Summit Scorecard Top 50 UK Retailers' Online Performance

2016/17 Edition

Summit

> **The most serious challenge is far more dangerous to retailers... not knowing how much money you should be making.**

- Hedley Aylott, CEO and co-founder, Summit

Foreword

Hedley Aylott, CEO and Co-founder, Summit

For the last 16 years we've had the privilege of working with some of Europe's most successful retailers, helping build their businesses online. Tasked with spending their marketing budgets like they were our own, we've faced many challenges in the pursuit of driving profitable growth. In many cases the greatest obstacle was not the competition, but the shopping experience customers were being subjected to. Often it would have been easier to reach the South Pole in winter than to make it through the clunky checkouts.

When engaged in online retailing you become highly sensitised to the smallest drop in performance and fanatical about fixing the cause. Over the last decade we've witnessed cliff dives in sales performance due to self-inflicted problems that lose board members their share options and see eCommerce managers updating their LinkedIn profiles. However, the most serious challenge of all is far more dangerous. It's not knowing what good looks like; not knowing how much money you should be making. It's making do with average because it was better than last year and the business considers it an acceptable performance.

Several years ago we decided to create a simple online retail scorecard, by scoring the factors that we've seen damage profitability and growth. We could tell a business how much they could potentially be losing and what they need to do to improve. In this report, we've taken the Summit Scorecard one step further by creating a comparative league table of the UK's largest retailers to provide a benchmark for the market in general and identify where individual retailers should focus their attention.

The results are a confirmation of what we've long thought – there's still lots of room for improvement. Clearly, there have been huge strides made in the customer experience online, and no one needs further convincing of the link between satisfied customers and overall profitability. However, our Scorecard clearly highlights how much opportunity still exists for businesses to fix some of the basics - such as better content, product merchandising and site speed. These are not 'mission to the moon' challenges and in this report we provide some thoughts as to how they can be addressed.

Our congratulations go to the top performers for providing customers with the best experience online. Our encouragement goes to the underperformers for whom the path to improvement is clearly defined.

This report provides an uncompromising and unbiased viewpoint that will drive profitable growth for every retailer acting upon the recommendations. We hope you find it revealing and can find ways to apply the findings to your business now.

We asked 4 questions...

Q1. How easy is it to buy from you?

eCommerce technology should make it easy for retailers to trade and a pleasure for customers to shop. We assessed the performance and usability of each website, reviewing criteria including site navigation, checkout process and degree of mobile friendliness.

Q2. How close are you to your customers?

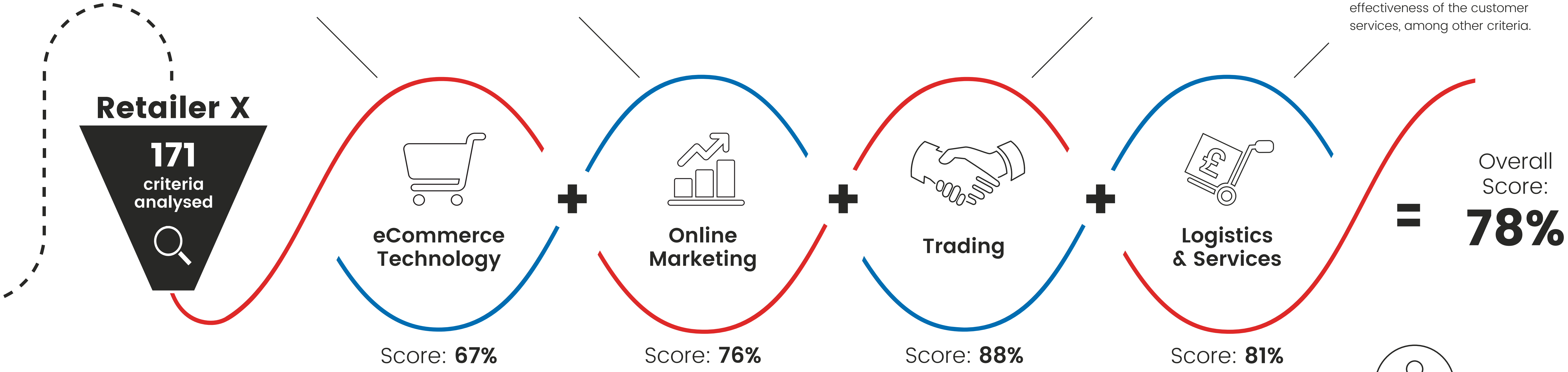
Effective online marketing allows retailers to deliver the right message, to the right customers, at the right time. We evaluated all aspects of online marketing, from paid and natural search visibility to social media engagement and a range of other variables across each channel.

Q3. How appealing are you to your customers?

Finding the right proposition in order to stand out from the competition is about more than just the products that are on sale. We considered numerous aspects of each retailer's online trading, including quality of site content, product photography, pricing and payment options.

Q4. Do you delight your customers?

The sale is only complete when the items have arrived safely in the hands of the customer. A quality 'last mile' experience will result in happy customers that quickly become repeat customers. We evaluated all of the delivery options and returns policies against customer expectations. We even mystery shopped the effectiveness of the customer services, among other criteria.



Methodology

Using proprietary diagnostic tools and scoring criteria, we have reviewed the online performance of the UK's Top 50 retailers[1] against four customer centric questions. These four questions represent the total customer experience across all aspects of the online retail journey and are highly correlated to growth and profitability for a retailer. We call this set of activities the online retail value chain and have scored each retailer against a total set of 171 weighted criteria. This comparison of 10,602 data points was combined with mystery shopping every retailer to create our league table. The assessment was carried out by our teams between 10 and 21 October 2016.

League table 2016/17

The total scores from each retailer have been ranked to form a comparative view of overall performance and also against each specific online retailing activity. For each retailer we have highlighted where their greatest opportunity for improvement exists.

Summit Scorecard provides...

- Peer to peer comparison across the top UK retailers
- A view of current online retailing performance
- Online retail specific information, data and insights
- Practical advice and opportunities to improve

The league table 2016/17

Top 25

RANK	RETAILER	OVERALL SCORE	KEY AREA FOR IMPROVEMENT
1	Argos	77%	eCommerce Technology
2	Sainsbury's	75%	eCommerce Technology
3	John Lewis	72%	eCommerce Technology
4	Screwfix	72%	eCommerce Technology
5	Tesco	72%	eCommerce Technology
6	Apple	71%	Logistics & Service
7	JD Sports	70%	eCommerce Technology
8	Marks & Spencer	70%	Online Marketing
9	B&Q	69%	Logistics & Service
10	House of Fraser	69%	eCommerce Technology
11	New Look	68%	Online Marketing
12	Wickes	67%	eCommerce Technology
13	Debenhams	67%	eCommerce Technology
14	Waitrose	66%	eCommerce Technology
15	Selfridges	66%	eCommerce Technology
16	Dunelm	66%	Logistics & Service
17	Very.co.uk	66%	eCommerce Technology
18	Asda	65%	Logistics & Service
19	Amazon	65%	eCommerce Technology
20	NEXT	65%	Logistics & Service
21	Matalan	64%	Logistics & Service
22	Game	64%	eCommerce Technology
23	Littlewoods	64%	eCommerce Technology
24	Wilko	64%	Logistics & Service
25	IKEA	64%	Logistics & Service

Bottom 25

RANK	RETAILER	OVERALL SCORE	KEY AREA FOR IMPROVEMENT
26	Currys	64%	Logistics & Service
27	River Island	64%	Online Marketing
28	Toolstation	64%	eCommerce Technology
29	Homebase	63%	eCommerce Technology
30	Wallis	63%	Online Marketing
31	Morrisons	62%	eCommerce Technology
32	Boots	62%	eCommerce Technology
33	Habitat	62%	Logistics & Service
34	H&M	62%	Logistics & Service
35	WHSmith	62%	eCommerce Technology
36	JD Williams	62%	eCommerce Technology
37	Harrods	61%	Logistics & Service
38	Simply Be	61%	eCommerce Technology
39	Ocado	61%	Online Marketing
40	Carphone Warehouse	60%	eCommerce Technology
41	Peacocks	60%	Online Marketing
42	Halfords	59%	Logistics & Service
43	Very Exclusive	58%	Online Marketing
44	TK Maxx	58%	Online Marketing
45	Miss Selfridge	58%	Online Marketing
46	Aldi	57%	Online Marketing
47	Superdrug	56%	eCommerce Technology
48	Dorothy Perkins	56%	Logistics & Service
49	Topshop	56%	Logistics & Service
50	Evans	56%	Online Marketing

KEY TO SYMBOLS eCommerce Technology · Online Marketing · Trading · Logistics & Service

To see the full set of scores for each retailer, visit: www.summit.co.uk/scorecard

The sample of retailers was chosen based on Retail Week's top 50 UK Retailers (overall sales revenue 2014/15[2]). Group retailers were broken up into their individual brands and scored separately, and can be found in the appendix.

Q1. How easy is it to buy from you?

eCommerce Technology

Online retailing was born out of a customer's desire for convenience; being able to shop the brands they need when they want to. The user experience and journey the customer goes through on the site is delivered by several components, but the technology underpinning the site is the biggest factor in making it easy for them.

We reviewed the homepage, search and navigation functionality, product listing and details pages, and the checkout process. The assessment was made across devices to give an overall mark for each site's user experience. We benchmarked each site against the industry best practice load times for desktop and mobile, using mobitest and GT Metrix, to generate a site performance score. We then evaluated the quality of the website, looking at how the various technologies had been used to make shopping online easier for the customer.

Improving the checkout process could unlock £1bn for UK retailers

38% of retailers analysed didn't have a guest checkout option and required customers to go through a registration process in order to purchase. Hindering a speedy checkout has been proven to impact sales; recent research has suggested that 26% of customers will abandon their purchase, if they are not offered a guest checkout function[3]. This could equate to £1bn in lost sales for the retailers we analysed.

We all know customers expect to be treated as individuals, and key to that is data. Retailers are using the checkout as the main source of data collection which in turn makes the checkout process long winded. In stores, we aim to keep queuing times to a minimum, making the buying process as friction free as possible, and this sentiment should also be applied online. Retailers should utilise auto-complete and address validation tools to speed up the process, and ask only the essential information needed for order fulfilment. Personalisation can be delivered by connecting all the customer touch points to facilitate the collection of data through declared and derived means, thus enabling the creation of that all-important single customer view.

Key Takeaway:

Having a quick and simple guest checkout function with auto-complete and address lookup tools creates a smooth hassle-free buying journey for customers.

£1bn is being lost due to slow site speeds

A slow website is the fastest way to lose a customer, yet this continues to be overlooked by most of the retailers we tested. The average page load speed across the top 50 retailers was 7 seconds, double the recommended minimum. When you look into the detail, product pages were on average 1.4X slower than homepages. This is compounded by the fact that the majority of marketing budgets are spent driving traffic to product pages, where slow speeds could be turning off customers. With every extra second in site load time costing retailers a 7% reduction in conversions, the top 50 retailers collectively lost £1bn of sales last year.

Key Takeaway:

The first step is to test loading times of the homepage, product category and details page, optimising the slowest pages first and ultimately, ensuring all pages load within the recommended benchmark time. In addition, any plug-ins used by the site should be assessed to minimise the impact they have on loading times.

eCommerce Technology - we scored 32 questions across 3 core components:

- User experience - usability of the website
- Performance - mobile and desktop speed
- Website quality (technical) - errors, mobile friendliness and site infrastructure

Top 5

	User Experience	Performance	Website Quality	eCommerce Score
Toolstation	66%	90%	73%	**75%**
Sainsbury's	68%	80%	78%	**73%**
Apple	68%	80%	60%	**71%**
IKEA	58%	80%	70%	**67%**
Marks & Spencer	88%	25%	73%	**64%**

Bottom 5

	User Experience	Performance	Website Quality	eCommerce Score
Boots	66%	25%	46%	**50%**
Superdrug	74%	10%	52%	**49%**
Waitrose	60%	25%	64%	**48%**
Ocado	66%	10%	65%	**46%**
Morrisons	64%	10%	68%	**45%**

Desktop still has an important role to play

Virtually all (92%) of the top 50 retailers have websites built for mobile, driven by customers' desire to shop on the go. For many, however, this has come at the expense of desktop. Desktop sites on average are taking over 8 seconds to load, which is nearly twice as long as the average mobile site and 3X longer than customers expect.

Site speed is seen as an important driver of loyalty by 50% of customers and they don't delineate between devices, so slow desktop speeds will increase bounce rates and reduce loyalty. Experience tells us that desktop shoppers convert at higher rates than those on mobile[4], so neglecting the desktop experience can be an expensive oversight.

Key Takeaway:

Site performance should be tested across all devices, and optimisation should be prioritised based on sales conversion as well as device popularity.

Other Findings

- The eCommerce pillar is where we found the greatest opportunity for improvement. Nearly half (48%) of the retailers had their poorest individual score in this area and the ones that scored best made it to the top of the league table.
- Almost all websites scored very badly for code quality (against W3C standards), which has a significant impact on site performance, search engine optimisation, and in some instances the customer's experience.
- The newer versions of eCommerce platforms typically offer improvements in functionality including the all-important guest checkout.
- Online has a critical role to play in supporting in-store sales, but only half of the websites had an effective store locator, hindering the customer from finding their nearest store.

Q2. How close are you to your customers?

Online Marketing

It goes without saying that customers need to be able to find a retailer when considering a purchase and should feel valued when they have bought. The core components of digital marketing are there to facilitate this.

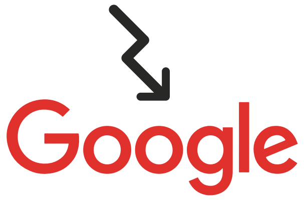
Understanding how to get to the top position on the search engine results page (SERP) for relevant search terms is the holy grail of online marketing. We scored both the natural search and paid visibility for the top 50 retailers using Searchmetrics to give an overall mark for each site's brand visibility. We scored brand demand, particularly the growth and decline of brand name searches, which shows us which retailers are still popular with their customers. We benchmarked each retailer's social media engagement, focusing on the channels that are currently most prominent in the industry: Facebook, Twitter and YouTube.

Online Marketing - we scored 36 questions across 3 core components:

- Search visibility - paid and natural visibility, growth/decline year on year
- Social engagement - engagement across Facebook, Twitter and YouTube
- Brand demand - year on year growth and SERP ownership

Top 5	Search Visibility	Social Engagement	Brand	Marketing Score
Apple	96%	77%	64%	**85%**
B&Q	92%	74%	69%	**83%**
Argos	100%	53%	96%	**81%**
John Lewis	100%	54%	73%	**79%**
Sainsbury's	80%	63%	80%	**73%**

Bottom 5	Search Visibility	Social Engagement	Brand	Marketing Score
Very Exclusive	31%	60%	54%	**45%**
Dorothy Perkins	57%	22%	50%	**42%**
Miss Selfridge	50%	32%	40%	**42%**
Ocado	47%	24%	68%	**40%**
Evans	29%	39%	31%	**33%**



50% of retailers have dropped down the search engine rankings this year

50% of the retailers we analysed have experienced a decline in their natural search visibility in the past year, with the average decline being 10%. This is as a result of a number of factors, including increased competition and changes in search algorithms. The failure to adapt to the updates from Google and Bing has had an impact on natural search visibility for the majority of the retailers analysed. Site migrations can also have an impact on visibility, if not effectively planned.

After the Google Quality Update in May 2015, the search visibility of Debenhams, Boots, and Sports Direct fell by 10-12%, and as yet they haven't recovered. A focused bidding strategy can be used to increase search visibility, and we found paid search was often used to support seasonal events and brand terms during key promotional times to maximise efficiency.

Key Takeaway:

Research has shown that shoppers who engage with branded content are more likely to purchase. Developing an interesting and engaging content approach is key to offsetting the challenge of declining visibility and will drive sales.

Relevant communication is needed to drive customer retention

We engaged with all of the retailers and found 56% of initial email communications were just functional service messages. This despite retailers reporting that email marketing generates over 10% of business revenues[5].Over one third of the top 50 retailers do not offer a way for consumers to sign up to communications on the homepage.

Many of the retailers were not capitalising on their customer communications, for example by not providing bounce back offers or 'member get member' opportunities in order confirmation emails.

The website is increasingly the first opportunity a brand to has to start a conversation with a customer and so it is crucial that all touch points are given a branded look and feel. All too often we found the service emails were just that, and were not given any creative flare, missing the opportunity to be authentic with customers and build loyalty.

Key Takeaway:

All the hard work involved in gaining a customer is so easily wasted if they're made to feel unimportant, therefore every touchpoint, including email, should be seen as an opportunity to build a connection.

Supermarket sweeps and fashion falls short when it comes to social

Although it still only accounts for a small percentage of total online sales, the impact social media has had on consumers' buying behaviour is significant. Facebook is the most popular channel and offers a level playing field when comparing varying sectors. When we embarked on our research we assumed fashion retailers would be the trailblazers in social media, but in fact the grocery sector as a whole is achieving a Facebook engagement rate that is 6X higher than the top fashion retailers.

Those brands which have a high Facebook engagement rate are achieving it by getting the simple things right. They respond to customer comments and queries in a timely manner, use a variety of videos to bring the product to life and use images and written content to great effect. After reviewing the most popular content across all the grocery retailers we also discovered that many are using YouTube as a platform to effectively extend their storytelling.

Key Takeaway:

Social media offers a unique, interactive platform with which to connect with customers, making it a powerful marketing tool as well as an important channel for customer service.

Other Findings

- A customer's email address was captured by the majority of retailers. In 74% of cases the welcome programme that followed was poor or non-existent. As a result, retailers are missing the opportunity to build a relationship with customers from the first contact.
- The fashion retailers had the most engaging emails. They provided relevant content tailored by customer segment and utilised enhanced formats such as animation.
- Whilst followers on Facebook varied from a few thousand to the 26 million of H&M, that was not all we measured. Customer engagement is key and we found that the use of more interactive formats such as video and less sales related content was critical to achieve this.
- Many retailers (34%) were not fully owning their search landscape. They could help address this by using the latest Google paid search features to promote brand information, promotions, store locations and opening hours.

Q3. How appealing are you to your customers?

Trading

Enabling consumers to buy with confidence builds trust, which in turn leads to loyalty and understanding. The insight that can be obtained in real time online can be used to deliver the perfectly personalised store; something that cannot be replicated in the bricks and mortar world.

We scored the effectiveness of the sites in terms of engaging site content and persuasive promotional messaging. We benchmarked retailers' product offerings along with the strength of their product pages, including descriptions and photography. We scored the checkout process of all the retailers to assess who was most effective at getting browsers to convert to customers.

Improving online cross-selling could unlock £350m per year

Product recommendations and online cross selling are simple to implement using the rich customer data available, but over a third of retailers are missing out on this opportunity. Techniques such as 'complete the look', 'you may also like' and 'customers who bought this also bought' are helpful to the customer, drive conversion rates, and increase basket size. Recent Forrester research[6] suggests product recommendations can increase revenue online by up to 10%, equating to almost £350m.

Key Takeaway:

Cross selling and recommending relevant or complementary products are key for maximising the value of every potential customer.

1/3 Customer reviews could boost sales for a third of retailers

Customers are 12X more likely to trust consumer reviews over brands' descriptions[7], and the presence of customer reviews has been found to correlate with high overall customer service scores and improve consumer feedback by 400%. However, a third of the retailers analysed don't include product reviews on their sites. In the absence of being able to try a product before buying, product reviews have a critical role to play in building confidence with customers.

Key Takeaway:

Honest feedback about quality, fit, colour and other details increases the likelihood that customers receive a right-first-time shopping experience. This in turn reduces product returns and increases margin.

Trading - we scored 85 questions across 3 components:

- Content & Promotion - site navigation, social engagement, reviews and customer communication
- Product - range, availability, price, photography and descriptions
- Conversion - checkout process, basket page and payment options

Top 5	Content & Promotion	Product	Conversion	Trading Score
Miss Selfridge	94%	89%	96%	92%
JD Sports	88%	92%	94%	91%
Amazon	75%	99%	88%	89%
Marks & Spencer	84%	85%	96%	88%
JD Williams	95%	86%	81%	87%

Bottom 5	Content & Promotion	Product	Conversion	Trading Score
Currys	67%	80%	53%	69%
Carphone Warehouse	67%	72%	45%	63%
Game	43%	68%	67%	60%
Toolstation	45%	49%	81%	56%
Aldi	54%	46%	71%	54%

Improving online merchandising offers an easy win for retailers

The product detail page is a retailer's opportunity to provide the customer with all the information they need to make a purchase. In store, a customer can pick a product and understand how it fits, even try it for size, before they buy. The website needs to strive to replicate this experience.

We found that most retailers are overlooking the importance of effective merchandising online. Despite investing heavily in many other aspects of a customer's online experience, the product which should be showcased is often undersold. For example, 5% did not have 4 or more basic product images, and only 21% were using 360° product shots and video.

Retailers have reported increased conversion rates of nearly one third when implementing 360° images[8]. From our own client experience, we have found that something as simple as increasing the size of product images can increase sales by 9%.

Key Takeaway:

By serving up quality, comprehensive product content, retailers will make it easy for customers to get a real feel for the products and understand the key selling points, which will drive increased sales.

Other Findings

- We reviewed the payment options offered and just over half of the retailers scored 100%.
- Only 7% of the retailers had the basic tools in place that are critical to make it easy for international customers to buy, such as currency convertors, payment and language options.
- Most of the top retailers (91%) had good quality imagery in sufficient quantity for the customers to fully appreciate the products. Video and/or 360° content can bring the product to life online and we were surprised to find only 15% of retailers were providing this experience.
- Only a quarter of the retailers were taking the opportunity to run 'online exclusive' products, pricing and promotions.

Q4. Do you delight your customers?

Logistics and Service

The cost of acquiring a new customer can be far greater than enticing an existing customer to purchase again. Customer friendly delivery and customer service solutions are key to creating an online experience that will increase sales and ensure existing customers become advocates.

We mystery shopped the websites and customer services offerings for each retailer. We checked the sites for customer service information and tested how quickly and accurately they responded to queries across phone, live chat, email, site entry forms and social media. We scored the delivery services and returns policy against best practice to see who meets today's customer expectations. Retailers who scored highly simply put customer convenience at the forefront of the logistics and service strategy.

When it comes to delivery, choice is the key

Research has found that 66% of consumers have bought goods from one retailer in preference to another because of superior delivery options. Half of shoppers are happy to pay more for a better, quicker or more convenient delivery[9]. Only 9 of the retailers analysed offered the full range of delivery options, so there is a huge number of customers being let down by delivery options. Offering choice in delivery makes retailers more attractive to shoppers.

With this in mind, choice is critical, as the last mile can be the most frustrating part of the online shopping experience. The majority of retailers are responding to elements of the customer mind set, with 87% of them offering click & collect and 90% providing next day delivery. So elements of choice are there, but research suggests that 50% of shoppers will abandon their basket, if free delivery isn't offered. This expectation is not being met, with over a quarter not offering a free delivery option, begging the question 'should it be more expensive to shop online?'.

Key Takeaway:

Services like next day and evening delivery, along with timed delivery slots and click & collect, give retailers a point of difference from the competition. Flexibility, with returns as well as delivery options, is expected by customers, and they will vote with their wallets if the options are not available.

Put the customer in control of logistics

Making it convenient for customers to receive deliveries goes further than just offering click & collect. Although 87% of the retailers offer click & collect, 12 are still putting a minimum order spend threshold on this service. Customers don't see the logistics cost of click & collect, nor do they understand why it should be a paid-for service.

With survey after survey showing how time-poor consumers are, it's disappointing to see only 23 of the top 50 retailers offer nominated day delivery and only 12 offer day and time delivery slots. By collaborating with service providers, retailers can offer customers an innovative delivery experience. ASOS' recent partnership with DPD is a clear example of this; the new Precise service[10] allows shoppers to choose a one-hour delivery slot at any time over the next seven days, between 11am and 5pm. Giving customers the control to pick when their parcel arrives and keeping them up to date via text or email helps build confidence.

Key Takeaway:

Communication needs to continue post-purchase with delivery notifications and updates. Retailers should work with logistics partners to ensure the service offered is truly convenient.

Logistics and Service - we scored 18 questions across 3 core components:

- Customer service – speed of the response to queries and the contact points available for customers
- Delivery - proposition and costs
- Returns - returns policy and convenience of the process

Top 5	Customer Services	Delivery	Returns	Logistics and Services score
Argos	75%	88%	100%	**83%**
Tesco	78%	86%	88%	**82%**
Ocado	81%	83%	75%	**81%**
Sainsbury's	81%	76%	75%	**78%**
New Look	81%	65%	100%	**77%**

Bottom 5	Customer Services	Delivery	Returns	Logistics and Services score
IKEA	39%	48%	85%	**47%**
Miss Selfridge	13%	68%	100%	**43%**
Dorothy Perkins	13%	68%	100%	**43%**
Harrods	44%	30%	85%	**42%**
Topshop	13%	60%	100%	**40%**

Customer service is the new battleground for eCommerce

When a customer has an issue or an enquiry they need an accurate answer delivered at speed through the channel with which they choose to engage. All too often retailers try to drive down costs in this area with automated call handling and email only solutions, but this is a false economy. Only 9 of the retailers we analysed offered the full range of channels for customer enquiries (phone, email, online form/live chat and social media).

Among the 40% of online adults that use Twitter, a quarter use it to tweet complaints or frustrations[11], which raises another challenge. All available touch points have to be actively managed; if a customer has a question when they are shopping, a speedy answer can be the difference between a sale or an abandoned basket. There were several examples of poor service from retailers with live chat. When we tested GAME we were 12th in the queue and left on hold for over 30 minutes; an experience that would not have been tolerated in-store. Retailers using live chat need to consider queue-busting tactics such as setting maximum wait times before a 'request a call back' option is available for customers.

Key Takeaway:

By offering an immediate response to queries, shoppers are more confident and are less likely to return their order. Retailers who scored highly in logistics and service all appear in the top half of the overall leader board, proving that a customer-first logistics and service strategy pays off.

Other Findings

- Click and collect was offered by 96% of the retailers, reflecting the customer's need to have convenient delivery options. However, 25% of the retailers charge for it compared to only 4% charging for standard delivery. Click and collect customers tend to be more valuable and so should not be discouraged by additional charges.
- A poor score in the delivery was indicative of a wider issue with the online proposition and a lower ranking in the league table. More importantly research has shown that customers will abandon their online shop when faced with poor delivery options.
- Over two thirds (69%) of the retailers were not set up to deliver overseas. Trading internationally online has always provided a growth opportunity for retailers. The current desire for British products combined with the economic climate offers real potential to increase sales.
- Customer service is a critical feature of any website and yet only 18% offered the full range of channels (social, email, phone and live chat). If the channels are offered they must be actively monitored. One retailer took 5 days to respond to our email!

So how can retailers get better online?

It is probably helpful for a minute to step back from the detailed scores and analysis contained in this report. We know that customer expectations will continue to be driven by retailers and brands who delight customers with their brave innovation, exploring the new opportunities that digital has to offer. This innovative thinking comes from a mindset in pursuit of improvement, focused by clear principles. From our analysis and observation of online retailing there are three principles that we recommend retailers focus on. These principles have the potential to unite entire organisational thinking in pursuit of profitable growth through online retailing:

Make it easy for customers

Customer expectations are higher than ever and time is limited. Customers are more likely to return to retailers offering a compelling proposition of range, price and service, and a quick and uncomplicated purchase process.

Keep customers in control

Convenience and flexibility are key. Allowing customers to choose how they want to organise payment, collection or delivery and product returns will give them the confidence to purchase again in the future. Maintaining a range of ways for consumers to contact and communicate with retailers, including social channels, will grow their trust in the brand.

Ensure you're top of mind

One of the main benefits of online shopping for customers is that they can fit it into their own schedule rather than adhering to opening times. Being available at all times and regularly engaging and communicating with customers will ensure brands distinguish themselves from the competition.

A little bit about us

Summit is a Changemaker in online retailing.

Founded in 2000, we've grown to over 150 employees working internationally across 3 offices. We have partnered with some of Europe's most successful retailers and brands, helping them make more money from retailing online. Our unique online Retail Value Chain provides our clients with deep expertise across the disciplines required to trade online: strategy, eCommerce, online marketing, trading and logistics. We are passionate about helping our clients transform their business opportunity by thinking and acting differently.

- We give advice that changes the way retailers think about their business.
- We build technology that makes it easy for them to trade and for their customers to buy.
- We create online marketing that brings people closer to their business.
- Our aim is to make it more likely that people buy from our clients than anyone else.

The combination of joined-up expertise working collaboratively across our Retail Value Chain ensures our clients adapt faster to the changing retail landscape.

> **"Our aim is to make it more likely that people will buy from our clients than from anyone else"**

- Hedley Aylott, CEO and co-founder, Summit

Appendix

The initial list of retailers was derived from the Retail Week Top 50 UK retailers by overall annual sales revenue. Group retailers were broken up into their individual brands and scored separately; this gave us 69 retailers to analyse. We omitted 1 retailer who went into administration and 6 retailers with little or no eCommerce offering.

We scored the resulting 62 retailers across the key components of the Retail Value Chain. We then averaged their scores across each discipline to give an overall final score. We shortlisted the top 50 retailers with the remaining 12 shown here in the appendix.

We also aggregated the scores for the groups and you can find the group retailer rankings here too.

Pure play retailers

Very few pure play retailers were present in Retail Week's top 50, but we wanted to see how three of the most innovative online retailers measured against our final 50. We scored ASOS, Boohoo and Net-A-Porter for comparative purposes.

Retailer	Overall Score
ASOS	70%
Boohoo	63%
Net-A-Porter	62%

The remaining 12

Rank	Retailer	Overall Score
51	Jacamo	55%
52	Iceland	54%
53	Sports Direct	54%
54	Lloyds Pharmacy	54%
55	Topman	54%
56	Edinburgh Woollen Mill	54%
57	Pets at Home	53%
58	Poundland	53%
59	DFS	53%
60	Jane Norman	52%
61	Burton	49%
62	Home Bargains	49%

Group retailers

Group Retailer	Average Score
Kingfisher	71%
John Lewis Partnership	69%
Travis Perkins	67%
Shop Direct	63%
Dixons Carphone	62%
N Brown Group	59%
Arcadia Group	56%
EWM Group	55%

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