

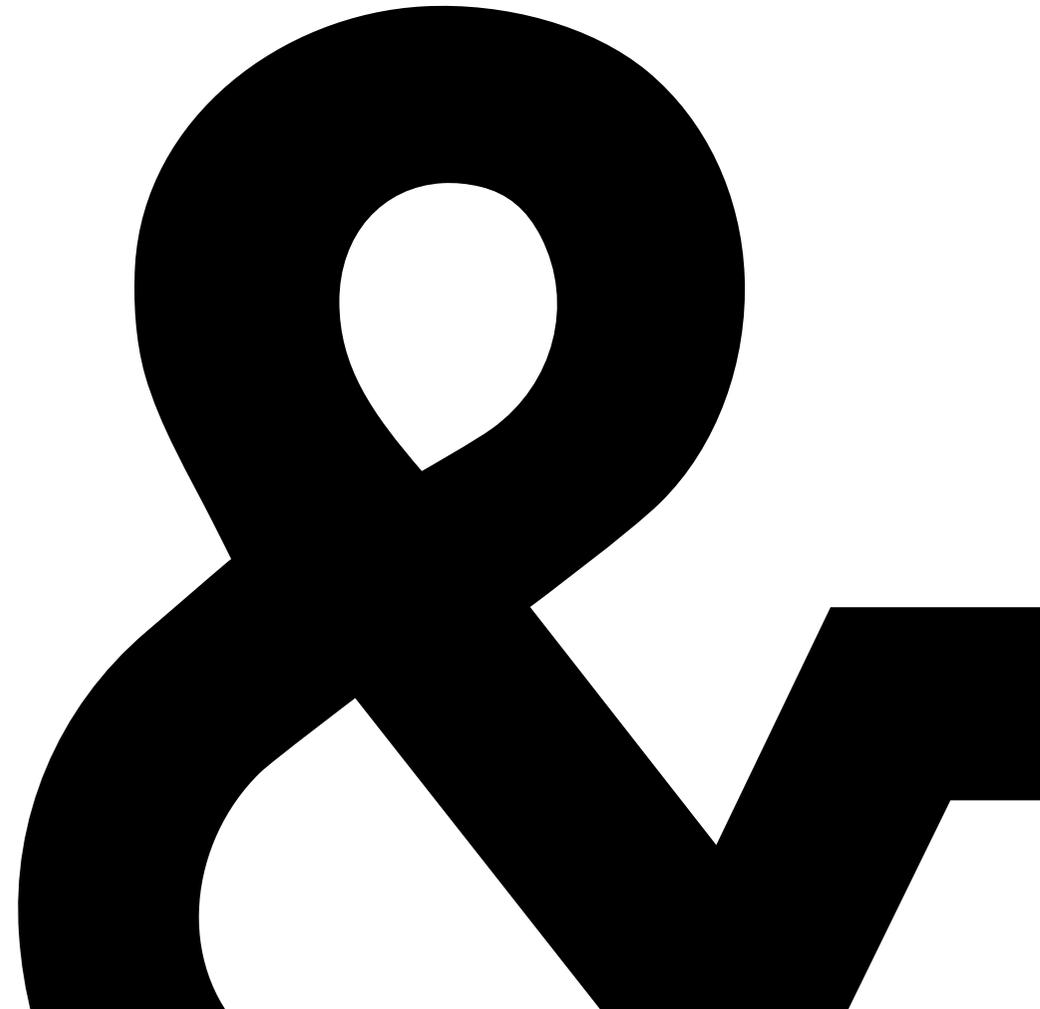
MULTI-CHANNEL RETAIL REPORT

2016 UK Edition

Report analysing multi-channel retailers
in the UK, based on the core tenets of
multi-channel retailing.

AMPERSAND

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FOREWORD

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To your customer, ecommerce and in-store retail are essentially the same thing.

Ecommerce and in-store retail are essentially the same thing to your customer. It's all just shopping. How the customer chooses to buy from one retailer over another is influenced by a myriad of factors. One major influencer in the current retail climate is the ease of researching and buying products across the multiple channels available to them: mobile, desktop, tablet, in-store, from home, from work, on the train. Customers want the best experience across all channels, with the most appropriate options being available for whatever device they are using at that particular moment.

Buying online shouldn't be the poor cousin to shopping in-store. Likewise shopping on a mobile shouldn't be a lesser experience to shopping on a desktop or tablet. It's also worth noting how consumers use these different channels. Often the consumer doesn't complete their purchase on a phone or tablet. However, they are using their mobile extensively throughout the purchasing journey to aid their decision to buy or not to buy.

Real time stock updates, geolocation information and flexibility in purchasing and delivery methods are some of the ways retailers are providing a seamless journey from in-store to online. The ones doing it best will be edging ahead of the competition as they make it easier for consumers to spend their money with them.

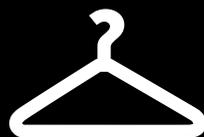
The customer should experience the same fuzzy feeling they get from your brand wherever and however they choose to interact with it. That is when retailers can be confident that they have created a true multi-channel experience.



Darryl Adie

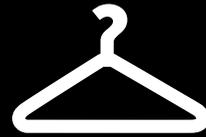
Managing Director, Ampersand

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Retailers

Adidas	Crew Clothing	H&M
American Golf	Currys	Habitat
Ann Summers	D&G	Halfords
Anya Hindmarch	Debenhams	Hamleys
Apple	Diesel	Harrods
Aquascutum	Dior	Harvey Nichols
Argos	Disney Store	Harveys Furniture
Armani	Dune	Hawkin's Bazaar
B&Q	Dunelm	HI Weldricks
Barbour	Dunnes Stores	Hobbs
Bathstore.com	Early Learning Centre	Hobbycraft Group
Bensons for Beds	Estee Lauder	Holland & Barrett
BHS	Evans Cycles	Homebase
Blacks Outdoor Division	F Hinds	Hoopers
Boots	Farfetch	Hornby
Build A Bear	Fat Face	Hotel Chocolat
Burberry	Field & Trek	House of Fraser
Cameraworld	Flannels	Hughes Electrical
Carphone Warehouse	Fortnum & Mason	Iceland
Chain Reaction Cycles	Foyles (W&G Foyle)	Ikea
Clarks	Fred Perry	Interflora
Clas Olsen	French Connection	Jaeger
Clinton Cards	Furniture Village	JD Sports
Coast	Game	Jessops
COS	Gap	Jigsaw
Cotswold Outdoor	George	Jimmy Choo
Crabtree & Evelyn	Go Outdoors	John Lewis
Craghoppers	Gucci	Karen Millen



Retailers

Kiddicare
Kurt Geiger
Laithwaites
Laura Ashley
Lego
Liberty
Links of London
Lloyds Pharmacy
Lush Retail
M&Co
Majestic Wine
Mamas & Papas
Manor Pharmacy
Maplin
Marc Jacobs
Marks and Spencer
Matalan
Menkind
Mint Velvet
Miu Miu
Molton Brown
Morrisons
Mothercare
Mulberry
Multiyork Furniture
Nespresso UK Ltd
New Look
Next

Nike
O2 UK
Oak Furnitureland
Paperchase
Paul Smith
Pets at Home
Poundland
Reebok
Richer Sounds
River Island
Robert Dyas
Rohan
Rowlands Pharmacy
Ryman
Sainsburys
Schuh
Screwfix
Scribbler
Selfridges
Simply Be
Smyths
Smythson
Space NK
Specsavers
Speedo
Sports Direct
Staples
Superdrug

Tesco
Tesco Direct
The Body Shop
The Entertainer
The Fragrance Shop
The Pen Shop
The Perfume Shop
The Whisky Shop
Thomas Pink
Thorntons
TJ Hughes
TK Maxx
Top Shop
Toys R Us
Vodafone
Waitrose
Waterstone's
WH Smith
Whistles
Whittard of Chelsea
Wickes
Wilko
Zara

CRITERIA



We have defined a **multi-channel retailer** as one that offers a wide range of consumer goods in different product categories.

The retailers chosen for this research must sell goods online and through at least one physical branded presence in the UK. We surveyed 163 retailers that fit the bill. The retailers were then split into the following sectors: General (all), Fashion, Department, Electrical, Children, Luxury, Food, Health & Beauty, Home & DIY, Sports & Outdoor, Stationery & Gifts.

The **Ampersand Retail Matrix** score for each retailer is based on the core tenets of multi-channel retailing online. We have considered a wide range of factors, all applicable to specialist multi-channel retailers. The Retail Matrix identifies the best-performing multi-channel retailers, when compared by online experience.

The result? A unique insight into high street retailers selling online in the UK.

Retail 2016 / General

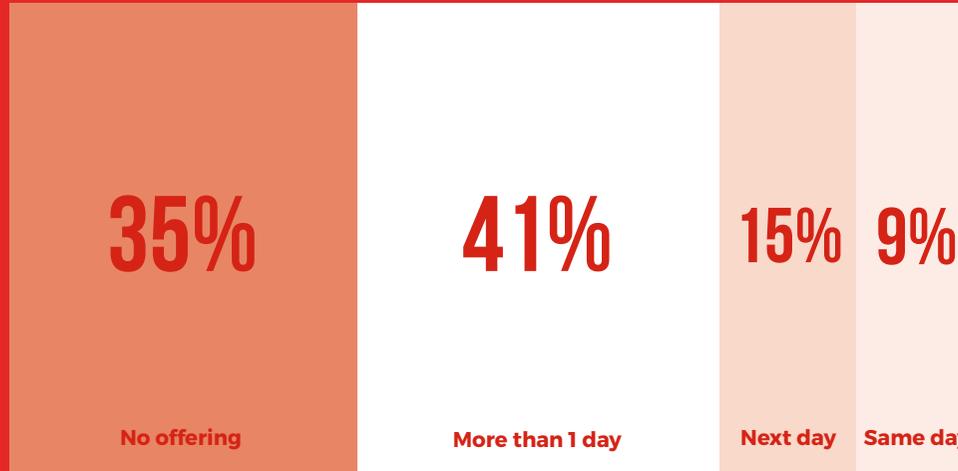
163



high street retailers



sells online & has stores in UK



Click and collect offering and fulfilment speed



Offers faceted navigation



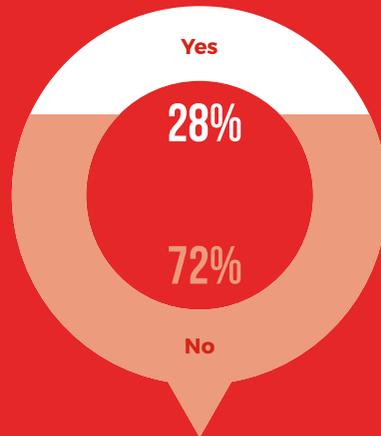
Offers persistent cart



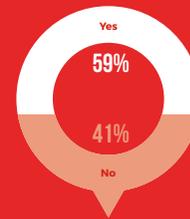
Offers real time stock info



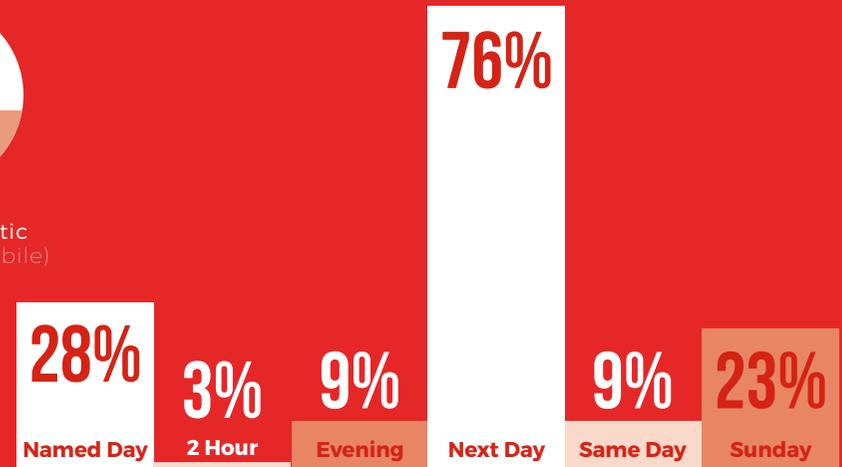
Offers non-store collection



Offers automatic geolocation (on desktop)



Offers automatic geolocation (mobile)



Home Delivery Offering

Retail 2016 / Fashion

72



high street fashion retailers



sells online & has stores in UK



Click and collect offering and fulfilment speed



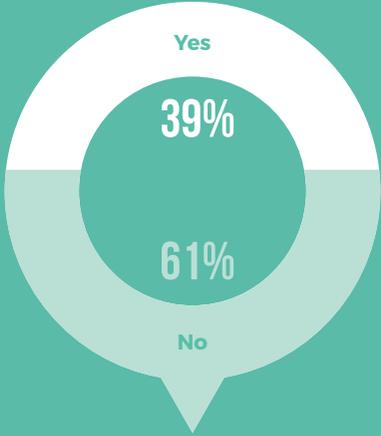
Offers faceted navigation



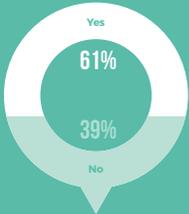
Offers persistent cart



Offers real time stock info



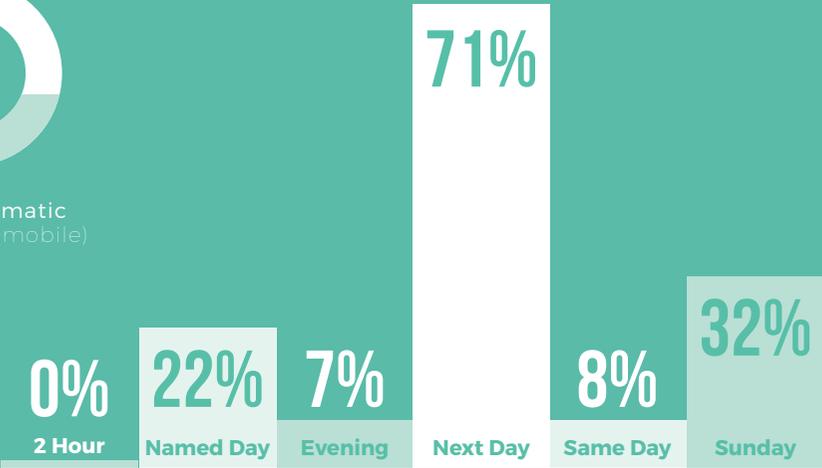
Offers automatic geolocation (on desktop)



Offers automatic geolocation (mobile)



Offers non-store collection



Home Delivery Offering

Retail 2016 / Department stores

18



multi-channel department stores



sells online & has stores in UK



Click and collect offering and fulfilment speed



Offers faceted navigation



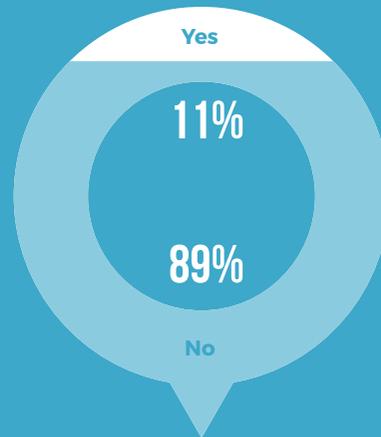
Offers persistent cart



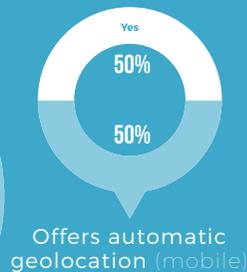
Offers real time stock info



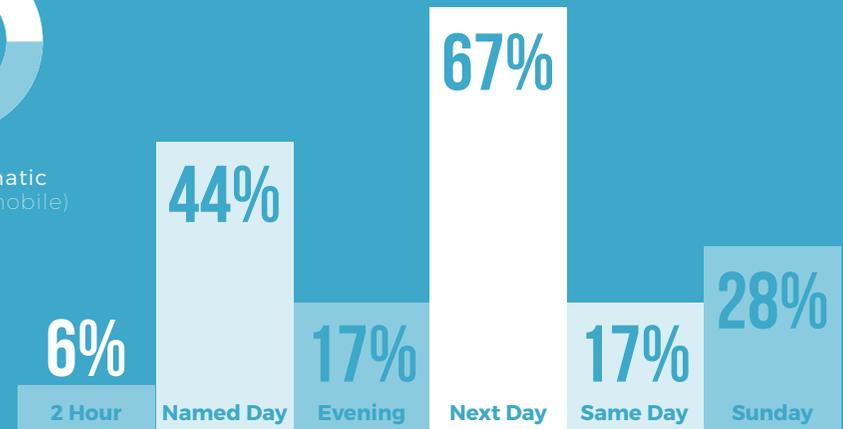
Offers non-store collection



Offers automatic geolocation (on desktop)



Offers automatic geolocation (mobile)



Home Delivery Offering

RESULTS / BENCHMARKING

Comparing Multi-channel Retail Matrix scoring by sector



See how you compare. Download the Multichannel Retail Matrix (Excel file). [Click here >](#)

54

Median score
General

General covers all the stores in our Retail Matrix Report. A full list of stores included can be found on page 4 of this report.

57

Median score
Fashion

Fashion covers all stores that sell apparel including stores that sell other items too.

56

Median score
Department

Department covers large retail stores stocking many varieties of goods in different departments.

The gap between the different sectors is closing, indicating that all sectors are raising standards across the multichannel experience.

ANALYSIS

Technology

We use Google Developers PageSpeed Tool for scoring speeds on both desktop and mobile. From this we organise the results into three scoring categories for mobile: below 50, 51 to 71 and 72 to 100 and 3 for desktop, below 50, 51 to 81 and 82 to 100. F Hinds has the best desktop speed score so it's a bit of a shame that they are in our bottom 10 due to not having a transactional mobile site amongst other things.

A third of mobile sites still fall below 50 but that is an improvement from over half scoring below 50 in 2015. We're still waiting to see if any retailers can raise the bar with consistent speed scores on mobile of 72 to 100, at present it's only Hotel Chocolat and Schuh hitting those high scores.

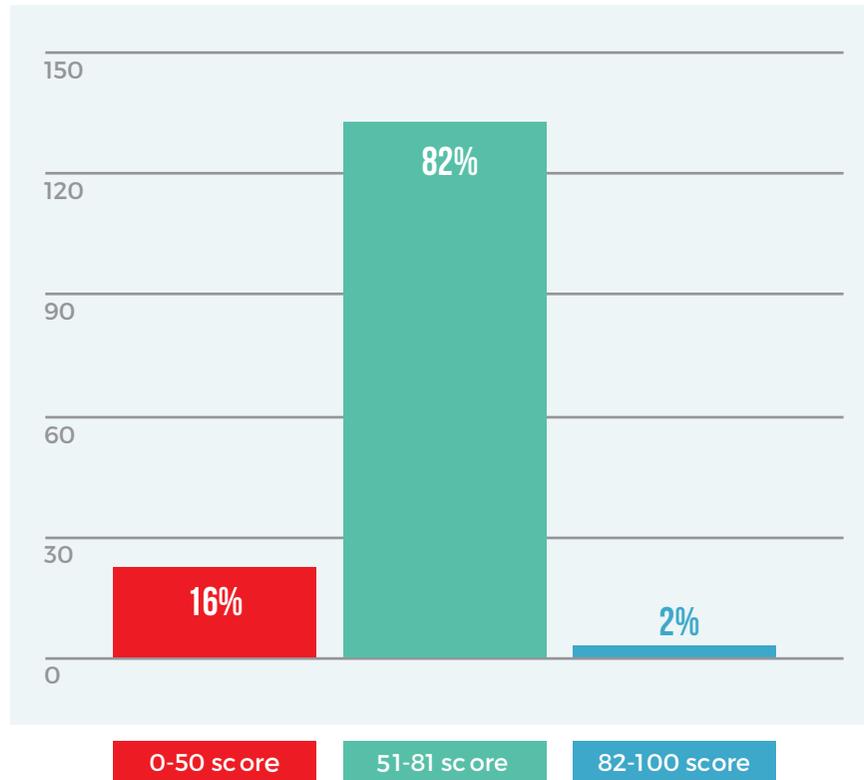
It's pleasing to see that over 95% of retailers offer the ability to buy on a mobile. So what's up with the remaining 5%? A retailer that offers online retail without a transactional mobile site is unusual, when it's a well-established respected brand like Next it's just baffling.

We expected to see more advances in the number of stores offering geolocation functionality. By this we mean stores offering users live information about where the nearest retail outlet is, based on the location of the user, rather than asking them to enter a postcode. Only 28% of retailers offer this on a desktop. This figure more than doubles for mobile, indicating that most retailers are starting to understand how the customer uses on-line shopping on a smartphone.

DESKTOP SPEED

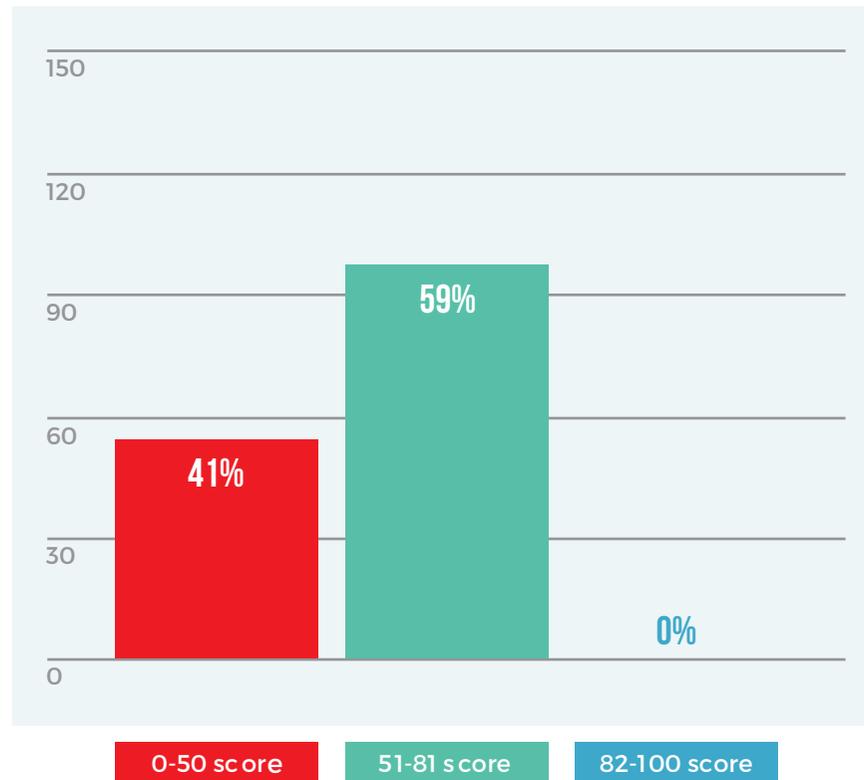
Number of retailers, separated by desktop speed score.

We used Google Developers PageSpeed Tool for scoring speed.



MOBILE SPEED

Number of retailers, separated by mobile speed score.



Customer experience

Customers are a constantly moving and evolving target. It's a delicate balance to stay ahead of the competition by offering the services customers expect as well as delivering something a bit different. Services such as real time stock information and a variety of purchasing options all affect the customer's buying experience and purchasing decisions.

Faceted navigation allows customers to browse a large range of products quickly and intuitively. Unsurprisingly, department stores and fashion lead the way, with more retailers in these sectors consistently offering faceted navigation across the board. Health and beauty, Home and DIY and Stationery still have some catching up to do. Specialist brands that sell a limited number of products don't necessarily need faceted navigation (and offer product listing pages that are the envy of multi-brand retailers everywhere). However Debenhams, Paperchase and Ikea could dramatically improve the customer journey online by introducing faceted search.

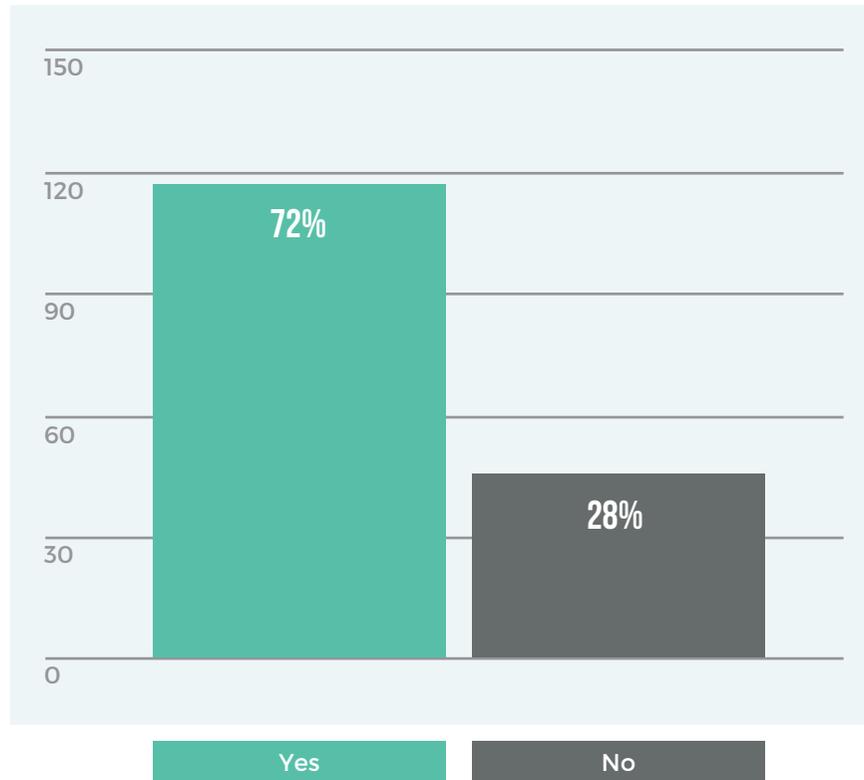
On the other hand, retailers that really understand their customer can demonstrate this through useful facets. For example, Hawkin's Bazaar, a gifting retailer, offers facets such as personality, age and price.

It's always surprising when we come across retailers who don't offer something that in our experience always results in better sales. A persistent cart can help reduce the number of abandoned shopping carts across channels and increase overall sales. Unsurprisingly, given the fierce competition between supermarkets, the vast majority of retailers in the food and grocery sector (over 87%) offer a persistent cart. This is only beaten by the sports and outdoors sector with an impressive 93%. Electrical and technology retailers have a lot of catching up to do with less than a third offering this feature. Demonstrating that there are other methods to consider in this area is Dunelm, who offer the option to save basket for later.

BROWSING

Retailers offering faceted navigation.

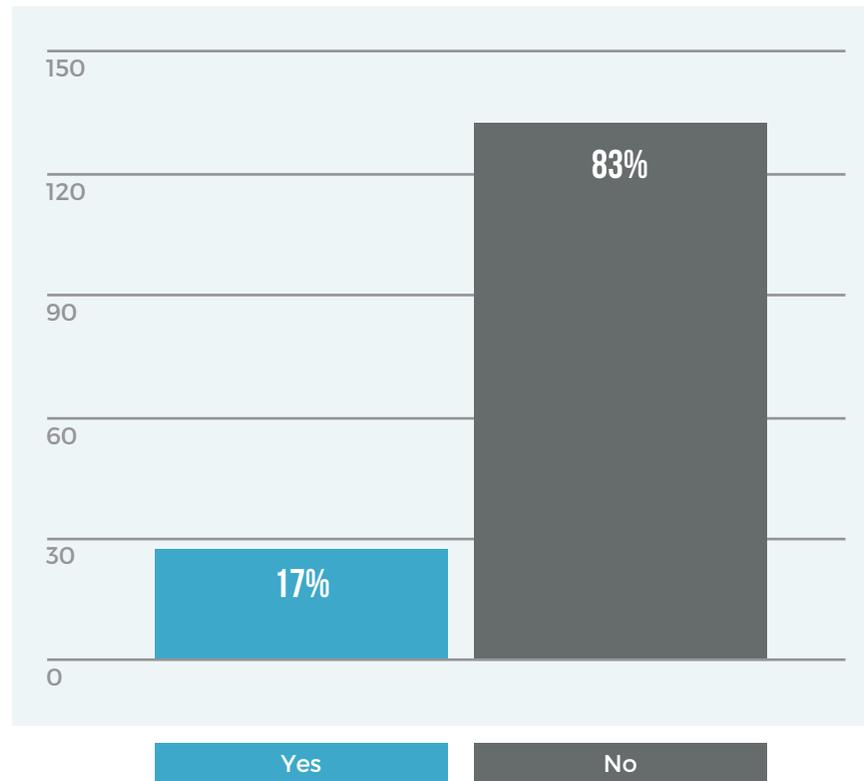
(i.e. ability to filter products by multiple selections)



LOYALTY SCHEME

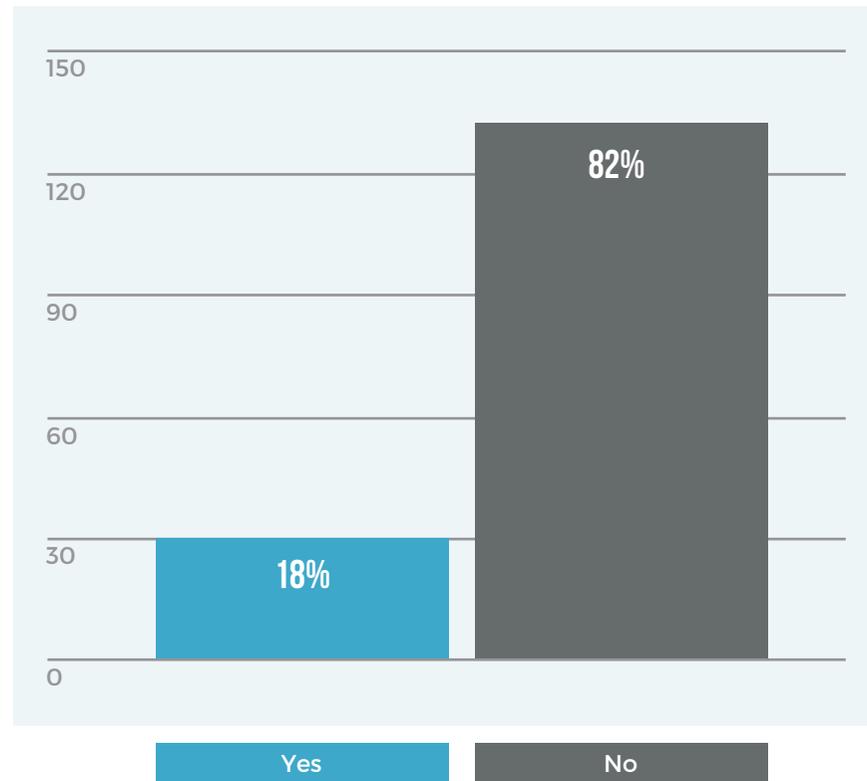
Retailers offering a loyalty scheme.

(i.e. rewarding a customer for multiple purchases with points or vouchers)



GIFTING OPTIONS

Retailers offering gifting options in checkout.



Delivery & Returns

Delivery and returns is an interesting conundrum for retailers as there are so many options to consider. There is a difficult balance between meeting customers' demands for fast, convenient delivery and a general unwillingness to pay the true cost of these services.

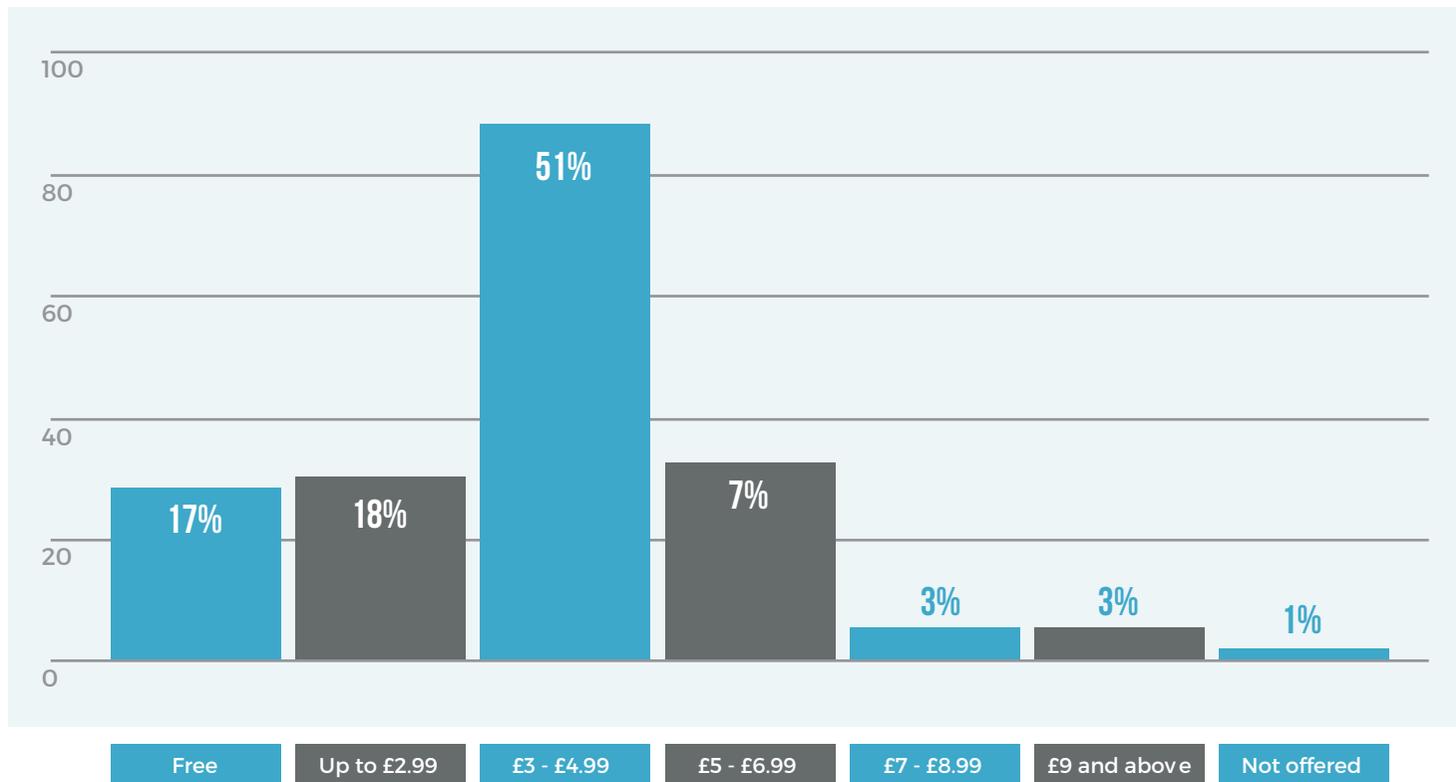
More retailers are offering click and collect this year than in 2015, however, the number of retailers offering click and collect same or next day has diminished significantly (24% compared to 40% in 2015). It is likely that as retailers analyse the cost implications involved in offering express collection services, versus the perceived benefits to the customer, they will protect their margins.

The best user experience for click and collect is offered by retailers such as Schuh, who have combined geolocation functionality with stock information to establish whether the item can be collected that day in-store. It will be interesting to see if this trend continues as customers become more demanding in their click and collect expectations.

Our data highlights a growing trend towards breaking down their click and collect offering into free (and slower service) versus paid-for express options. Two thirds of retailers now do not offer a free click and collect service. Are more retailers going to follow the likes of John Lewis and New Look by starting to charge for faster click and collect services? Will customers value the service enough to pay for it?

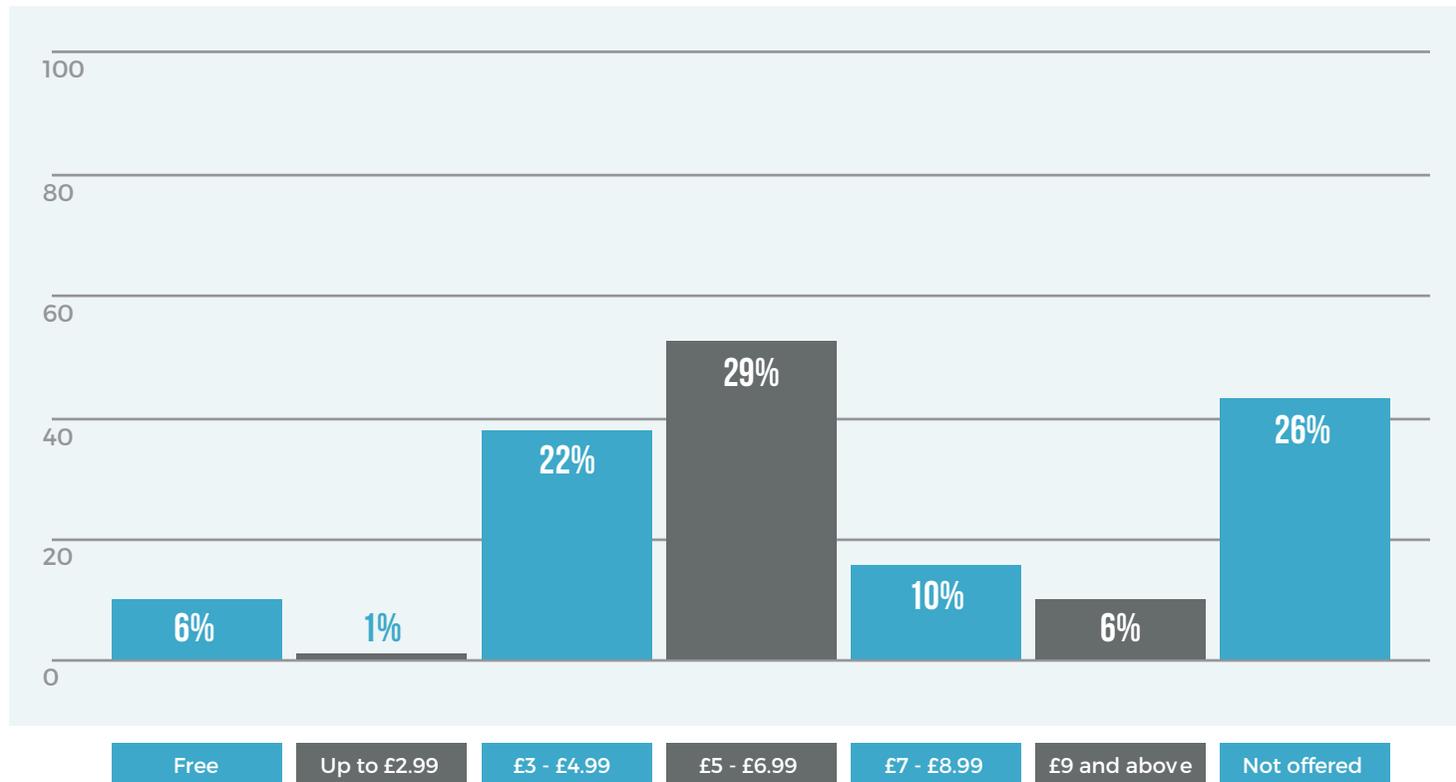
STANDARD DELIVERY

Cost of standard delivery before reaching any threshold.



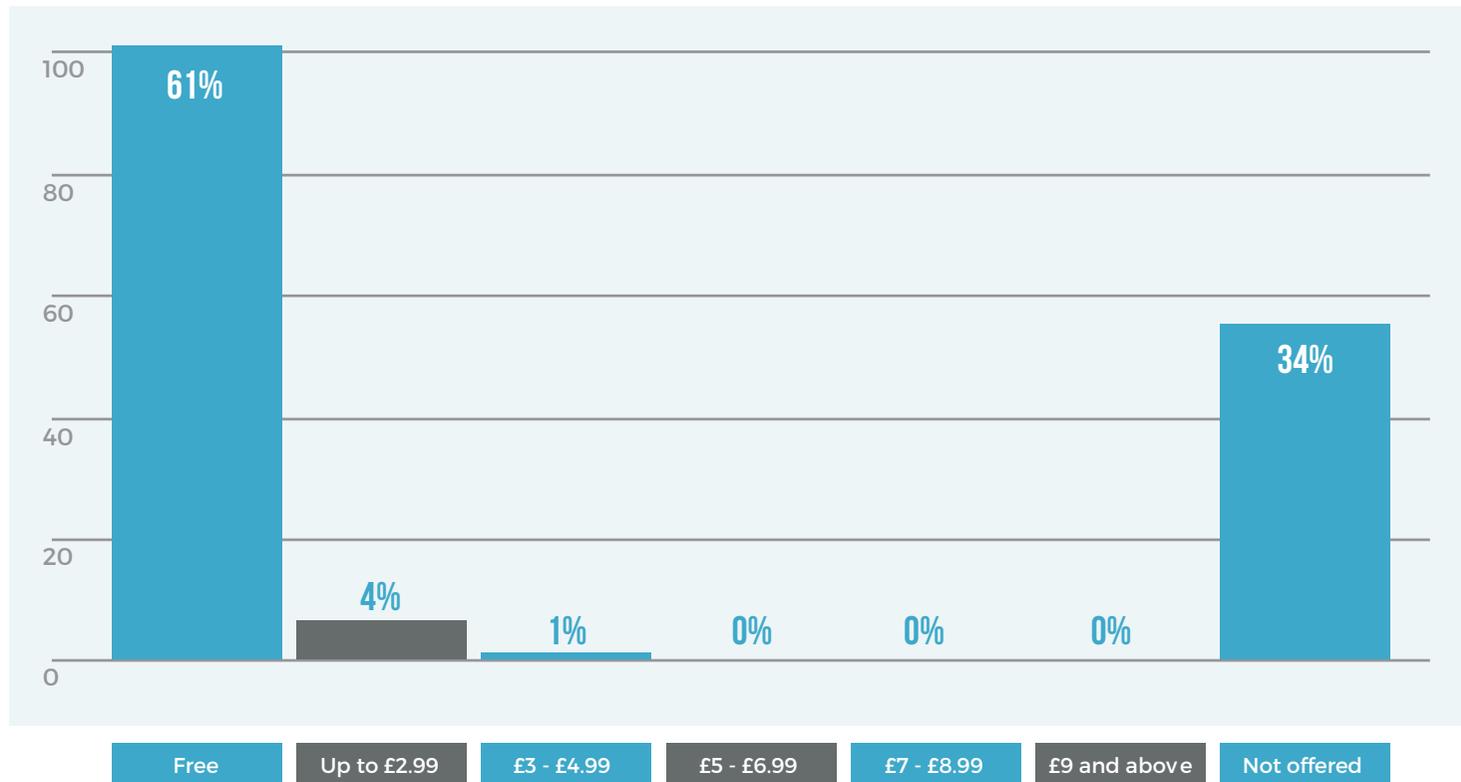
NEXT DAY DELIVERY

Cost of next day delivery before reaching any threshold.



CLICK + COLLECT

Cost of click and collect before reaching any threshold.



RESULTS

Most improved



25/100



34/100



31/100

Well done to HI Weldrick who are our most improved retailer with a 125% increase on their 2015 score. It's a shame that they still appear in our bottom 10. As a website there are some nice features such as the embarrassing category and the online consultation offering. However there are still improvements to be made if they are to compete as an ecommerce site.

All three improved their scores by over 100% but all three still have fairly low scores, 25, 34 and 31 out of a possible 100. When you factor in that the median score across all sectors is 53, it's clear that there are still improvements to be made.

Results Top

Schuh won multi-channel retail in 2016 with Argos and House of Fraser not far behind.
The gap between scores is closing.



85/100 +23 CHANGE

Excelled at: high mobile speed score; live stock information; click & collect within the hour; geolocation information available on desktop & mobile; variety of home delivery options including named day, next day, Sunday and evening; users can save products without logging in.

Lost points for: no named day home delivery; doesn't advertise free return collection from home.



83/100 +14 CHANGE

Excelled at: high mobile speed score; live stock information; click & collect within the hour; geolocation information available on mobile; variety of home delivery options including named day, next day, Sunday and evening; clearly advertises free returns by post.

Lost points for: low mobile speeds; doesn't offer geolocation information on a desktop; no named day home delivery option.

HOUSE OF FRASER
SINCE 1849

80/100 +0 CHANGE

Excelled at: a variety of delivery options including same day, Sunday, evening and named day; clearly advertises free returns by post.

Lost points for: slow speeds on mobile; no same day click and collect; doesn't offer geolocation information on a desktop or a mobile; no product save option unless logged in.



79/100 +24 CHANGE

Excelled at: offers geolocation information on both desktop and mobile; a variety of home delivery options including next day, Sunday and evening.

Lost points for slow speeds on mobile; no same day click and collect; doesn't clearly advertise free returns by post or free return collection from home; no product save option unless logged in.



77/100 +32 CHANGE

Excelled at: live stock information; offers geolocation information on desktop; a variety of home delivery options including named day, next day and Sunday.

Lost points for: very slow speeds on mobile and desktop; no geolocation information on mobile; no same day click and collect; doesn't offer geolocation information on a desktop; no product save option unless logged in.

Results Top



77/100 +0 CHANGE

Excelled at: live stock information; click and collect within the hour; offers geolocation information on a mobile; product save option without logging in.

Lost points for: slow speeds on mobile; doesn't offer geolocation information on a desktop; no named day home delivery option.



73/100 +7 CHANGE

Excelled at: offers geolocation information on a mobile and desktop.

Lost points for: slow speeds on mobile.; no same day click and collect; no live store specific stock information; no product save option unless logged in.



73/100 +18 CHANGE

Excelled at: live stock information; click and collect within the hour; offers geolocation information on a mobile.

Lost points for: slow speeds on mobile; doesn't offer geolocation information on a desktop.



73/100 +21 CHANGE

Excelled at: live stock information; clearly advertises free collection from home.

Lost points for: slow speeds on mobile; no same day click and collect; doesn't offer geolocation information on a desktop or mobile; no named day home delivery option.



73/100 +14 CHANGE

Excelled at: live stock information; offers geolocation information on a desktop and a mobile.

Lost points for: slow speeds on mobile; no same day click and collect; doesn't offer geolocation information on a desktop; no named day home delivery option; no product save option unless logged in.

Results Bottom

What went wrong?



28/100 -17 CHANGE

Lost points for: poor mobile speed score; no transactional mobile site; no geolocation information available; no persistent cart.

Excelled at: good desktop speed score; faceted navigation; offers click and collect.



28/100 -13 CHANGE

Lost points for: poor speed scores on mobile and desktop; no geolocation information available; no click and collect option.

Excelled at: faceted navigation; has a transactional mobile site.



28/100 +14 CHANGE

Lost points for: struggles as an ecommerce site; poor speed scores on mobile and desktop; no geolocation information available; no faceted navigation.

Excelled at: offers a persistent cart (the only one in the bottom 10 to do so); offers click and collect.



25/100 -13 CHANGE

Lost points for: poor speed scores on mobile and desktop; no geolocation information available.

Excelled at: faceted navigation; has a transactional mobile site; offers click and collect.



27/100 -21 CHANGE

Lost points for: poor speed scores on mobile and desktop; no geolocation information available; no click and collect option.

Excelled at: faceted navigation; has a transactional mobile site.

Results Bottom



23/100 -29 CHANGE

Lost points for: poor speed scores on mobile and desktop; no geolocation information available, no faceted navigation; no click and collect option.
Excelled at: has a transactional mobile site.

Dior

23/100 -18 CHANGE

Lost points for: poor speed scores on mobile and desktop; no click and collect option.
Excelled at: geolocation information on desktop and mobile; faceted navigation.

Mulberry

22/100 -9 CHANGE

Lost points for: poor speed scores on mobile and desktop; no geolocation information available; no faceted navigation.
Excelled at: has a transactional mobile site; offers click and collect.



15/100 -16 CHANGE

Lost points for: poor speed scores on mobile and desktop; no geolocation information available; no faceted navigation; no click and collect option.
Excelled at: has a transactional site.

HOOPERS

13/100 -4 CHANGE

Lost points for: poor speed scores on mobile and desktop; no geolocation information available on desktop; no faceted navigation.
Excelled at: geolocation information on mobile available; offers click and collect.

Conclusion

Multi-channel remains the cornerstone of good retail customer experience. Even the best performing retailers from last year have made significant further investments in their proposition. This is clearly reflected in the jump in a number of retailers' scores from last year, particularly River Island, Kurt Geiger and our chart-topper Schuh.

Mobile speeds, based on Google's PageSpeed benchmark, are still a challenge for ecommerce sites and more than a third of retailers ranked with a score below 50. Again, Schuh managed to top the table with a mobile speed score of 77 - but another of our best-ranked retailers, Kurt Geiger, struggled in this area with one of the lowest scores of just 24. With mobile traffic still growing for most retailers but with mobile conversion rates still substantially lower relative to tablet and desktop, it will be interesting to compare how much investment this channel receives from individual retailers.

For those aspiring to excel as Schuh has, let's briefly review what our matrix reflects. According to their own stats schuh.co.uk receives around 2.1m unique visits and 22m page impressions per month (the largest traffic of any footwear specialist). They offer real time stock information & customers can collect in their local store within an hour of placing an order if the stock is available. Their commitment to multi-channel can be seen across the whole site, with links to social media, live help via messaging or video, an easy to use store locator and faceted navigation throughout. Other retailers would do well to take a walk in their Schuhs...



Darryl Adie

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Methodology

To create the list of retailers, we first aggregated various existing lists including but not limited to IMRG, Experian and Sitemorse. This gave us over 2,000 retailers to research. We eliminated retailers that had no ecommerce presence and/or no physical stores in the UK. The remaining retailers were split into their appropriate sectors, as detailed on page 3.

The Ampersand Retail Matrix criterion are our view of the core tenets of multi-channel retailing. These tenets cross the boundaries of digital and physical customer experiences. Within the research there are scoring criterion and non-scoring criterion.

The scoring criterion include:

Page load speeds and performance on desktop and mobile using Google Developers PageSpeed Tools

Whether retailers provided clear information on payment options and returns policies

Website navigation and product information including clear signposting, imagery, faceted navigation and alternative payment methods

Geolocation information – whether customers can find the nearest store by using geolocation

Real-time stock information for online orders and the ability to check stock in a specific store

Persistent cart across different devices and whether the retailer has a transactional mobile website

Delivery options, Click & Collect, non-store pick up options and communication of free returns

Non-scoring criterion include:

Delivery method availability for reserve and collect, same day, next day, named day and evening including costs and thresholds

Availability of guest checkout and gifting

Ability to login with social media

Availability of wishlisting and whether or not login is required

Scoring

Retailers were then scored against the criterion and with a weighted formula, ranked in the Multi-channel Retail Matrix.

To calculate the base score marked out of 29 possible points from 50 criteria, a retailer was awarded points if it scored positively for each of the scoring criteria mentioned above, with these specifics:

- Offering click and collect same day
- Desktop Speed >81
- Mobile Speed >71
- UX Score =100

We awarded 4 points for the following criteria:

- Transactional mobile website
- Persistent cart

We awarded 3 points for

- Stock check in-store

We then calculated the final score to be out of 100:

$=100/29*SCORE.$

The survey was conducted online, independently by Ampersand, in Manchester, UK on an iPhone 6s using the Google Chrome browser on iOS9 between 20 January 2016 and 20 February 2016. The research covered desktop and mobile websites, not apps.

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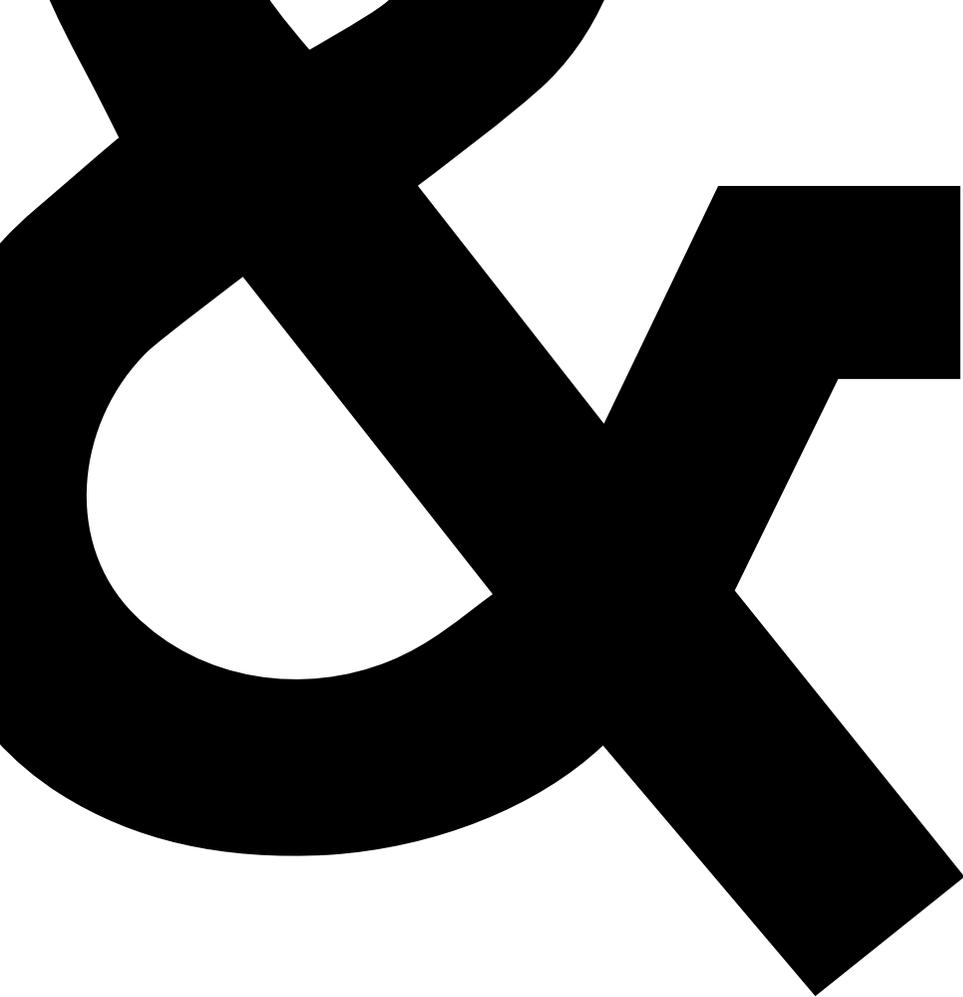
[Luxury Report 2015 >](#)

[Mobile Report 2015 >](#)

[Guide: Avoiding Black Friday Disaster >](#)

[Christmas Review: Department Stores 2015 >](#)

[Retail Trends Report 2016 >](#)



AMPERSAND

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Ampersand is an award-winning commerce agency that helps established high street retailers build better online stores. Ampersand works with multi-channel retailers, such as Harvey Nichols, Poundland and Bensons for Beds to help increase conversion and efficiency through the strategic use of technology.

HARVEYS

Poundland®

HARVEY NICHOLS

bensons
for
beds

REGATTA
GREAT OUTDOORS

Web-Blinds

MADE®

CRAGHOPPERS
Discover Your World