for shoppers to use to get in touch. In 2019, Top500 retailers operate an average of 9.5 communication channels and a median of 10. That's up from a median of eight in 2018. Those with more channels tend to be selling products that are used by individuals at home. Retailers selling homewares, drinks, fashion footwear, clothing, children's toys, cosmetics and health products communicate through a median of 11 channels, while, at the other end of the scale, those selling utilities and automotive goods used a median of eight. This minor difference across sectors suggests that retailers of all product types see the value in reaching customers through a broad range of channels.

Most stay in touch with existing and potential customers through a Facebook page (94%) and a Twitter account (88%). On Twitter, Top500 retailers have an average of 219,000 followers. This figure seems to be distorted by larger followings enjoyed by a relatively small number of retailers, since the median Twitter following comes in at just over 30,000.

SOCIAL MEDIA INTEGRATION WITH THE AVERAGE TOP500 PRODUCT PAGE HAS FALLEN IN A YEAR

The fraction of Top500 retailers using these once-prominent features has significantly declined over the past 12 months



© 2019 RETAILX

But while Twitter and Facebook are the most popular ways for retailers to keep in touch with existing and potential customers, they also explore a range of other channels. Four in five (81%) of Top500 retailers have an Instagram profile, while 66% are on YouTube, 55% on Pinterest and 5% on Snapchat.

SHARING OPINIONS

What other people think about a product makes a difference to shoppers as they decide whether to buy. Another shopper may flag up the reasons why a product worked or didn't work for them, showing why they should steer clear of that product and instead opt for another one. By sharing their insights and opinions, shoppers can save time, and retailers can save the expense of a returned product. Most Top500 retailers show product reviews (57%) and ratings (54%) on product pages. Retailers selling sports and outdoor equipment are the most likely to share product ratings (83%) and reviews (81%). These features are least commonly deployed among those selling ready-made food, where 40% share reviews and 38% ratings.

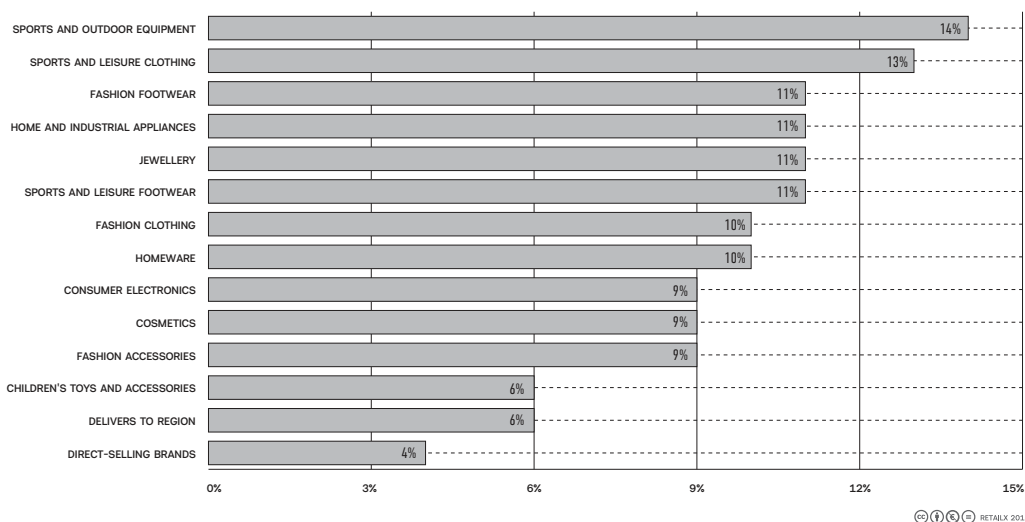
Fewer enable customers to share their opinions via social media than use product reviews and ratings. Almost a third (30%) of 2019 Top500 retailers enable users to share a product with friends on social media, while 8% enabled them to 'Like' a product on social media through a link on the product page. That's changed since last year when 53% of the retailers included in the Top500 in both 2018 and 2019 enabled sharing via social media, and 18% enabled social media Likes. In 2019, more than half (54%) of retailers show obvious promotions on their website.

How easy do Top500 retailers in 2019 make it for shoppers to buy? Almost half (46%) require registration before purchase.

The average Top500 retailer enjoys 8.1m website visits a year – although the median figure is closer to 2.4m, which demonstrates the disparity between ecommerce giants and the other retailers that feature in the Top500. Software retailers have an average of 66.8m website visits a year, and a median of 26.9m, followed by those selling music, film and TV (41.9m average, 18.2m median). At the other end of the scale, retail websites selling sports footwear see an average of 9.3m visits a year, and a median of 2.8m.

ANALYSING THE NUMBERS

HOW RETAILERS IN DIFFERENT SECTORS USE LIVE CHAT



© 1 2 3 4 RETAILX 2019

Direct-selling brands are particularly unlikely to support live chat in their mobile apps. Live chat is one of those services which, while not exactly new, is growing in prominence. Some research points to customers preferring the speed and interaction of the channel compared to email or the protracted delays that sometimes plague telephone service. Forrester research, for example, suggested that site visitors who use live chat are 2.8x more likely to convert than those who do not. Chatbots, moreover, are becoming easier to implement at a relatively low running cost.

Note: this chart includes sectors with more than 25 retailers in the Top500

MOBILE ENGAGEMENT

We took particular interest in how leading retailers foster customer loyalty via their mobile app – where they have one. We thought this was important as a useful measure of how easily retailers enable their customers to connect with them in a relationship for the longer-term, especially at a time when more retail transactions are now taking place on mobile.

We found that of the 37% of retailers that have an iOS mobile app in 2019, many appear to link their mobile apps more closely to social media, with 34% enabling shoppers to share a product on social channels, and 24% showing social media Likes on product descriptions on the app. Some 38% offer daily deals.

Product reviews (26%) and star ratings (26%) are offered by relatively few Top500 retailers on their apps – giving those that include them alongside product details a potential advantage among an audience that increasingly buys via smartphone.

“By sharing opinions, shoppers can save time while retailers can save the cost of a returned product”

IRUK 500 BRAND ENGAGEMENT DIMENSION

The Top100 retailers of the IRUK Top500 2019
Brand Engagement Dimension, as measured
across dozens of metrics for innovative practice in this area

Share your thoughts on #IRUK500 with @detail

BRAND ENGAGEMENT TOP 50

Aldi	Dunelm	Morrisons
Amazon	Ellis Brigham Mountain Sports	Mothercare
American Golf	The Entertainer	New Look
Andertons Music	Evans Cycles	Next
Argos	Everything5pounds.com	Nisbets
Asda	Fat Face	Ocado
Avon	Fragrance Direct	Pets at Home
Axminster	H&M	Route One
B&Q	Halfords	Sainsbury's
Bathstore	House of Fraser	Superdrug
Beauty Bay	Hughes Electrical	Sweaty Betty
Boden	Iceland	Ugg
Bonmarché	JD Williams	Victoria's Secret
Boots	JoJo Maman Bébé	Watch Shop
Clarks	Joules	Wickes
Dr. Martens	Mainline Menswear	Wilko
Dune London	Marks & Spencer	

BRAND ENGAGEMENT TOP 100

AliExpress	Forever 21	Peacocks
Ao.com	Fossil	Radley
Banana Republic	The Fragrance Shop	Robert Dyas
Beaverbrooks	Freemans.com	Samsung
Bensons for Beds	Getthelabel.com	Screwfix
Blacks	Grattan	Seasalt Cornwall
Boux Avenue	Hobbycraft	ShopDisney
CarpetRight	Holland & Barrett	Slaters
Chain Reaction Cycles	L'Occitane	Urban Outfitters
The Cotswold Company	M&Co	Victorian Plumbing
Cotton Traders	MAC Cosmetics	Waitrose
Currys PC World	Matalan	Wex Photographic
Debenhams	Monsoon	White Stuff
Dreams	Moss Bros.	WHSmith
Early Learning Centre	Offspring	The Works
Ebuyer.com	Overclockers UK	Zara
Feelunique.com	Pandora	

THE IRUK500

THE ELITE OF 2019: AMAZON, ARGOS, H&M, JOHN LEWIS, NEW LOOK, SAINSBURY'S

InternetRetailing congratulates all the members of the Top500 in 2019 as leaders in UK multichannel and ecommerce retailing. This list was put together through an assessment of retailers' size and performance. Find out more about the research at <http://etail.li/IRUKTop5002019>.

Elite	Amazon	Top_100	Apple	Top_150	Accessorize	Top_250	AllSaints	Top_250	Lakeland
Elite	Argos	Top_100	Bonmarché	Top_150	Adidas	Top_250	AppliancesDirect	Top_250	Lands' End
Elite	H&M	Top_100	Boohoo.com	Top_150	Andertons Music	Top_250	Avon	Top_250	Lego
Elite	John Lewis	Top_100	Boux Avenue	Top_150	Beaverbrooks	Top_250	Banana Republic	Top_250	Levi's
Elite	New Look	Top_100	Clarks	Top_150	Blacks	Top_250	Bathstore	Top_250	Links of London
Elite	Sainsbury's	Top_100	Cotswold Outdoor	Top_150	Burton Menswear	Top_250	Bensons for Beds	Top_250	Lloyds Pharmacy
Leading	American Golf	Top_100	Cotton Traders	Top_150	Claire's	Top_250	Boden	Top_250	Long Tall Sally
Leading	Ann Summers	Top_100	Disney Store	Top_150	Decathlon	Top_250	The Body Shop	Top_250	LookFantastic
Leading	Ao.com	Top_100	Dorothy Perkins	Top_150	Early Learning Centre	Top_250	BonPrix	Top_250	Louis Vuitton
Leading	B&Q	Top_100	Estée Lauder	Top_150	eBay	Top_250	Bravissimo	Top_250	Lovehoney
Leading	Boots	Top_100	Euro Car Parts	Top_150	Ellis Brigham	Top_250	Burberry	Top_250	Machine Mart
Leading	Currys PC World	Top_100	Everything5pounds.com	Top_150	Mountain Sports	Top_250	Carpetright	Top_250	Majestic Wine
Leading	Debenhams	Top_100	Fat Face	Top_150	The Entertainer	Top_250	Cath Kidston	Top_250	Mango
Leading	Evans Cycles	Top_100	Footasylum	Top_150	Fashion World	Top_250	Charles Tyrwhitt	Top_250	Massimo Dutti
Leading	Halfords	Top_100	Fragrance Direct	Top_150	Feelunique.com	Top_250	Clas Ohlson	Top_250	Mint Velvet
Leading	House of Fraser	Top_100	The Fragrance Shop	Top_150	Foot Locker	Top_250	Coast	Top_250	Molton Brown
Leading	JD Sports	Top_100	Freemans.com	Top_150	Getthelabel.com	Top_250	The Cotswold Company	Top_250	Musto
Leading	JD Williams	Top_100	GAME	Top_150	Goldsmiths	Top_250	Crew Clothing Company	Top_250	The North Face
Leading	Marks & Spencer	Top_100	GO Outdoors	Top_150	H.Samuel	Top_250	Diesel	Top_250	NotOnTheHigh Street.com
Leading	Mothercare	Top_100	Grattan	Top_150	Joules	Top_250	Dr. Martens	Top_250	Novatech
Leading	Next	Top_100	Hobbycraft	Top_150	L'Occitane	Top_250	Ebuyer.com	Top_250	Offspring
Leading	Screwfix	Top_100	Homebase	Top_150	MAC Cosmetics	Top_250	Ernest Jones	Top_250	Orvis
Leading	Tesco	Top_100	Hotel Chocolat	Top_150	Mamas & Papas	Top_250	Evans	Top_250	Oysho
Leading	Wickes	Top_100	Hugo Boss	Top_150	Matalan	Top_250	Farfetch	Top_250	Paul Smith
Leading	Wilko	Top_100	Iceland	Top_150	Millets	Top_250	Figleaves.com	Top_250	Pavers
Top_050	Asda	Top_100	Kaleidoscope	Top_150	Missguided	Top_250	Fortnum & Mason	Top_250	Peacocks
Top_050	Asos	Top_100	LaptopsDirect	Top_150	Monsoon	Top_250	Foyles	Top_250	Phase Eight
Top_050	Axminster	Top_100	Littlewoods	Top_150	Mountain Warehouse	Top_250	Furniture Village	Top_250	Pull & Bear
Top_050	Beauty Bay	Top_100	M&Co	Top_150	Nike	Top_250	Gabor	Top_250	RS Components
Top_050	Carphone Warehouse	Top_100	Mainline Menswear	Top_150	Oliver Bonas	Top_250	Gant	Top_250	Russell & Bromley
Top_050	Chain Reaction Cycles	Top_100	Marisota	Top_150	Paperchase	Top_250	GAP	Top_250	Ryman
Top_050	Dune London	Top_100	Microsoft	Top_150	Post Office Shop	Top_250	Gear4music.com	Top_250	Samsung
Top_050	Dunelm	Top_100	Miss Selfridge	Top_150	PrettyLittleThing	Top_250	Harrods	Top_250	Skechers
Top_050	Forever 21	Top_100	Ocado	Top_150	Quiz	Top_250	Harvey Nichols	Top_250	Slaters
Top_050	Holland & Barrett	Top_100	Overclockers UK	Top_150	Reebok	Top_250	Hawkshead Country Wear	Top_250	Specsavers
Top_050	Jacamo	Top_100	Party City	Top_150	Richer Sounds	Top_250	Hobbs London	Top_250	SportsBikeShop
Top_050	Karen Millen	Top_100	Pets at Home	Top_150	Robert Dyas	Top_250	Home Bargains	Top_250	Ted Baker
Top_050	Laura Ashley	Top_100	Radley	Top_150	Route One	Top_250	Hughes Electrical	Top_250	Tessuti
Top_050	Morrisons	Top_100	Reiss	Top_150	Skatehut.co.uk	Top_250	IKEA	Top_250	Thomann
Top_050	Moss Bros.	Top_100	Sally	Top_150	SportsDirect.com	Top_250	Interflora	Top_250	Thomas Sabo
Top_050	Nisbets	Top_100	Seasalt Cornwall	Top_150	Sweaty Betty	Top_250	ITS	Top_250	Thorntons
Top_050	Oasis	Top_100	Selfridges	Top_150	TK Maxx	Top_250	Jack & Jones	Top_250	Tiffany & Co.
Top_050	Oasis	Top_100	Shoe Zone	Top_150	Toolstation	Top_250	Jack Wills	Top_250	TJ Hughes
Top_050	Office	Top_100	size?	Top_150	Topman	Top_250	Jessops	Top_250	UK Ecig Store
Top_050	The Perfume Shop	Top_100	Smyths Toys	Top_150	Vans	Top_250	Jigsaw	Top_250	USC
Top_050	River Island	Top_100	Superdry	Top_150	Victoria's Secret	Top_250	JoJo Maman Bébé	Top_250	Wallis
Top_050	Schuh	Top_100	Topshop	Top_150	Victorian Plumbing	Top_250	Kurt Geiger	Top_250	Watch Shop
Top_050	Simply Be	Top_100	Travis Perkins	Top_150	The White Company	Top_250	La Redoute	Top_250	Wayfair
Top_050	Space.NK	Top_100	Ugg	Top_150	Whittard of Chelsea	Top_250	Laithwaite's	Top_250	Whistles
Top_050	Superdrug	Top_100	Uniqlo	Top_150	WHSmith	Top_250		Top_250	Zalando
Top_050	Very	Top_100	Wex Photographic	Top_150	The Works				
Top_050	Waitrose	Top_100	White Stuff						
Top_050	Waterstones	Top_100	Wiggle						
		Top_100	Yours Clothing						
		Top_100	Zara						

Top_350	Abercrombie & Fitch	Top_350	IronmongeryDirect	Top_500	& Other Stories	Top_500	Garmin	Top_500	Photobox
Top_350	Aldo	Top_350	Jaeger	Top_500	Abel & Cole	Top_500	Geox	Top_500	Planet Organic
Top_350	AliExpress	Top_350	Jimmy Choo	Top_500	Adobe	Top_500	Glasses Direct	Top_500	Playstation Store
Top_350	Anthropologie	Top_350	Jones Bootmaker	Top_500	Agent Provocateur	Top_500	Google	Top_500	Plumbase
Top_350	Arco	Top_350	JYSK	Top_500	Aldi	Top_500	GoPro	Top_500	Prada
Top_350	Aria Technology	Top_350	L.K.Bennett	Top_500	American Eagle	Top_500	Grailed	Top_500	Pretty Green
Top_350	Bershka	Top_350	Lacoste	Top_500	Armani	Top_500	Graze	Top_500	Printing.com
Top_350	Blackwell's	Top_350	Leeikes	Top_500	Asics	Top_500	Habitat	Top_500	Ralph Lauren
Top_350	The Book People	Top_350	Lush	Top_500	Aspinal of London	Top_500	Hattons	Top_500	Rapha
Top_350	Bose	Top_350	Made.com	Top_500	Asus	Top_500	Hawes & Curtis	Top_500	RedBubble
Top_350	Bottega Veneta	Top_350	MandM Direct	Top_500	ATS Euromaster	Top_500	Heal's	Top_500	Regatta Outdoor Clothing
Top_350	Burton	Top_350	MatchesFashion.com	Top_500	Austin Reed	Top_500	Hermès	Top_500	Rich Tone Music
Top_350	Calendar Club	Top_350	Max Spielmann	Top_500	Bang Good	Top_500	Hobby Link Japan	Top_500	Romwe
Top_350	Calvin Klein	Top_350	MenKind	Top_500	Barbour	Top_500	Home, Beauty & Gift Shop	Top_500	The Royal Mint
Top_350	Cass Art	Top_350	Mobile Fun	Top_500	bareMinerals	Top_500	In The Style	Top_500	Scotch & Soda
Top_350	CeX	Top_350	Moda in Pelle	Top_500	Barker & Stonehouse	Top_500	J Crew	Top_500	Scribbler
Top_350	Chaos Cards	Top_350	Mole Valley Farmers	Top_500	Belkin	Top_500	Jewson	Top_500	ScS
Top_350	Charles Clinkard	Top_350	Monki	Top_500	Bettys	Top_500	JML	Top_500	See Tickets
Top_350	Cloggs	Top_350	Montblanc	Top_500	Build-A-Bear Workshop	Top_500	Joe Browns	Top_500	Select
Top_350	Costco	Top_350	Moonpig	Top_500	Card Factory	Top_500	John Smith's	Top_500	Sevenoaks Sound and Vision
Top_350	CycleSurgery	Top_350	Mr Porter	Top_500	Clinique	Top_500	JTF	Top_500	Sneakersstuff
Top_350	Deichmann	Top_350	Mulberry	Top_500	The Co-operative Electrical	Top_500	Juno Records	Top_500	Steam
Top_350	Demon Tweaks	Top_350	Myprotein	Top_500	Converse	Top_500	K/Srcher	Top_500	Studio (Express Gifts)
Top_350	Desigual	Top_350	Nespresso	Top_500	COS	Top_500	Kate Spade	Top_500	Sunglass Hut
Top_350	DFS	Top_350	Net-A-Porter	Top_500	Crabtree & Evelyn	Top_500	Kenzo	Top_500	Supreme
Top_350	Dior	Top_350	Nordstrom	Top_500	Craghoppers	Top_500	Kiehl's	Top_500	Swatch
Top_350	Dreams	Top_350	Outdoor & Country	Top_500	Cromwell	Top_500	Kitbag.com	Top_500	Tate Shop
Top_350	Dulux Decorator Centres	Top_350	Pandora	Top_500	Cult Beauty	Top_500	Lenovo	Top_500	Thomas Pink
Top_350	The Edinburgh Woollen Mill	Top_350	Puma	Top_500	Dell	Top_500	Liberty	Top_500	Timpson
Top_350	END.	Top_350	QVC	Top_500	Denby	Top_500	LightInTheBox	Top_500	Tommy Hilfiger
Top_350	Esprit	Top_350	The Range	Top_500	Digikey	Top_500	Lindex	Top_500	TomTom
Top_350	F.Hinds	Top_350	Rohan	Top_500	Distinctive Doors	Top_500	Logitech	Top_500	Triumph
Top_350	Fendi	Top_350	Roman Originals	Top_500	Dobbies Garden Centres	Top_500	Lululemon	Top_500	Under Armour
Top_350	Field & Trek	Top_350	Scan	Top_500	Dover Street Market	Top_500	Mennace	Top_500	United Colors of Benetton
Top_350	Fitness Superstore	Top_350	Snow+Rock	Top_500	Ecco	Top_500	Michael Kors	Top_500	Versace
Top_350	Fossil	Top_350	SoleTrader	Top_500	Epson	Top_500	Mobile Phones Direct	Top_500	Viking
Top_350	French Connection	Top_350	Staples	Top_500	Farrow & Ball	Top_500	Monica Vinader	Top_500	Virgin Wines
Top_350	Games Workshop	Top_350	Stella McCartney	Top_500	Firebox	Top_500	Muji	Top_500	VitalSource
Top_350	Gucci	Top_350	Stradivarius	Top_500	Fired Earth	Top_500	Muscle Food	Top_500	Warren James
Top_350	Guess	Top_350	Superga	Top_500	Fitbit	Top_500	Music Magpie	Top_500	Watchfinder
Top_350	Guertarguitar	Top_350	Surfdome	Top_500	Flannels	Top_500	Naked Wines	Top_500	Wedgwood
Top_350	Hackett	Top_350	Swarovski	Top_500	Footpatrol	Top_500	Neptune	Top_500	Weekday
Top_350	Hamleys	Top_350	T.M. Lewin	Top_500	Forbidden Planet	Top_500	New Balance	Top_500	Weldricks Pharmacy
Top_350	Harveys	Top_350	Toolstop	Top_500	Fraser Hart	Top_500	Nintendo	Top_500	West Elm
Top_350	hmv.com	Top_350	Trespass	Top_500	fred Perry	Top_500	Oakley	Top_500	Wish
Top_350	Hollister	Top_350	Tripp	Top_500	funkypigeon.com	Top_500	The Original Factory Shop	Top_500	Wyevalle Garden Centres
Top_350	Hotter	Top_350	Vape Club	Top_500	G-Star Raw	Top_500	The Outnet	Top_500	YesStyle
Top_350	HP	Top_350	Warehouse	Top_500	GAK	Top_500	Philips		
Top_350	The Idle Man	Top_350	Watches of Switzerland						
		Top_350	Wynsors World of Shoes						
		Top_350	Yankee Candle						

ARGOS: SPEAK UP FOR INNOVATION



Image credit: Argos



Argos has invested heavily in voice technology, a new way to help customers browse and choose the items they want to purchase

ARGOS HAS LONG defined its retail brand through the innovation and technology that it deploys in the shopping experience. Through its strategic use of technology, the retailer offers its customers a range of convenient ways to buy products. That's important for Argos since many of the general merchandise product it sells are not exclusive to the retailer. Since last autumn, its customers have been able to browse and order from its range via a new and potentially convenient channel – voice.

Shoppers can speak their searches via Google Assistant, choosing from a range of more than 20,000 toys, home essentials and technology products. Once they've identified the items they want to buy, they can reserve them for collection from more than 850 branches of Argos.

At the time the service was launched, John Rogers, Argos chief executive, emphasised how the new service fits in with the Argos brand.

"Argos is a digitally led business at the forefront of technology, and it's really exciting that we are harnessing the simplicity of voice ordering with the convenience and popularity of click and collect to make our customers' lives

easier," he said. "We predict that the Voice Shop service will be a big hit and we will develop and refine the offer further as we get feedback from our customers."

Today, voice is one of a range of channels that Argos customers can use to engage with the retailer. They can follow Argos at YouTube, Facebook and Twitter, and order via channels including its website and its mobile app, as well as in-store. Features on the retailer's YouTube channels include a range of unboxing videos, and a playlist of videos from Argos testers – one video featuring a My Little Pony unboxing had 99,000 views at the time of writing. Argos also features its videos, such as a 'holiday heroes' series of ads, across its social media channels, and runs a wide range of competitions on its Twitter and Facebook channels – where Argos' fast-track delivery and collection services also get high levels of response from predominantly happy shoppers.

Argos stands out in IRUK Top500 research for its use of personalisation, and for services that it offers that are less commonly found among the Top500 – its use of product reviews and ratings and of live chat on its mobile app.

Argos was bought by Sainsbury's in 2016. As we explore in the Sainsbury's case study (opposite page), the supermarket has used Argos to deliver on its own brand message of shopper convenience, enabling its shoppers to order and pick up the wide range of non-grocery goods that Argos sells from within its own supermarkets. ■



DIMENSION SCORECARD © i f s RetailX 2019 IRUK18/Brand Engagement/March

Search visibility



Social media



SAINSBURY'S: RECIPES FOR SOCIAL SUCCESS

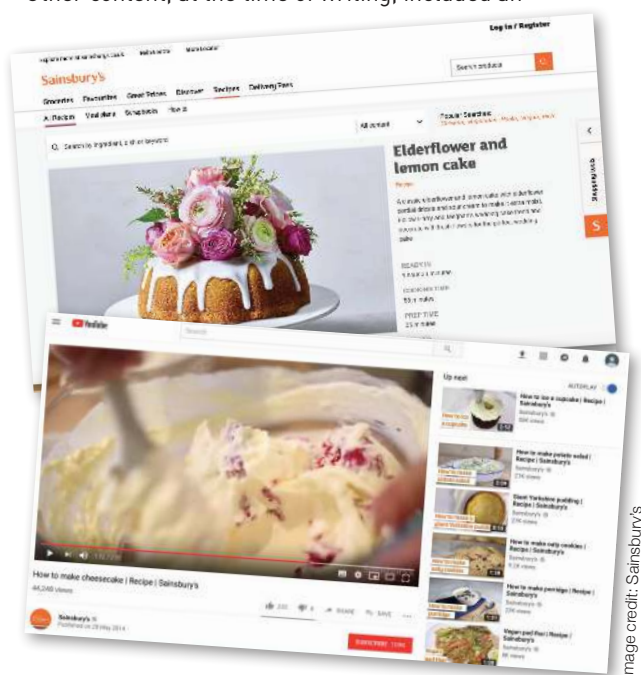
FOOD IS AT the heart of Sainsbury's social media conversations with its shoppers. Its website features a wide range of recipes, themed from Change4life healthy eating recipes through to vegan and family favourites. Website users can see information ranging from how popular those recipes are – the number of people that have saved the recipe is displayed – through to how much the recipes cost per portion, and whether there are any current offers on ingredients. Users can then click to add the ingredients directly to their grocery shopping baskets. By adding their dietary preferences to the website, shoppers can also be alerted if they choose any items that do not conform to their preferences – a useful piece of personalisation. Shoppers can then go on to share the recipes they have found on the website to Facebook, Twitter, Pinterest or via email, while saving them for future reference.

The conversation continues across social channels. The retailer's YouTube channel features a range of 'how to' cookery videos, as well as recipe demonstrations while its Twitter channel engages with shoppers predominantly via food-related discussions and by sharing recipes. Other content, at the time of writing, included an

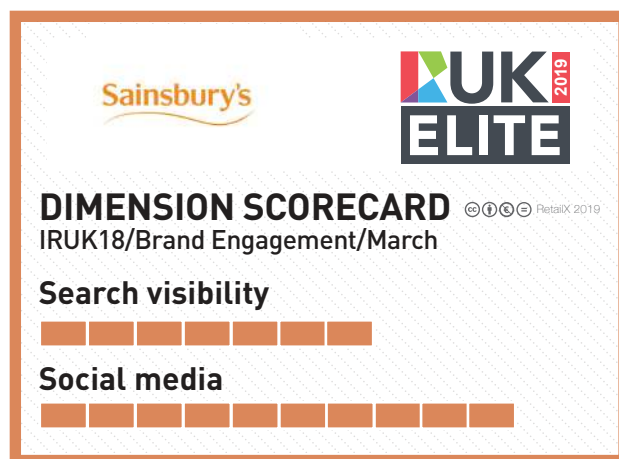
introduction to an in-store lanyard that helps to alert store staff to individual shoppers' hidden disabilities, and a video featuring a 103-year-old customer in the Isle of Wight who has a section in her local store dedicated to the products that she prefers.

Overall, it's highly practical content that shows why Sainsbury's stands out in IRUK Top500 research for a high friend count on Twitter and for the number of times that shoppers visit its website in a year. The retailer is also rated highly in RetailX research for the way it enables customers to share their opinions and contribute to the brand conversation whether by rating and reviewing products or by sharing products with friends via social media.

This approach fits with the supermarket's multichannel strategy of "being there for our customers whenever and wherever" they want to buy. It has invested in making it easier for shoppers to buy from the point that is most convenient for them, whether that's from a convenience store or online, from a mobile phone or from a larger supermarket. It has also made it simple to order general merchandise products from Argos – part of the Sainsbury's group since 2016 – for shoppers to collect when they come into a supermarket. In half-year results to September 22 2018, Sainsbury's said that it had 251 Argos stores in its branches, as well as 233 order collection points where customers can pick up their online orders. ■



Sainsbury's makes recipes easy to share



ANDERTONS MUSIC: TALKING TO A GLOBAL AUDIENCE

Jack Cooper of Andertons Music Co tells Chloe Rigby how the family-run business talks to an audience that extends well beyond its hometown

ANDERTONS MUSIC CO has a reach that belies its size. The third-generation family business trades from a single showroom store in Guildford, Surrey. Yet, to date, its YouTube videos featuring a unique take on the rock'n'roll instruments and equipment that its musician customers buy have been watched, collectively, for 1.03 billion minutes by viewers around the world – that's equivalent to 1,963 years and 148 days. Videos range from 15-minute overviews of the latest guitars, keyboards, other instruments and equipment in its product range, to hour-long interviews with musicians who are key to its product categories. This activity helps to bring musicians from as far afield as Australia and the US into the store, dropping in to take part in its regular events and masterclasses. It's also won the retailer a Top50 place in the Brand Engagement Dimension of the IRUK Top500, alongside retailers including Sainsbury's, Argos and Boots.

DEVELOPING A CONTENT STRATEGY

Andertons' content-driven brand engagement strategy is aimed at taking the in-store experience to customers wherever they live, and video is at the heart of that strategy. The retailer was an early YouTube adopter, and today uploads about 15 videos a week to the channel, sharing them on its ecommerce website and across its social channels. "We use the YouTube content as the ammunition and then we use the website, social channels and email marketing to fire all the ammunition that we're given," says Andertons' digital marketing manager Jack Cooper.

He adds: "We create a lot of content for different customer touchpoints, whether they're in the research phase, the comparison phase or the post-purchase phase and whether it's video content, written content or social media content. For the size of our team, our output is fairly large. That's one takeaway from Andertons, our output of content is probably far higher than other ecommerce businesses. We're very



fortunate that our industry is inspiring and people love to consume content about it."

The content team at Andertons, part of a website team that numbers around 20, operates a two-week rolling content strategy. This strategy is informed by commercial events, from Black Friday to trade shows, by seasonal events and by product releases. "Then we largely follow a question-based SEO strategy," adds Cooper. "We will do our SEO research to drive the video and written content we create into some kind of formulaic approach. People may ask what's the difference between guitar A and guitar B. We'll use that to make content videos, and expand it into multiple ways we can use that based on different brands."

Within that content strategy, Instagram, on which Andertons has 100,000 followers, Facebook and Twitter sit alongside its brand-driving YouTube channel. Instagram is all about showing off the stylish, aspirational images that the retailer creates in-house. "One of the ways we use Instagram Stories is for giving a feel for what it's actually like to be in the shop," says Cooper. "Given that we've just got the one flagship store in Guildford, people do travel far and wide to come to the store but not everyone can."

SHARING WORD OF MOUTH

Andertons' Facebook page, meanwhile, is the forum for discussions. "We ask open-ended questions, prove or disprove hypotheses related to our products, and get our audience to chime in," says Cooper. "We want to be helpful."

Reviews and ratings are important in a similar way, providing what Cooper describes as "digital word of mouth". The retailer wears its Feefo gold 'trusted' badge proudly – and is able to use the technology to gain important



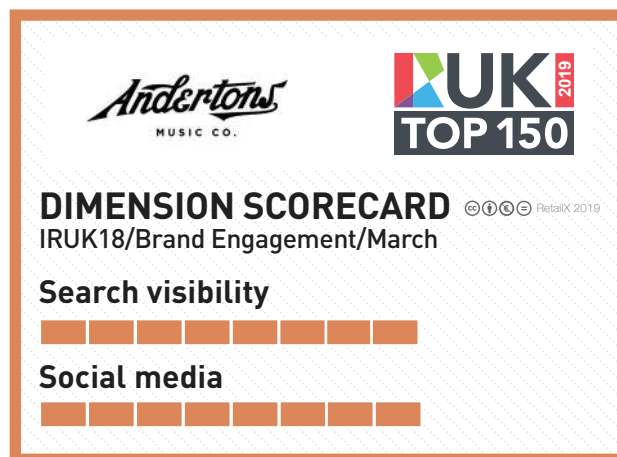
Jack Cooper (right), digital marketing manager of Andertons Music. The retailer uses social media to give viewers a sense of the in-store experience at its Guildford showroom (facing page, above)



Image credits: Andertons Music.

user-generated content. “It’s not just trusted reviews and people leaving really nice feedback,” says Cooper. “We use #Andertonsmademedit, a post-purchase campaign we kicked off at the back end of 2018. We’ve had well over 1,000 people share really cool pictures of their new stuff with us.”

Email marketing is important too. Rather than promoting a next product to buy, Andertons instead sends content that helps shoppers get the most out of their original purchases. “If someone buys a beginners’ guitar, we can follow up with content about how to make their regime better, how they can make sure they’re using all the resources available online, and how to maintain their first guitar. After about a year, we’ll follow up to see if they want to take the next step to an intermediate guitar,” says Cooper. “Research shows many musicians will give up after the first year, so there’s a bit of responsibility there to try and drive people to continue playing – we share content to help them get the most value out of their product. It’s not always about the sale for us. Our online presence is largely driven by how proud we are of our in-store experience. And we’re an open book – we’re quite a small team, always trying new things and wanting to provide the best experience for our customers.” ■



12 APPROACHES TO BRAND ENGAGEMENT

Retailers that take the time to strike up conversations with existing and potential customers stand out in the IRUK Top500 Brand Engagement Dimension. By providing information or inspiration that's of real value to shoppers, these traders make a sale a little more likely. Here, Chloe Rigby rounds up 12 highly practical approaches that leading retailers are taking as they find new ways to open conversations with customers

1 Put brand experience to the fore

The way that shoppers want to buy can be just as important to them as what they want to buy – and this can vary by generation. Retailers that think through the implications of how their customers want to buy their brands have come up with some very different approaches to doing business. Made.com, for example, has brought together a digital-first experience with showrooms in the UK and in Europe, as it looks to show its wares to shoppers in the way that best suits them. Customers who visit the showroom can browse goods almost in the same way as they might online, scanning QR codes to find out more about the item, while at the same time being able to touch, feel and test out a sofa or chair.

Speaking as the company unveiled plans for expansion across Europe, chief creative officer of Made.com, Jo Jackson, explained its approach. “Being a digitally native brand, online will always come first for us, but we know a human connection with the brand can be a valuable midpoint in our customer journey. We are doing something different with our physical spaces. They are not shops, they are brand experiences. Being able to touch and feel fabrics, discover new trends, get personal style advice, attend a workshop with one of our independent designers, or even play with new tech we are testing out in the space, these are all steps to build a deeper and more personalised relationship with our customer.”



Made.com says the idea of human connection is as important as its digital expertise to its shopping experience

2 Find new approaches to loyalty

Retailers win return visits and sales from their customers when they reward them for being loyal. Top500 retailers have taken a number of different approaches to this. Marks & Spencer, for example, has used gamification in its M&S Sparks loyalty programme. More than 7m customers have now signed up to the scheme, which gives shoppers their own choice of discounts and enables them to earn extra incentives as they engage with the brand.

Hotel Chocolat, meanwhile, has offered discounts, birthday gifts and other customer incentives in a new VIP Me rewards card initiative that it says will help it to build deeper relationships with its customers. Hotel Chocolat said in half-year results published in February 2018 that it had seen half a million new customers sign up to the card in the months following its launch.

3 Leverage utility

Features that are innately useful can help to boost shopper engagement with a trader or brand, bringing them back for something they find genuinely handy to have around. John Lewis' iOS app features a 'kitchen drawer' where receipts for items bought are automatically saved. Amazon customers, meanwhile, can see all of their previous orders when signed into their account – and can reorder an item with a single click. Traders including Clarks and Mothercare provide e-receipts, helping consumers ensure they don't lose the all-important proof of payment, while the retailers benefit from improving their view of the customer data.

4 Use new technologies to answer questions

Retailers that use technology to provide automatic conversations with shoppers enable them to get fast answers to easily answered questions, while customer service staff can focus instead on callers whose issues are more complex. Both Amazon and Very use chatbots to answer straightforward questions relating to areas such as orders and delivery, but shoppers are offered the option of speaking to a member of staff if necessary. Ocado, meanwhile, uses machine learning to sort incoming queries so that its contact centre staff can deal with them more easily.

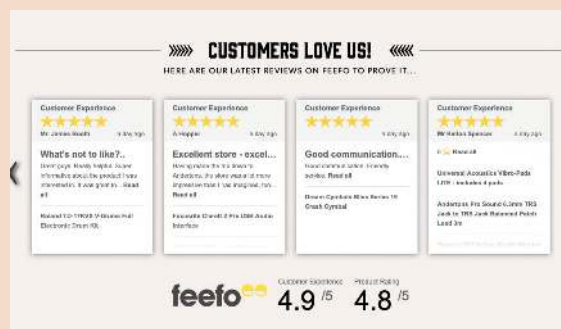


Image credit: Andertons Music

Andertons Music Co makes the most of its reviews – even those that are negative, which shows authenticity

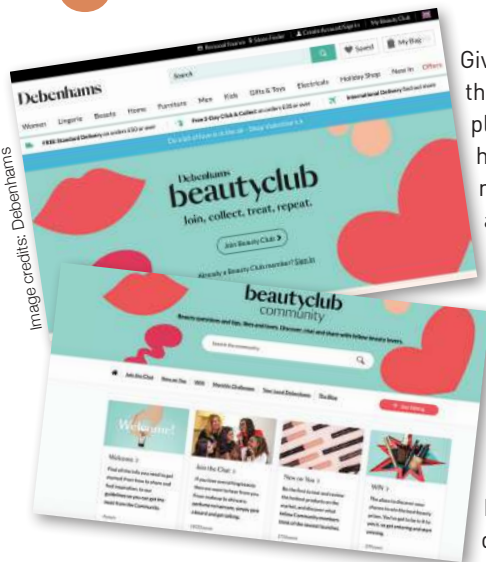
5 Deploy reviews and ratings strategically

When retailers go beyond simply sharing their reviews and ratings, they can attract customers' attention and inspire them to trust the brand. Shoppers can see the independent evidence that a retailer is trustworthy and choose for themselves.

Guitar and musical instrument retailer Andertons Music Co isn't shy about sharing its feedback. It boasts, "Customers love us!" on its home page, and demonstrates the point by sharing its latest Feefo reviews and star ratings, warts and all, above its Feefo ratings for customer experience and products.

12 APPROACHES THAT WORK

6 Make space to talk



Debenhams enables shoppers to talk about beauty products on its community

Giving customers the space and place to talk can help them find new ways to use a product they already have, or be inspired that a product is the right one for them to buy. Community forums enable browsers to ask questions of others who share their interests,

and find problem-solving recommendations.

There are several examples of such forums across retail categories. Department store Debenhams' Beauty Club combines a very active community forum with the chance to try out free samples, win prizes and build up points towards purchases. Members discuss products and share recommendations and images of how a product looked on them.

Over at the Screwfix community forum, meanwhile, conversations range from extending pipes to choosing scaffold towers. Insights gained through such conversations are not only useful to those taking part, but also to those who subsequently browse conversations as they look for answers to their own questions. For example, DIY customers can eavesdrop on tradespeople talking through tricky jobs, which is a useful way to access professional insights.



Screwfix enables community members to share trade advice

7 Use images to engage customers

A picture's worth a thousand words, so retailers can get their messages across by sharing images on social media that best represent the brand. Instagram is no longer just for fashion retailers. In 2019, 81% of Top500 retailers use the channels to share inspiring images and videos. Andertons Music chooses stylish images of guitars and other musical instruments, while Aldi uses its account to share inspiring food images and videos.

8 Use new ways to engage

Asian fast food chain Wasabi has used mobile to deliver a 'smart packaging' marketing play. When it launched its new Home Bento range in 200 branches of Sainsbury's, packaging featured a unique QR code that shoppers could scan in order to enter a competition to win a trip to Japan. Alternatively, they could type the one-off short URL into a web browser to enter the code featured on the ready meal packaging. The promotion uses technology from Thyngs to effectively turn packaging into a new engagement channel. Thyngs' analytics platform can in turn tell Wasabi who is picking up their ready meals at Sainsbury's and, as each competition entry code is unique, whether they are coming back for more.

Wasabi already uses Thyngs' near-field communication (NFC) technology in its frictionless Wasabi Club loyalty scheme. Andreia Harewood, senior marketing manager at Wasabi, said of the initiative: "Using Thyngs was a no-brainer as we had already run a successful loyalty programme with them and knew they would deliver both great service and fantastic returns."

Thyngs CEO Neil Garner said this represented "an entirely new channel of engagement" that would also give Wasabi insights into its customers along with their preferences.



Wasabi uses packaging in imaginative ways

9 Give shoppers good reasons to sign up

New retail models are evolving as brands sign shoppers up to regular deliveries through subscriptions. Graze, with its through-the-door healthy snack boxes, was one of the early entrants to a market that Royal Mail says will be worth £1bn a year by 2022. Graze has now been bought by Unilever, which hopes to learn more about the model and how it could work for its other brands. The model has successfully been applied to beauty, by Birchbox, while Pets at Home started by offering a regular flea powder subscription for dog and cat owners, and is now expanding this idea to other treatments. Last year, the pet supplies retailer said that subscription helped it to drive 75% growth in omnichannel revenues. Shoppers who signed up to join its VIP Puppy Club got incentives, including a month's free flea treatment subscription and a free vet nurse check, and spent 25% more on its goods and services as a result.

Meanwhile, more people are signing up to delivery subscription schemes that include free next-day delivery and returns for a set annual fee. Shoppers benefit because they have the certainty of free fulfilment once the initial fee is paid, while retailers benefit as shoppers keep coming back to buy for just that reason. The IMRG UK Consumer Home Delivery Review 2018/2019 found that 46% of respondents were members of a delivery loyalty scheme in 2018, up from 29.7% in 2017.

10 The role of the store in brand awareness...

Around 18% of retail sales currently take place online – leaving around 80% that take place in stores. The store plays an important part in offering shoppers the convenience of buying and taking away immediately, or of picking up an online order. But just as important, it's a reminder to shoppers of what the retailer represents. Established multichannel retailers such as Boots and Marks & Spencer continue to have a presence on high streets and in shopping centres across the UK, while for emerging retailers such as Quiz, stores play an important awareness-raising part in their expansion.

Pop-up stores from online players, including eBay and Etsy, have played an important role in raising brand awareness, while giving shoppers the chance to experience the brand in a more immediate way. Other online retailers have opened up within larger department stores. Swoon Editions, for example, has showcased its furniture within branches of Debenhams to good effect.

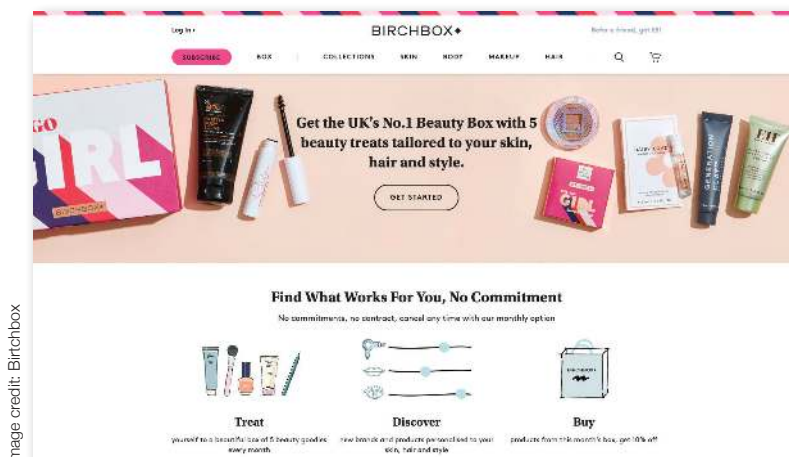


Image credit: Birchbox

Birchbox has found success with its subscription model

12 APPROACHES THAT WORK

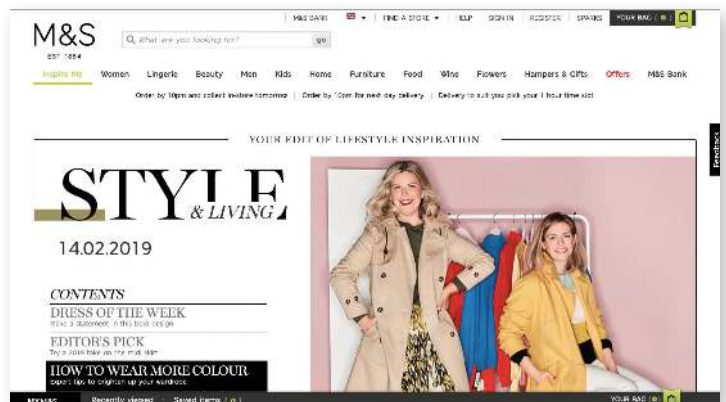
11 ...and in brand experiences

Bringing events into store helps to create communities that are still more social, in a place where it's easy to then go on to buy. By hosting events, retailers put their name front of mind when shoppers need to buy a product. Thus Lululemon hosts yoga classes, Rough Trade has in-store gigs, Waterstones frequently hosts talks from authors, and John Lewis holds a range of workshops to share best approaches to a number of tasks.



Buy the album, see the band. Rough Trade uses store appearances by artists to help drive sales

Image credit: Rough Trade



12 Use content alongside commerce

Retailers that provide editorial-style content on their transactional websites go a long way to give shoppers context. By suggesting how the items they sell might fit into readers' lives, retailers can inspire, explain, and show through the deft use of lifestyle imagery how products might be used in practice.

Marks & Spencer offers advice through its Style & Living section, where recent features focused on outfits for a children's playdate, wearing more colour, a 2019 approach to the midi skirt, and bringing spring into the home. Editorial pieces feature links to shop the look or a sign-up to a daily newsletters. The Burberry site, meanwhile, takes an image-led approach to features on areas from gift suggestions through to, recently, a collection that marked the Chinese New Year.

By providing more actively engaging content, retailers keep shoppers' attention and boost the chances of them returning to the website to read and discover more.



Image credits: Marks & Spencer

M&S uses content to keep visitors on its website longer

INFORMED CONSENT

In a post-GDPR world, how are brands now engaging with their customers? Chloe Rigby reports

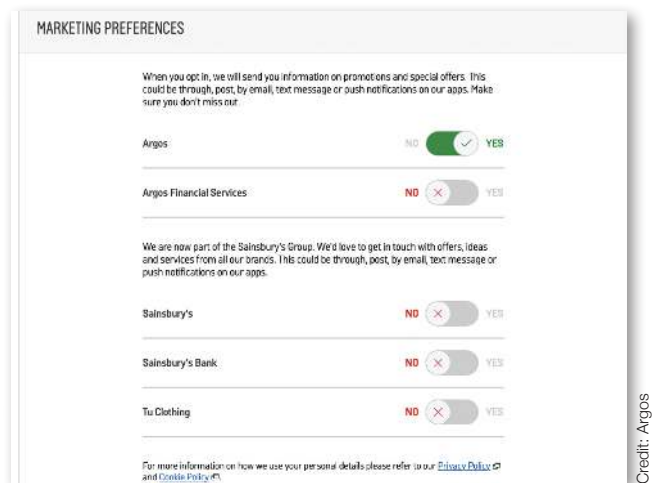
JUST AS TODAY'S shoppers are using an ever wider variety of channels to buy through, so retailers are also using an ever wider variety of channels to get in touch and engage with shoppers. The technology is there to allow them to send messages via email and text, as well as getting in touch by post. They're able to send notifications direct to those that have downloaded their app. But today they are operating in an environment that's been radically changed by GDPR regulations. That's changed the way that retailers may now engage with shoppers. In the light of that change, some businesses are now going further to ask shoppers not only whether they'd like them to be in touch, but how they'd like that contact to be framed.

WHAT IS GDPR?

When General Data Protection Regulation (GDPR) came into force in the UK and across the European Union in May 2018, the broad aim was to put power over consumers' data back into the hands of the individual.

The new law says that data held on recognisable individuals must now be "processed lawfully, fairly and in a transparent manner," that it must be only used for the purposes that it was collected for before being safely disposed of, and that it must be kept accurate. Consumers have a right to see what data a company holds on them – and to have it corrected if it is inaccurate. It's about, says the Information Commissioner's Office guide to the subject "offering real choice and control." It adds: "Genuine consent should put individuals in charge, build trust and engagement and enhance your reputation." Failing to get clear consent could have harmful effects, it warned: "Relying on inappropriate or invalid consent could destroy

“Most people unsubscribe through the brand website or by clicking a button in an email”



Credit: Argos

Argos offers a range of marketing sign-ins

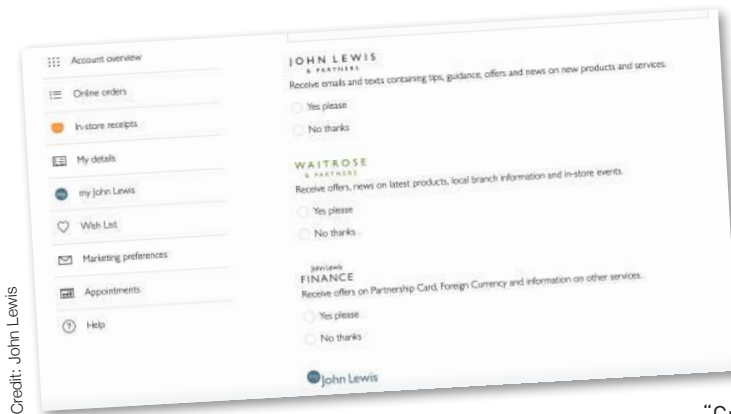
trust and harm your reputation – and may leave you open to large fines.”

At a practical level this meant that retailers should make sure their consent processes met the standard, were specific enough for the use that they intended to make of the data, and required a positive opt-in. They also had to make it easy for consumers to change their mind and withdraw their consent.

THE EMAIL EFFECT

Back in May, consumers probably first noticed the arrival of the GDPR regulations because they received a flood of emails from retailers and service providers of all kinds, notifying them that those organisations held personal information on them and offering them the option to review or delete it. Now that the dust has settled, the first evidence is emerging of what's changed as a result of the legislation.

Recent research from the DMA suggests that shoppers are taking more control of the marketing that they receive, and that that's likely to be as a result of the GDPR regulations. Its Consumer Email Tracker 2019 found that most consumers (59%) said they preferred brands to get in touch with them via email. It also found that respondents were signed up to fewer emails than they were before



Credit: John Lewis

John Lewis sets out the options

GDPR. In 2019, it said, shoppers received email messages from an average of nine different brands. That's down from 12 in 2017. "The figures," commented the DMA, "are a potential by-product of the new laws and consumers' belief they have more control over the marketing emails they receive."

It found that shoppers were more likely to sign up to receive brand emails because they wanted discounts and offers (51%) but were also likely to do so because they were a regular customer (46%) or because they had joined a loyalty scheme.

But while loyalty may encourage them to sign up, other factors led to them unsubscribing. The primary reason for unsubscribing was because people received too many messages (59%), followed by the decision to opt out because the messages were no longer relevant (43%) or because they didn't recognise the brand (43%).

So just how do retailers take control? Most (70%) people, found the DMA study, unsubscribe through the brand website or by clicking a button in an email. Once they've done that, 40% expect never to hear from the brand again via email, or to only hear from them through transactional emails relating to a specific purchase (23%).

But a minority of shoppers (17%) also expect to be able to change their email preferences or complete a survey that shows marketers why they are leaving. That seems to be a smart option for retailers to offer, since those shoppers may well choose to tailor their agreement to suit their own preferences rather than opt out altogether. Asked how they respond when given control over how often a company gets in touch, 36% said they would like to reduce the frequency of emails, and 31% would like to choose the products or services they get emails about. Those two factors were among the key reasons why a consumer might hit unsubscribe. Marketers that get it right can continue to send customers messages – on their own terms.

"It's fundamental," said Rachel Aldighieri, managing

director of the DMA, commenting on the organisation's study "that marketers combine convenience and relevance, building relationships based on transparency and trust."

And Phil Draper, chief marketing officer at dotdigital, which sponsored the DMA report, agrees. "Creating powerful two-way relationships with consumers should be at the core of all modern marketing strategies. It's what consumers want and what marketers are working to deliver. The fact that brands have reduced the number of emails they're sending is an indication that brands are focusing more on delivering relevant and interesting content."

One retailer says that retailers operating in a GDPR world now use email differently.

Jack Cooper, digital marketing manager at Andertons Music Co, said: "I think the goal posts for emails have definitely changed. It's not so much a mass communication tool as it was a few years ago when you might send a couple of hundred thousand people a mass email, and drive them to the website for a small percentage of sales. Our conundrum is making a business case so it's small enough to be effective but large enough to be relevant to the user. Can we follow up the post-purchase campaign based on where the customer is in their lifecycle and in terms of relevance? I think we're in that kind of period, working out if that's going to be a long-term and successful piece of work for us. We're fortunate that we have enough content to be able to do that, and I think it shows that the focus is on providing an experience rather than a hard sale approach."

ENGAGING BEYOND EMAIL

Email may be the key channel for retailers to contact shoppers, but it is not the only one. The information they hold may also be used for text messages related to a transaction they have made, to send catalogues by post, or for notifications via a smartphone app. Some leading retailers are now making a virtue out of ensuring that their customers are clear what data they hold, and how they will use it.

Peter Thomas, CTO at Attraqt said on a recent InternetRetailing webinar, *The Journey from Data to Shopping Experiences: Making AI Work For You*, that trust and confidence were prerequisites to a good shopper

“A number of clients ... are deliberately designing their shopping experience to be very explicit about consent”

experience. “GDPR has given rights to the shopper to find out what information is being held out them and to have control over that,” said Thomas. Many websites, he says, are currently presenting consent through the choice of accepting or rejecting website cookies. On clicking to find out more, users may discover that they can make more sophisticated choices to regulate the communications they are sent, and decide whether data can be passed to third parties for marketing purposes. “For myself I’ve come very distrustful of that type of interaction because by default I’m agreeing to share everything – I’m not sharing just the data that’s going to enhance my shopping experience which is really why I want to do,” he said. But, he said, there was a better way, and one that with better implications for business reputations. “A number of the clients that we’ve been working with are really tuned into this trusting connection with their shoppers because it’s a very important part of their brand,” said Thomas. “They are deliberately designing their shopping experience to be very explicit about consent so that they present right up front exactly what information is collected, exactly what it’s used for and make it very clear how shoppers can revise their choices going forward, so there’s no confusion about what data is being collected. It’s very open and it generates a lot of confidence on the part of the user. Trust takes years to build, seconds to break and forever to repair. That’s very clear when you’re building customer confidence.”

Thomas didn’t name his clients, but we took a look at a number of leading IRUK Top500 retailers to see how they deal with consent on their websites.

One Top500 retailer whose brand is built on trust is John Lewis. On clicking on the ‘sign me up for emails’ button on its website, shoppers are offered clear information about what type of messages they can expect to receive. Customers can then go on to sign in to an account and amend their marketing preferences, choosing whether to

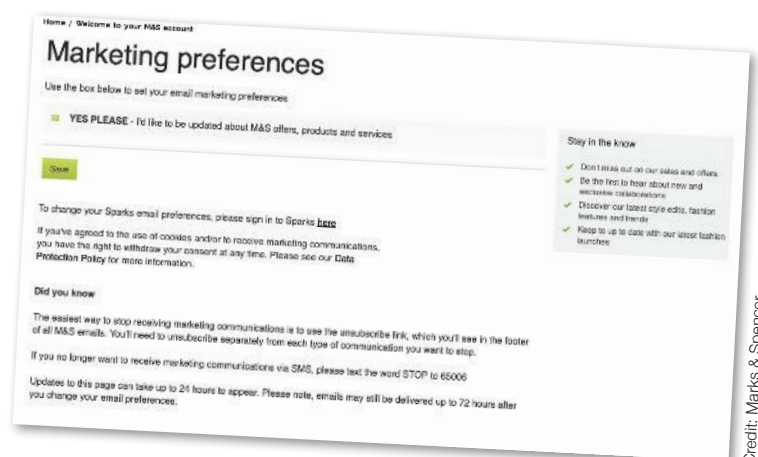
receive emails and get texts from John Lewis, Waitrose or John Lewis Finance. The retailer also points out how shoppers can use their smartphone settings to stop receiving notifications from the app.

Over at Marks & Spencer, the retailer has a video explaining what details it collects and how they are used to make personalised offers to shoppers through its M&S Sparks club. Those signed into its account can give or withdraw their consent to receive marketing messages. The retailer also advises shoppers on the fastest ways to unsubscribe from its text messages and emails.

Argos too enables those signed into accounts to amend their marketing opt ins, and also enables them to choose whether the site should remember them – and anything they have left in their trolleys against a future visit.

Finally, Amazon enables customers, once signed in, to determine their direct mail and email preferences, promising, “We’d like to stay in touch, but only in ways that you find useful.”

These leading retailers are enabling shoppers to ensure that they’re only getting the marketing information that they want, via the channel that they want to receive it. By doing so they’re not only working to comply with GDPR, but they’re also ensuring that the customer gets the level of engagement that they want, on the terms that they want it. That’s got to be good for fostering trusted relationships between retailer and customer well into the future. ■



M&S keeps its customers informed

HOW LEADING RETAILERS USE FACEBOOK

RetailX researchers took an analytical approach to find out how leading UK retailers use Facebook in practice. Fernando Santos, RetailX project manager, explains how they did it, and what they found

FACEBOOK IS NOW a fact of life for most leading UK retailers. IRUK Top500 research shows that with 94% of retailers using Facebook, the social media platform is both the single channel that retailers are most likely to use, and the most widely used in the industry.

But does the way they use it vary between brands, or is there a common approach that most retailers take to the channel? We've gone back to a study that we first carried out in 2018 which analysed the Facebook content of the Top50 retailers. In 2019, we looked at the most recent post published on the social media feed of the Top100 retailers and analysed the different elements that it included, from the type of content to the messages that the content aimed to share. We also looked at what time retailers published the posts. By doing so, we believe we've built a snapshot of social media in practice.

CONSIDERING CONTENT

This group of leading UK retailers stands out for its use of images on Facebook. Eight in 10 (81%) of the posts analysed featured a picture. Those images were not used in isolation – 73% of the posts that we analysed were immediately preceded by a post that used the same approach. Overall, most retailers used two pictures in a row.

Video was used in 12% of posts, while 6% featured a gif. Only 1% were text-only, suggesting that most retailers do choose to illustrate their messages, likely judging that this will make them more engaging.

MEASURING INTENTION

The largest group of posts – accounting for just over half (52%) of all those analysed – was designed to promote or encourage visits to the ecommerce website that each retailer operated.

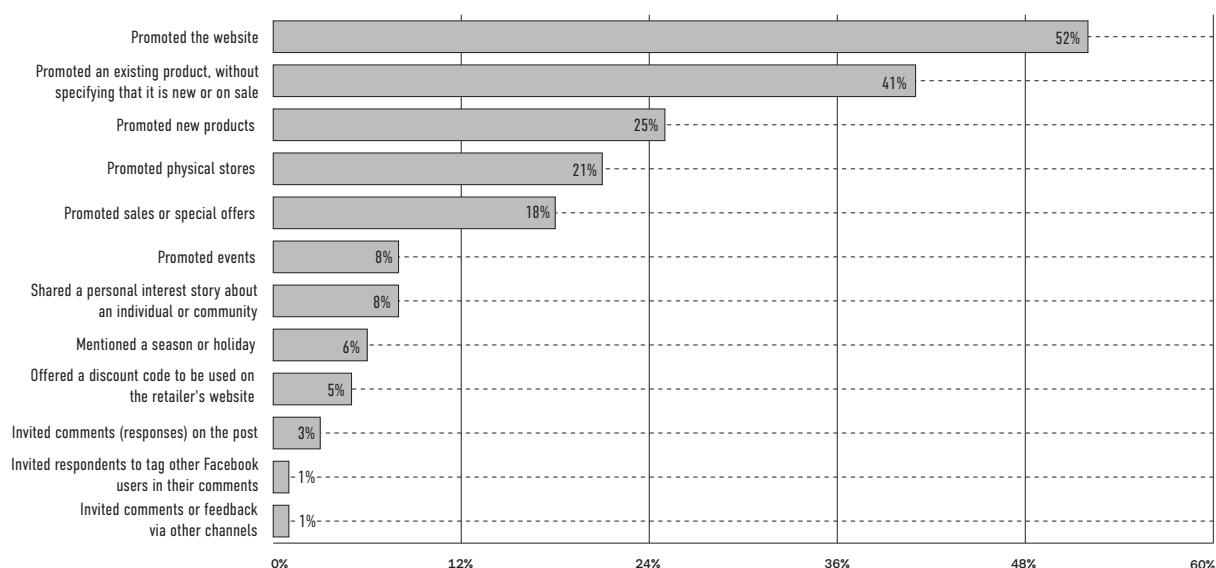
“ In 2018, few Facebook posts gave the impression of starting a conversation ”

Four in 10 (41%) were designed to promote an existing product, while 25% specifically promoted new products. One in five (21%), meanwhile, directed shoppers towards physical stores, while 18% of posts were designed to promote either a sale or a discounted special offer. Discount codes that could be used on the retailer's website were shared on 5% of posts.

A small minority of posts were in categories that we'd class as being more engaging. Only 8%, for example, promoted an event other than a sale, while 6% mentioned the season or a holiday. The same proportion focused on a personal interest story about an individual or a community. Meanwhile, few Facebook posts gave the impression of starting a conversation. Just 3% of posts invited readers to send a direct message or post a comment, while 1% invited them to tag friends in order to include them in the conversation. The same proportion invited shoppers to add comments or feedback via another channel, asking, for example, readers to email the retailer on a Facebook post.

HOW THE TOP100 USE FACEBOOK

An analysis of the retailers' most-recent three Facebook posts as of late February 2019



CC BY NC ND RETAILX 2019

RetailX Social Media post analysis found that retailers dedicate a large share of their posts to inviting Facebook users to their e-commerce website and the promotion of products, while posts inviting their followers to participate, by commenting, giving feedback or tagging friends were rarer

FOCUS ON FREQUENCY

The median Top100 retailer added one post to their Facebook page every day, at a median time of 12.30pm, UK time. The largest group of posts was published in the morning – 46% of the Top100 posts were added before 12 noon. Just over a third (33%) were added between noon and 8pm, while the remaining 19% were added in the evening.

DIRECTION OF TRAVEL

How have things changed since last year? We can't draw direct comparisons, since last year's research focused on the Top50 rather than the Top100. But putting our findings from the two years side by side may help build a picture how retailers use social media to engage with their existing and potential customers.

With these caveats in mind, it's interesting to note that a larger proportion of Top100 retailers offered discounts in their 2019 posts (18%) than were found among the Top50 in 2018 (12%). They were more likely to promote new products on a post in 2019 (25%) than in 2018 (10%). In 2018, 34% of posts provided information about a product, while 41% did so in 2019. Events were flagged up by 8% of posts in both years, but fewer encouraged readers to comment in 2019 (3%) than in 2018 (20%). That may be down to the luck of the draw, but it may also suggest that across the Top100, retailers are now less likely to devote their resources to answering social media messages. ■

CONCLUSION

AS WE'VE SEEN in the pages of this report, multichannel retailing isn't just changing the way that people buy. It is also – or at least it should be – changing the way that businesses talk to their customers. What's changing is not only how retailers get in touch with shoppers, but also where, when and what they talk about when they do. We've reflected on how this change brings challenges and opportunities, to find new ways to talk, to inspire and to respond. Just as retailing has become customer-centric, so too must brand engagement. This is even truer in a post-GDPR world. Retailers must now talk to their customers about how they want to engage with those who'd like to sell to them. They must find out what the customer thinks is appropriate and give them the options that they want to use, rather than remaining firmly on broadcast mode.

That's a good thing. Being in listening mode is not just about complying with the letter of the law, but also about hearing – and adapting to – what customers really want. Being open to new engagement models may well deliver new, and perhaps as yet unimagined, ways of hearing customers.

It's not just about hearing what traders want to hear either. By dealing with shoppers' complaints as well as their aspirations, retailers can learn from what's gone wrong to redesign processes that better serve the end consumer. Retailers that talk only among themselves are not likely to be the ultimate survivors when it comes to brand engagement. Perhaps it's now the case that to be truly customer-centric, retailers must listen first, and then engage with what's been said, rather than imagining solutions that suit their needs first.

Over the coming year, we'll be continuing to monitor these issues through our ongoing RetailX research. We're always 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 or tweet @detail with #IRUK500. ■

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