IREU TOP 500

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emarsys

A performance ranking of
Europe's Top500 ecommerce
and multichannel retailers

DELIVER ON THE PROMISE OF MARKETING

Truly Personalized Consumer Interactions.

emarsys

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IREU Top500 2016

What constitutes a retailer?

THE CROSS-CHANNEL RETAIL landscape is more complex than merely 'having a website' or 'operating a store', especially when considering companies operating at a pan-European level. In choosing which companies to include in the IREU Top500 2016, we have considered companies' intent, capabilities and activities around the recruitment and monetisation of customers. The definition of a 'retailer' for inclusion in our research is:

Destination: the retailer has created a destination that, in the minds of customers, is a source of product, service or experience. Whether this destination is a shop, a site, a place, a time or an event, it's the sense of 'locus' that counts.

Purpose: the retailer has created goods and/or services for the purpose of selling, for consumption by the purchasing consumer.

Merchandising: the retailer actively sells and is not just a portal for taking customers' money. This means the selection, promotion and tailoring of retail offers for customers.

Acquisition: the retailer actively markets, recruits and attracts customers with a promise or proposition to the destination.

Sale: the retailer takes the customer's money. The retailer owns the transaction as the merchant of record.

Recourse: the retailer is responsible for the service, fulfilment and customer satisfaction owing from the sale.

Fascia-focused: the assessment focuses on individual trading names, rather than a parent company that may operate more than one brand. The impact of retail group structure is considered in detail on page 38 but since that structure is invisible to customers, it does not have a bearing on the position of brands owned by a group. The challenge is to turn group capabilities into trading advantages that the customer would notice across brands.

Exceptions: in every good list there's an exception, where we may include a business due to its influence upon retailers and retailers' customers. Some of these companies will be included within IREU Top500 2016 and others are tracked for information on their impact on retailers.

Companies excluded from the IREU Top500 2016

Marketplaces: where a candidate retailer is simply a marketplace, the company is not featured. Where a marketplace undertakes customer acquisition, manages payment, customises offers and recommendations and offers recourse on purchases, then the company will be eligible for inclusion. For more on the influence of marketplaces on the overall retail landscape, see page 42.

Pure transaction/tariffs: where ecommerce is ancillary to the primary purpose of a business, we will not necessarily include them. Online payment for gas or electricity is excluded since the purpose here is supplying energy. Travel companies are not included in the IREU Top500. We have also excluded media-streaming services.

Business-to-business and direct-selling brands: while the scope of retail is normally direct to consumer, two trends are challenging this: the move for brands and previously solely B2B businesses to sell direct to consumers; and the increasingly retail-like behaviour of B2B brands (in terms of acquisition, promotion, personalisation and service). We have therefore included certain B2B businesses and direct-selling brands.

Research at a glance

THE ELEMENTS INCLUDED in each Dimension are summarised below.

0. Footprint Dimension

0.1 EEA retail turnover, ranging from €900,000 to €70 billion – average €2.1 billion

0.2 The ecommerce subset of the above, ranging from €900,000 to €25 billion – average €323 million

0.3 EEA web traffic, ranging from 545,000 to 275 billion page views per year – average 700 million

0.4 Number of EEA stores, ranging from 0 to 12,000 locations – average 400

1. The Customer Dimension

1.1 Website performance and usability

1.2 Customer service channels offered and localisation

1.3 Number of socially active customers and their interaction levels

2. Operations and Logistics Dimension

2.1 Delivery, including range of options, and competitiveness of timeframes and pricing

2.2 Returns, including the ease of the returns and refund process to the customer, and the range of options, including return to store of an ecommerce order

2.3 Collection, a summary of collection points offered by retailers, including own store, transport location, lockers and third-party stores

3. Merchandising Dimension

3.1 Customer-perspective website review, covering design, navigation, the relevance of search results, product information and visual appeal

3.2 Mobile app assessment, including the use of notifications, product display and personalisation *

4. Brand Engagement Dimension

4.1 Social media presence and availability, taking into account size of audience and interaction with it on Twitter, the net change over three months, and use of 10 social networks, email and blog

4.2 Email assessment evaluating read, open, delete and mark-as-spam rates *

4.3 Search assessment including total applicable keywords, total reach, share of search compared to other retailers, and relative visibility in search results *

5. Mobile and Cross-channel Dimension

5.1 Mobile web home page performance

5.2 Cross-channel, taking into account use of physical store estate for ecommerce order fulfilment and return, store information on the website, and combined online and offline loyalty programmes *

5.3 Mobile app, measuring the usability and functionality of apps and weighting features according to their impact on AOV, time spent on app, and conversion rate

6. Strategy and Innovation Dimension

6.1 Growth-orientation across the EEA, measuring how many supported languages, currencies, and countries retailers offer regardless of how significant current sales are via those portals

6.2 Website performance, including engineering and responsiveness

6.3 Flexible order fulfilment

6.4 Advanced merchandising techniques

* Additional research activity performed on a subset of the index

Methodology

Through this analysis of the leading European retailers, researchers aimed to understand how successful multinational retailers go about competing with local indigenous traders through the use of country-specific strategies that take account of the language, culture and legalities of retail in each market. Our metrics first gauged the Top500 retailers in the 31 countries of the European Economic Area, plus Switzerland by Footprint, size. We then moved on to analyse that Top500 list across six Performance Dimensions:

0. Footprint: online and offline revenue, web engagement and the store estate of retailer businesses give the preliminary rank based on size and market impact from the customer's perspective. In-house research identified each retailer's physical presence and financial performance across the region. Where that information was not available, our algorithms inferred data based on researched metrics. This analysis was moderated and weighted in the following Dimensions:

1. The Customer: websites were tested for speed, as well as for the more subjective ease of navigation and search relevance, which were considered likely to contribute to customer satisfaction. Researchers charted whether retailers personalised customer communication channels or left them the same in different countries.

2. Operations and Logistics: measuring the service promise for deliveries, returns and collections.

3. Merchandising: considered whether retailers enabled customers to find the product quickly, and then understand it through relevant images, information and third-party reviews and ratings. Analysis of stock newness was integrated to capture the full picture of merchandising activities.

4. Brand Engagement: assessed how retailers connected brands with the customer, through social media and direct marketing engagement and through search visibility.

5. Mobile and Cross-channel: considered how mobile websites were optimised and the use of mobile apps. Cross-channel links were analysed through the availability of product collection and drop-off returns.

6. Strategy and Innovation: the extent to which the retailer is adapting for growth, international commerce, and embracing innovative approaches.

Judgment
All judges and judgment systems are fallible and our research is no different in that regard. Our methods and metrics have evolved and become more sophisticated as we've moved on from methods first used in the IRUK Top500.

Knowledge Partners
We could not have completed this research without the generous advice and practical help of our Knowledge Partners. We're grateful to them all for the highly revealing insights they've delivered and the generosity with which they did so. SimilarWeb identified website performance and traffic share while NCC Group designed a website performance test. Research from Edited analysed stock turnover and newness during the year, while OneHydra helped to assess search visibility on Google, and ReturnPath captured direct marketing activities. Finally, Poq measured the availability of apps.

Introduction

Welcome to the first InternetRetailing Europe Top500 report. This inaugural study builds on InternetRetailing research that was first carried out in the UK market. Two years on, this research now expands to cover the larger European market. This study looks in-depth at 31 countries – the members of the European Economic Area (EEA) plus Switzerland.

Here we've examined the leading ecommerce and cross-channel retailers and how they trade, in order to identify the characteristics of the traders that stand out in this wide and competitive pan-European market.

We started by identifying the Top500 European retailers, measuring first their Footprint for sheer heft in the market, before going on to assess them against six Performance Dimensions. The resulting understanding goes beyond which retailer has the highest turnover, ecommerce revenues or web traffic to learn which best-practice approaches are most commonly and widely used in this highly-diverse market, and which are still emerging as etail becomes ever-more sophisticated.

We go on to examine the seeds of radical change, extending our scope beyond traditional retailing to consider the international aspects of trading both within and across European borders; how brands, now themselves pan-European, are selling; and how marketplaces and retail groups are evolving in this new world of retail. These findings of what works in the European market will, we believe, in turn help others to build and hone their own performance through a measure that we define as RetailCraft – a striving for excellence at scale that, in responding to customers' needs, makes ecommerce and cross-channel retailing both more focused and more profitable.

We believe this report will prove a useful tool for retailers across Europe as they look to how their peers and colleagues in other countries trade, both as competitors and as growth partners. It comes at a moment when we believe our industry is on the threshold of some of the biggest changes in our generation – and we look forward to continuing to document them in the future.

If you would like to keep abreast of the year-round facts, insights and analysis on the IREU Top500, simply subscribe at www.internetretailing.net/subcribe and select IREU from among the subscription options. Full information available at: www.internetretailing.net/ireu

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IREU TOP 500

2016

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The most extensive analysis on

Europe's Top500 Retailers

Top500 Report (48 pages)

Plus Six Annual Reports:

IREU Report:	**Published**
Brand Engagement:	**Sept 2016**
Mobile & Cross-channel:	**Nov 2016**
Merchandising:	**Jan 2017**
Operations & Logistics:	**Mar 2017**
Strategy & Innovation:	**Upcoming**
The Customer:	**Upcoming**

Who will rank in 2017? Register for details

The InternetRetailing Europe Top500 (IREU 500) is the first Europe-wide retail performance index, gauging and comparing best practice across the trading bloc's 500 most significant retailers.

The Top500 blends quantitative data and qualitative assessment to create the most important and thought-provoking index of its kind. The reports provide case studies, best practice and suggested approaches, emerging trends and interviews.

Register at **internetretailing.net/ireu** to receive the latest reports direct to your inbox

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Content and culture

Retailers selling into European markets must understand how shoppers in different countries want to communicate and to buy, writes Steven Ledgerwood, UK Managing Director at emarsys.

There's no doubt that the European market offers enormous opportunity to retailers. Each individual country within the continent may be home to a market of millions, but together they are home to more than half a billion people. There's enormous potential for retailers to export into a market where they can grow brand awareness and revenue, building an important presence on the world stage. It's an opportunity that's balanced by challenges – it's important not to underestimate the resources and investment required.

Get the language right

Before moving into any new market, successful exporters consider local attitudes to language, to content and to culture.

Holland, Denmark and Sweden, for example, have a more international approach. Shoppers in Scandinavia are more used to having conversations in English in their daily lives – in a way that their Spanish counterparts may not be.

It's important to understand how consumers within a market want to engage with retailers. Our technology supports communication in languages including English, Spanish, German and French. According to recent research by California State University, 52.6% of consumers say that the ability to obtain information in their own language is more important than price.

Culture in common

Selling into new markets is about more than language. It's also about localisation through content that reflects the local culture. In France, for instance, the use of language and the tone can be very different to the way we would communicate in the UK.

Some of the businesses that we work with have started out by creating campaigns in different languages. They've gone on to test them in different markets, adapting the tone in response to their findings in different communities. By testing what they think might work, they go through a process of finding what does work.

Different expectations

Expectations are very different around shopping. The level of omnichannel commerce that's expected in London may not yet be available in other markets; brands that are household names in one region of Europe may be relatively unknown in another. Shoppers in different markets may also want to be reassured by a local presence, whether that's enabled through shops or local call centres.

How far retailers adapt to new markets will be different for all. It will depend to some extent on what they are selling – and what their research tells them about what shoppers in those areas want. Understanding the scale of the challenge before that work starts will help to make it all the more successful.

emarsys

Ecommerce without borders

Traders that tackle the challenges of pan-European retailing can expect to reap rewards

TRADE ACROSS EUROPEAN borders offers huge rewards for the traders that overcome the unique challenges this continent presents.

Challenges such as developing logistics strategies that are relevant in the varied markets of the European Economic Area (plus Switzerland) through to managing differing expectations around payment, currencies and, indeed, shopping behaviours, are, and will continue to be, a huge task for the pan-European retailers that we assess in this ranking of the continent's leading traders.

The challenges are clear from the figures. This is an area of 32 countries, 26 official EEA languages and 13 currencies. The Euro is the leading currency in this region, adopted in 17 countries. Although a digital single market is starting to emerge across the area, the InternetRetailing Europe Top500 (IREU Top500) illustrates that performance is uneven across individual markets.

Setting the context
Turnover from ecommerce across Europe grew to €455.3bn (£359.2bn) in 2015, and will reach €510bn (£402.3bn) in 2016, according to the European B2C Ecommerce Report from Ecommerce Europe. That's forecast to grow to €660bn by 2018, according to the report. It analysed 48 European countries, including the 28 that are members of the European Union, and estimated that 296m online consumers from these markets spent an average of €1,540 (£1,173) over the internet last year.

Retailers in this area's largest single ecommerce market, the United Kingdom, took an estimated third of all European online sales in 2015, followed by France and Germany. Together, these three accounted for 61.9% of all European online turnover in 2015. Transactions in the UK alone are worth, the report suggests, an estimated €157.1bn (£123.9bn) each year, with consumers spending an average of €3,625 (£2,761) each year. But while these markets are the largest, the Ecommerce Europe report suggests that they are not where the fastest growth is found. That honour is reserved for less mature markets such as Belgium, which grew by 34.2% in 2015, and, beyond the EEA, Ukraine (35%) and Turkey (34.9%).

IREU Top500 research shows that, as a group, leading European retailers are often starting to foster cross-border trade, but have by no means completed the task. The average IREU Top500 trader sells not in 13 currencies but in two, and in three languages, rather than the 26 that are possible in the region. Indeed, many of those listed do not sell in other markets at all but enjoy a large enough footprint in one territory to win a place in this index. Some are well ahead on this, selling in many markets and languages. Spanish fashion brand Zara, for example, sells in 28 EEA countries, serving them in 23 languages, while footwear retailer Deichmann sells in 19 countries and in 18 languages. But the average remains, for the moment, at a relatively low level.

The digital single market

That's not likely to continue. The European Union is pushing forward the digital single market, with an aim of removing regulatory barriers to cross-border trade and, at a practical level, bringing refund and returns policies into line across markets. It promises that moving from the 28 national markets of the EU to a single market will unlock an annual economic contribution of €415bn a year, creating hundreds of thousands of jobs. Currently, according to European Commission figures, only around 15% of Europeans shop online from another country, and only 7% of SMEs that trade online sell across borders.

New ecommerce rules proposed by the European Commission in May 2016 aim to encourage cross-border ecommerce by tackling geoblocking, making cross-border parcel delivery more affordable and efficient while at the same time encouraging trust among customers through better protection and enforcement.

Launching the proposals, Elżbieta Bieńkowska, commissioner for internal market, industry, entrepreneurship and SMEs, said: "Discrimination between EU consumers based on the objective to segment markets along national borders has no place in the Single Market. With clearer rules, better enforcement and more affordable cross-border parcel delivery, it will be easier for consumers and companies, especially SMEs, to make the most of the EU Single Market and cross-border ecommerce."

Will these changes lead to a greater take up of cross-border ecommerce? Just as confidence has risen in individual markets, it seems likely that consumers across Europe will become more willing to buy across borders. It also seems likely that IREU Top500 retailers will continue to improve their international offers as they target new markets in search of growth.

Brands

Retailers selling into new markets within the trading bloc face an uphill battle to compete with brands, many of which now sell direct to customer. It's a peculiarity of ecommerce that traditional retailers, standing between the wholesaler and the customer, must become destinations in their own right in order to survive. The recent example of BHS in the UK highlights the idea that retailers cannot survive by being just an outlet for brands, or their customers will increasingly leapfrog them to reach the brand itself online.

The likelihood is that pan-European retail will continue to grow and to flourish over the coming years and decades – and it will be those retailers that make their offer more relevant to the shoppers they serve across a variety of markets that will most benefit as a result.

Where did we start?
The largest in Europe

We published our Footprint in 2015, a combination of a retailer's revenues, online sales, web traffic and store numbers - an indication of their visibility to the European consumer. Here are the retailers, clustered by footprint size and listed alphabetically. Once we factor in their performance in our six dimensions, their final performance ranking is shown on page 14.

Largest 50

Albert Heijn	Deichmann	JYSK	Rossmann
Amazon	Douglas	Kik	Sainsbury's
Apple Store	E.Leclerc	Leroy Merlin	Screwfix
Argos	Eroski	Lidl	Spar
Asda	Euronics	M&S	SportsDirect.com
Auchan	Expert	Mango	Tchibo
A.S. Adventure	F&F	Media Markt	Tesco
Bershka	George at Asda	Next	TK Maxx
Boots	H&M	Nike	United Colors of
C&A	Iceland	Otto	Benetton
Carrefour	IKEA	Pandora	Yves Rocher
Co-op	IKKS	Post Office Shop	Zara
Decathlon	Intersport	Pull & Bear	

Largest 100

Accessorize	Dänisches	Hagebaumarkt	New Look
Allegro	Bettenlager	Hema	OBI
Apotek1	Darty	Hollister	PC World
ATS Euromaster	Debenhams	Jack & Jones	Phone House
B&Q	Dia	Kiabi	Promod
The Body Shop	Dunelm	Konzum	Specsavers
BonPrix	eBay	Kruidvat	Stradivarius
Camaieu	El-Giganten	Lindex	Superdrug
Carphone	eMAG	Lloyds Pharmacy	Swatch
Warehouse	Ernsting's Family	Massimo Dutti	Tommy Hilfiger
Claire's	Fnac	Medimax	Toys Я Us
Clarks	Foot Locker	Monoprix	Waitrose
Currys	Game	Morrisons	WHSmith

Largest 150

Adidas
Albert
Alternate
Alza
A.T.U.
Bauhaus
Bijou Brigitte
Blokker
Boulanger
Camper
Castorama
Conforama
Delhaize.be

Desigual
Dorothy Perkins
Empik.com
Esprit
Etam
Halfords
Holland & Barrett
Homebase
Hunkemöller
JD Sports
John Lewis
L'Occitane
Lego

Libri
Matras
Mein dm
Mondadori Store
Mothercare
Müller
Nespresso
Office
Oysho
Pimkie
Plus.de
River Island
s.Oliver

Sally
Samsung
Saturn
Swarovski
Topshop
Unieuro
Vente-Privee
Vero Moda
Wayfair.co.uk
Wilko.com
Zalando

Largest 250

Ann Summers
Asics
Asos
Aubert
Baby-Markt
bareMinerals
Bata
Bild Shop
Billa
Bol.com
Bottega Venetta
Bottega Verde
Brantano
Brico Depot
BUT
Cache Cache
Card Factory
CarpetRight
Cdiscount
Chaussea
Clas Ohlson
D-Mail
Diesel
Disney Store
Eduscho
El Corte Ingles

Euro Car Parts
Forbidden Planet
G-Sport
Galeria Kaufhof
Gall & Gall
Games Workshop
Gamma
GAP
Gemo
Gifi
Google Play
Guess
H.Samuel
Home Bargains
Hornbach
House of Fraser
Hugo Boss
Intreza.nl
Jacamo
Jennyfer
JouéClub
Kasa
Komputronik
La Redoute
Lapeyre
Laura Ashley

Lipsy
Lush
Maisons du Monde
Maplin Electronics
Matalan
Materiel.net
Media World
Mercadona
Micromania
Migros
Mio
Miss Etam
Monsoon
MS Mode
Neonet
Obaïbi-Okaïdi
Ocado
Orchestra
Peacocks
Pets at Home
Prenatal
Real
Rue du Commerce
Schuh
Shoe Zone
Simply Be

Staples
Superdry
Tati
Thalia
Timpson
Tom Tailor
Toolstation
Topman
Victoria's Secret
Villeroy & Boch
Wallis
Warehouse
Waterstones
Weltbild.at
Wickes
Women'secret
The Works
Worten
Xenos
XXL
Yours Womenswear
Zeeman

Largest 350

Adolfo Dominguez
Aktiesport
Alba Moda
Allopneus.com
Altex
Apart
AuchanDirect.fr
Auchandrive.fr
Baur
Bensons for Beds
Boohoo.com
Boux Avenue
Brico
Burberry
BuyVip
Ceneo
ChaussExpo

Christ
Coast
Coolcat
Coradrive.fr
COS
Crazy Factory
Devred 1902
Dr.Max
Dreams
Dunnes Stores
E-shop.gr
Ecco
The Edinburgh
Woollen Mill
Elkjop
Ellos
Ernest Jones

Evans
Evans Cycles
Fat Face
France Loisirs
Fust
G-Star Raw
Galeries Lafayette
Go Sport
Gucci
Habitat
Hippoland
hmv.com
HP
JBC
Karen Millen
Karstadt
Kijkshop.nl

King Jouet
Kotsovolos
LaFeltrinelli
Leen Bakker
Littlewoods
Louis Vuitton
M&Co
Majestic Wine
Mall.cz
MandM Direct
Microsoft
Mimovrste
Misco
Miss Selfridge
Monica Vinader
Oasis
Okay

Oscaro
The Perfume Shop
Pizza.be
Poco
Pret A Manger
Printing.com
Privalia
Quiz
The Range
Robert Dyas
Roller.de
Ryman
Scapino
Sole
Sportisimo
Stadium
T.S. Bohemia

Tape À L'Oeil
Ticketmaster
Timberland
Topps Tiles
Trainline
USC
Vans
Vertbaudet
Vistaprint
We Fashion
Westwing
Wiggle
Witt Weiden
YOOX.com
Zooplus
5.10.15.

Largest 500

Achica
AKI
Alcampo.es
AllPosters.co.uk
AllSaints
American Apparel
American Golf
ao.com
Apotek
Avon
Babywalz
Barbour
Bathstore
BazarChic
BCC
Berden
BestSecret
Bever
Bimba Y Lola
Blue Inc
Boden
BookDepository.com
Boozt.com
Bose
Bristol
Burton

Casadellibro.com
Cass Art
Cath Kidston
Conrad
Continente
Cotswold Outdoor
Cotton Traders
Crocs
Cultura-Socultur
Czc.cz
Dabs.com
DeLonghi
Delticom
DFS
Dixons
Dress-for-Less
Dustin
e-Jumbo
Early Learning Centre
Easy Buy World
Ebuyer.com
Electro Depot
Electro World
The Entertainer
Everything5pounds.com
Ex Libris

Fashion Days
Fashion ID
Feelunique.com
Flanco
Footasylum
Forever 21
Fossil
Gaastra
Gigantti
Go Outdoors
Goldsmiths
Görtz
Grazia Shop
Hervis
Hobbs London
Hobbycraft
Interflora
Jack Wills
Jacques Vert
JD Williams
Just Eat
Karwei
Kenzo
Kjell & Company
Komplett
Krëfel

Kwantum
Lakeland
LDLC
M-Electronics Migros
Manor
Merlin
Microspot.ch
Mindfactory.de
Missguided
Mister Good Deal
Monki
Moonpig
Morgan
Mountain Warehouse
Mr Porter
Myprotein
MyTrendyPhone
Nature & Decouvertes
Net-A-Porter
NetOnNet
The North Face
NotOnTheHighStreet.com
Overclockers UK
Paperchase
Pepe Jeans London
Philips

Photobox
Plumbase
Plutosport.nl
Prada
Praktiker
Public.gr
Puma
Ralph Lauren
Reiss
Remix.bg
Reservix
Richer Sounds
Route One
Rowlands Pharmacy
RS Components
Runners Point
Saldiprivati
SecretSales
Skatehut.co.uk
Smyk
Smyths
Space.NK.apothecary
Sport Zone
Spreadshirt
T.M. Lewin
Taobao

TechnoMarket
Thansen.dk
Thomas Sabo
Thorntons
Thuisbezorgd.nl
Tokmanni
Topachat.com
Trespass
Urban Outfitters
Vanden Borre
VanHaren
Vente-Exclusive.com
Very
Viking
VM Zona
W. Kruk
XXXL
Zavvi
Zazzle
Zero

Congratulations to the IREU Top500, 2016

This is our 2016 ranking of the Top500 in Europe, based upon each retailer's performance across our six Performance Dimension: Strategy and Innovation, The Customer, Operations and Logistics, Merchandising, Brand Engagement, and Mobile and Cross-channel.

Our Elite retailers are statistically ahead of all others and they represent the pinnacle of European multichannel retailing. Congratulations to Apple, Bon Prix, Decathlon, H&M, Next and Zara.

REU ELITE 2016

Apple   bon prix   next   DECATHLON   H&M   ZARA

REU LEADING 2016

Alza	The Body Shop	IKEA	Otto
Amazon	Boots	Intersport	Sainsbury's
Argos	Carrefour	John Lewis	Saturn
Asda	Currys	Lidl	Screwfix
	Darty	M&S	SportsDirect.com
	Deichmann	Media Markt	Tesco
	Euronics	Nike	Zalando

REU TOP 50 2016

Asos	Coop	Homebase	Mothercare
Auchan	Debenhams	House of Fraser	New Look
Bershka	Dorothy Perkins	Kiabi	PC World
	eBay	Leroy Merlin	Pimkie
	Fnac	Mango	
	Halfords	Massimo Dutti	

REU TOP 100 2016

Accessorize	Carphone Warehouse	Hollister	River Island
Albert Heijn	Clarks	Hunkemöller	s.Oliver
Alternate	Conrad	Jack & Jones	Stradivarius
B&Q	Disney Store	JD Sports	Superdrug
Bol.com	Douglas	La Redoute	Swatch
Boohoo.com	Dunelm	Matalan	Tchibo
Boulanger	eMAG	Migros	Thalia
C&A	Empik.com	Monoprix	TK Maxx
	Ernsting's Family	OBI	Topman
	Eroski	Office	Topshop
	Esprit	Phone House	Toys Я Us
	Expert	Prenatal	Unieuro
	F&F	Promod	Wallis
	Hema	Pull & Bear	Weltbild.at

EU TOP 150 2016

Adidas
Auchandrive.fr
A.S. Adventure
Bauhaus
Blokker
Camaieu
Castorama
Claire's
Clas Ohlson
Conforama
Delhaize.be
E-shop.gr
E.Leclerc
Eduscho
El Corte Ingles
Evans
Foot Locker
Forbidden Planet
George at Asda
H.Samuel
Hagebaumarkt
Hornbach
JYSK
Konzum
Kruidvat
Lindex
Lloyds Pharmacy
Majestic Wine
Matras
Media World
Mein dm
Miss Selfridge
Oasis
Pandora
Quiz
Rossmann
Samsung
Schuh
Simply Be
Smyths
Spar
Staples
Swarovski
Toolstation
United Colors of Benetton
Vero Moda
Waitrose
WHSmith
Wilko.com
Yours Womenswear

EU TOP 250 2016

Aktiesport
Allegro
Ann Summers
Apotek1
ATS Euromaster
Aubert
A.T.U.
Bata
Bathstore
Billa
Blue Inc
Bose
Bottega Verde
Brantano
Brico
Burberry
Burton
Cache Cache
Christ
D-Mail
Dänisches Bettenlager
Dia
Early Learning Centre
Electro Depot
Elkjop
Etam
Evans Cycles
Ex Libris
Footasylum
Forever 21
Galeria Kaufhof
Galeries Lafayette
Game
GAP
Gemo
Go Outdoors
Goldsmiths
Google Play
Hobbs London
Holland & Barrett
HP
Hugo Boss
Iceland
IKKS
Interflora
Intreza.nl
Jacamo
Jack Wills
JBC
Karen Millen
Karwei
Kasa
Kijkshop.nl
Kik
L'Occitane
Lapeyre
Leen Bakker
Lego
Littlewoods
Lush
Mall.cz
Micromania
Mondadori Store
Monsoon
Morrisons
MS Mode
Nespresso
Ocado
Orchestra
Oysho
Peacocks
Pets at Home
Post Office Shop
Public.gr
Roller.de
RS Components
Ryman
Sally
Scapino
Shoe Zone
Sport Zone
Spreadshirt
Superdry
Tape À L'Oeil
Tommy Hilfiger
Topps Tiles
USC
Vente-Privee
Very
Warehouse
Waterstones
We Fashion
Wickes
Wiggle
Worten
Xenos
XXL
YOOX.com
Yves Rocher
Zeeman

EU TOP 350 2016

American Golf
Baby-Markt
bareMinerals
BCC
Bijou Brigitte
Boux Avenue
Bristol
BUT
Camper
CarpetRight
Cass Art
Cdiscount
Chaussea
Cotswold Outdoor
Cotton Traders
Crocs
Cultura-Socultur
Czc.cz
Dabs.com
Desigual
Diesel
Dreams
Dunnes Stores
Dustin
Ebuyer.com
El-Giganten
Electro World
Ellos
The Entertainer
Ernest Jones
Fat Face
Fust
Games Workshop
Gamma
Gifi
Gigantti
Go Sport
Görtz
Gucci
Hippoland
hmv.com
Hobbycraft
Home Bargains
JD Williams
Jennyfer
Karstadt
Komplett
Komputronik
Krëfel
Lakeland
Laura Ashley
Libri
Lipsy
Louis Vuitton
M-Electronics Migros
M&Co
Maisons du Monde
MandM Direct
Maplin Electronics
Materiel.net
Medimax
Mio
Misco
Miss Etam
Missguided
Morgan
Mountain Warehouse
Müller
Net-A-Porter
The North Face
NotOnTheHighStreet.com
Obaïbi-Okaïdi
Okay
The Perfume Shop
Philips
Photobox
Plus.de
Puma
Real
Reiss
Rue du Commerce
Sole
Space.NK.apothecary
Specsavers
Stadium
Tati
Thorntons
Timberland
Tokmanni
Urban Outfitters
Vertbaudet
Victoria's Secret
Viking
Vistaprint
Wayfair.co.uk
Women'secret
The Works
XXXL
Zazzle

EU TOP 500 2016

Achica
Adolfo Dominguez
AKI
Alba Moda
Albert
Alcampo.es
Allopneus.com
AllPosters.co.uk
AllSaints
Altex
American Apparel
ao.com
Apart
Apotek
Asics
AuchanDirect.fr
Avon
Babywalz
Barbour
Baur
BazarChic
Bensons for Beds
Berden
BestSecret
Bever
Bild Shop
Bimba Y Lola
Boden
BookDepository.com
Boozt.com
Bottega Venetta
Brico Depot
BuyVip
Card Factory
Casadellibro.com
Cath Kidston
Ceneo
ChaussExpo
Coast
Continente
Coolcat
Coradrive.fr
COS
Crazy Factory
DeLonghi
Delticom
Devred 1902
DFS
Dixons
Dr.Max
Dress-for-Less
e-Jumbo
Easy Buy World
Ecco
The Edinburgh Woollen Mill
Euro Car Parts
Everything5pounds.com
Fashion Days
Fashion ID
Feelunique.com
Flanco
Fossil
France Loisirs
G-Sport
G-Star Raw
Gaastra
Gall & Gall
Grazia Shop
Guess
Habitat
Hervis
Jacques Vert
JouéClub
Just Eat
Kenzo
King Jouet
Kjell & Company
Kotsovolos
Kwantum
LaFeltrinelli
LDLC
Manor
Mercadona
Merlin
Microsoft
Mimovrste
Mindfactory.de
Mister Good Deal
Monica Vinader
Monki
Moonpig
Mr Porter
Myprotein
MyTrendyPhone
Nature & Decouvertes
Neonet
NetOnNet
Oscaro
Overclockers UK
Paperchase
Pepe Jeans London
Pizza.be
Plumbase
Plutosport.nl
Poco
Prada
Praktiker
Pret A Manger
Printing.com
Privalia
Ralph Lauren
The Range
Remix.bg
Reservix
Richer Sounds
Robert Dyas
Route One
Rowlands Pharmacy
Runners Point
Saldiprivati
SecretSales
Skatehut.co.uk
Smyk
Sportisimo
T.M. Lewin
T.S. Bohemia
Taobao
TechnoMarket
Thansen.dk
Thomas Sabo
Thuisbezorgd.nl
Ticketmaster
Timpson
Tom Tailor
Topachat.com
Trainline
Trespass
Vanden Borre
VanHaren
Vans
Vente-Exclusive.com
Villeroy & Boch
VM Zona
W. Kruk
Westwing
Witt Weiden
Zavvi
Zero
Zooplus
5.10.15.

Distribution of the IREU Top500

The countries in which the
IREU Top500 retailers operate

The number of IREU 500 retailers for whom a country is their largest market in the EEA

Which member states are most important to a retailer's Footprint? At one end of the extreme we see the UK, France, or Germany being the most important market for the majority of Top500 retailers. At the other, 10 countries aren't the most important market for even one Top500 retailer.

IREU 2016
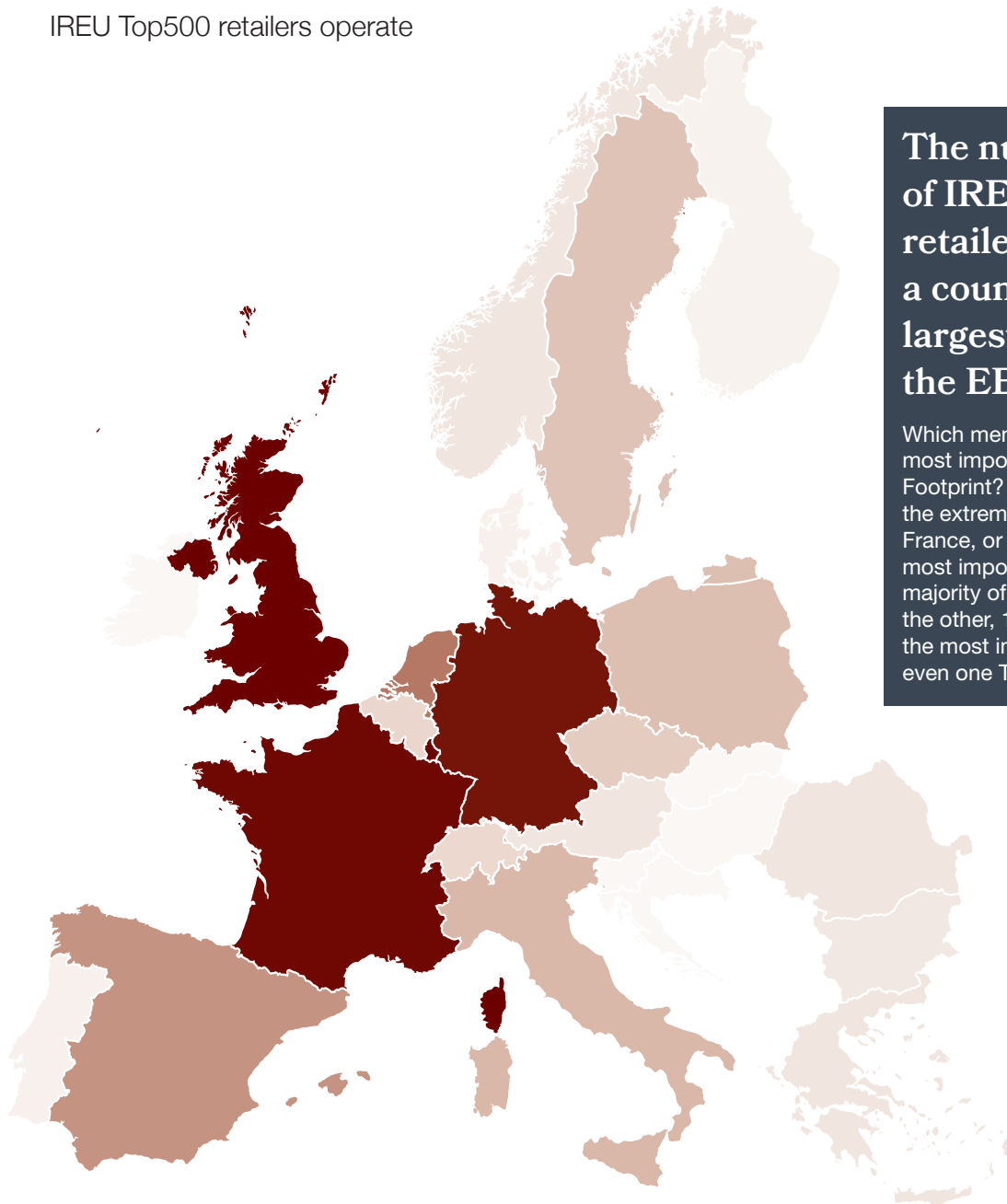
Percentage of our Top500 for which this country is the largest Footprint market

Country	%	Country	%	Country	%
United Kingdom	20%	Czech Republic	3%	Denmark	1%
France	19%	Belgium	2%	Portugal	1%
Germany	18%	Switzerland	2%	Finland	1%
Netherlands	9%	Austria	1%	Croatia	0%
Spain	7%	Greece	1%	Hungary	0%
Italy	4%	Norway	1%	Republic of Ireland	0%
Poland	4%	Romania	1%	Slovenia	0%
Sweden	3%	Bulgaria	1%	Slovakia	0%

Top500 retailers operating within a country

The IREU is based upon the 'Footprint' of retailers. This heatmap shows the countries of operation of our Top500. A large retailer might operate in only one territory, while another might operate across many countries. Our graphic shows that some 250 of the IREU Top500 are active in the UK, while France, Germany and the Netherlands have the next-highest representation of the Top500. This graphic reflects both how a market is conducive to the activities of the Top500, and also how familiar a consumer in a given country is likely to be with our list of top retailers.

IREU 2016
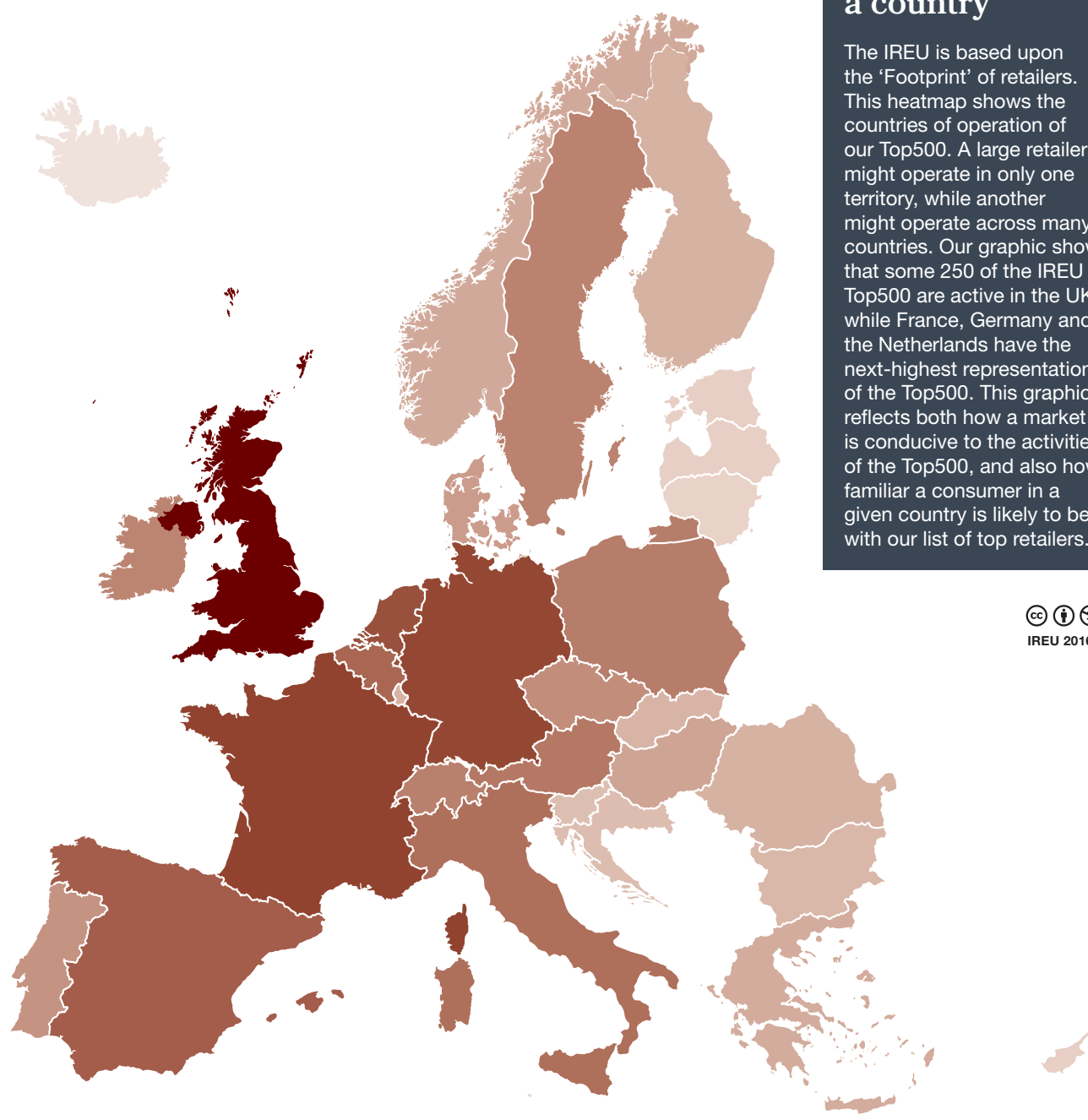
Percentage of our Top500 operating in the country

United Kingdom	54%	Poland	23%	Norway	14%	Slovenia	10%
France	38%	Switzerland	23%	Greece	13%	Estonia	7%
Germany	36%	Sweden	22%	Finland	12%	Cyprus	7%
Netherlands	34%	Republic of Ireland	21%	Romania	12%	Latvia	7%
Spain	31%	Czech Republic	20%	Slovakia	12%	Lithuania	7%
Belgium	28%	Portugal	18%	Luxembourg	12%	Malta	6%
Italy	26%	Denmark	17%	Bulgaria	11%	Iceland	4%
Austria	24%	Hungary	15%	Croatia	10%	Liechtenstein	0%

Footprint leaders

How the largest 50 retailers are present in the major markets

SIZE DOES MATTER. While our analysis of the IREU Top500 looks at what they do through the prism of Performance Dimensions, reach and heft also matter. Those companies that can not only create great retail experiences, but also do it at scale, are very likely to prosper in the longer term.

So what does the geographical spread of the largest 50 retailers within the IREU Top500 tell us about the state of European retail? The first thing to notice is that clothing retailers perform well when it comes to having a substantial presence in different territories. Most notably, H&M is among the largest 50 retailers in 31 countries. This reflects the huge success of the Swedish company's fast-fashion model.

It's one of a number of brands that prosper in great part through an international recognition factor. The British sportswear retailer SportsDirect.com, which competes in great part on price and has more than 650 stores worldwide, is among the largest 50 retailers in 26 EEA countries. Interestingly, that list currently excludes Germany and Poland, although its strategy is to expand "into all the major EEA countries".

However, not all of those that trade in a large number of countries compete primarily on price. The sportswear brand Nike is among the 50 largest retailers in 25 EEA countries (but not Germany). While it's not a high-fashion brand, it jealously guards its image. Its stores are, in many respects, a way to project its values and the company's innovative retail spaces play a part in this.

Other large retailers have less of a presence in multiple territories. Apple Store, for example, is among the largest 50 retailers in only one major territory, the UK, and two EEA countries overall. However, thanks to its sales in the UK, its landmark stores in major EEA cities and its strong online presence, it makes this list. Rather less glamorous, Screwfix is one of the largest 50 retailers in the UK only, but since people always need bits and bobs for building and DIY jobs, it's proof that being a specialist yet selling at volume can be lucrative.

In the UK, 19 of the largest retailers are also among the largest 50 retailers. The same figures for the other major EEA territories break down as follows: Poland 17, Germany 15, Italy 14, Spain 14 and France 12. It's intriguing that France, which has a reputation for cultural exceptionalism, appears most resistant to big international brands.

FOOTPRINT LEADERS

	FRANCE	GERMANY	ITALY	POLAND	SPAIN	UK	OTHER EEA	TOTAL EEA
H&M	•	•	•	•	•	•	25	31
Nike	•		•	•	•	•	20	25
SportsDirect.com	•		•		•	•	22	26
Amazon	•	•			•	•	2	6
Pandora			•	•		•	8	11
Tesco				•		•	3	5
George at Asda						•	10	11
Boots						•	9	10
TK Maxx						•	2	3
Apple Store						•	1	2
Argos						•	1	2
Asda						•	0	1
F&F						•	0	1
Iceland						•	0	1
M&S						•	0	1
Next						•	0	1
Post Office Shop						•	0	1
Sainsbury's						•	0	1
Screwfix						•	0	1
Intersport	•	•	•	•	•		15	20
Media Markt		•	•	•	•		17	21
Carrefour	•		•	•	•		7	11
Leroy Merlin	•		•	•	•		5	9
Mango			•	•	•		20	23
C&A		•		•	•		14	17
Zara					•		2	3
Bershka					•		0	1
Eroski					•		0	1
Pull & Bear					•		0	1
Deichmann		•	•	•			11	14
Euronics		•	•	•			9	12
Auchan	•		•	•			2	5
Tchibo		•		•			6	8
Douglas		•		•			5	7
Rossmann		•		•			1	3
JYSK				•			8	9
IKEA		•	•				1	3
United Colors of Benetton			•				8	9
Otto		•					14	15
Lidl		•					11	12
Expert		•					9	10
Kik		•					1	2
Yves Rocher	•						4	5
E.Leclerc	•						1	2
Decathlon	•						0	1
IKKS	•						0	1
Spar							6	6
Coop							3	3
Albert Heijn							1	1
A.S. Adventure							0	0

Service without borders

Top500 retailers are moving towards offering a
seamless and consistent shopping experience

A SHOPPING EXPERIENCE that enables
customers to buy easily and in the way
that best suits them is the hallmark of the
European retailers that lead The Customer
Performance Dimension.

They do this both through fast and effective
websites and through the customer service they
offer. Ecommerce and cross-channel retailing
are moving towards enabling shoppers to buy
whenever and wherever they want, and the
leaders in this Dimension do just that.

What the Top500 do

InternetRetailing Knowledge Partner NCC
Group helped to test how fast landing pages
loaded for all Top500 retailers. Its Speed
Index brings together metrics that include the
time each took to be fully loaded and visually
complete. Along the way it measures time to
first byte – when the page first starts to be
downloaded – and when the page starts, and
finishes, rendering (the process by which a
web browser interprets HTML markup and
determines where each element should go
on the page and how it should appear) as
well as logging the number of web requests
needed to complete the page.

The Top500 retail websites fully loaded in
an average of 7.7 seconds (s), becoming
visually complete in an average of 8.7s. Time
to first byte was achieved in an average 0.4s,
while rendering started in an average of 3.2s.

Retailers trading in Norway, the Netherlands
and Denmark had the best average Speed
Index. Those selling in Belgium, the
Netherlands and Denmark were the fastest to
visual completion, on average. Belgian Top500
websites had the fewest number of web
requests, at an average of 107, compared to
a Top500 average of 126.

What the leading retailers do

Czech electronics and computer retailer Alza
stood out for consistently efficient websites.
The performance of its Czech Republic
website was 13% higher than the average
Top500 retail website.

UK fashion retailer Next enabled shoppers in
its 31 EEA websites to use their local currency
when buying. It also supports 11 European
languages, including French, German, English,
Italian, Slovenian, Spanish and Russian – in
Latvia, Estonia and Lithuania. The trader
answers customer queries through local
language call centre staff who are available
24/7. Customers can submit their questions
via a contact form available on the local
website, with response promised within 24
hours. Next country-specific websites loaded
in an average of 2.7s, 185% faster than the
average load time for Top500 retailers.

Swedish homewares company IKEA
operates 26 country-specific websites in
21 European languages. These websites were
measured both in technical terms – how
quickly the page loaded – and soft metrics,
including user-friendliness. Out of 26 IKEA
websites, the UK website had the quickest
full page loading time, in 3.8s. However,
the quickest time to rendering the page was
delivered by its Romanian and Lithuanian
landing pages in less than 2s. When IKEA's
landing pages were evaluated on user
friendliness, its French landing page came out
top for ease of navigation while its UK landing
page scored highly for search relevance. Both
the French and UK landing pages offered
three ways of getting in touch with customer
service, including live chat available in the
local language.

Mango operates ecommerce websites for
31 EEA countries in their local currencies and
using major European languages. Customers
can get in touch through a country-specific
customer services phone number between
9am and 9pm, or via a contact form that was
only available in English. Mango websites
on average scored top marks for ease of
navigation and search relevance.

Electricals business Euronics offered live
chat on its Norwegian, Lithuanian and Finnish
websites, while also customising its website
for Baltic countries such Latvia, Lithuania and
Estonia, with the Russian language an option

on the Latvian and Estonian websites. All of its websites provided phone and email contacts, while the Latvian website also offered Skype as a way for shoppers to get in touch to answer their questions. Its Finnish website rendered in 1.4s, and loaded fully in 4.6s.

Differences between European customers

Retailers trading within Europe must negotiate different relationships with customers, thanks to different shopper behaviour in different markets. IREU research from Knowledge Partner Return Path suggests that shoppers in France and Germany approach reading emails in very different ways. According to the research, 21% of emails sent to French customers before dawn were opened, compared to 22% in the UK and 11% in Germany. Perhaps this has to do with the fact that German consumers often start work between 7am and 8am, and schools between 7.30am and 8am, whereas in France businesses and schools more commonly start for the day between 8am and 9am, and in the UK the typical working day is from 9am.

Having started work earlier, German consumers typically end their working day

> Different nationalities seem to have different approaches to discount emails

around 5pm and, outside big cities, tend to commute in cars rather than on public transport. French commuters, especially those in the Paris area, tend to use public transport, so have more time to check emails while travelling. They are also more likely to be working until 6pm or even 7pm. That behaviour is reflected in open rates for emails sent in the evening across the three countries. While UK shoppers opened 20% of evening emails, and French shoppers 16%, German consumers opened 12%.

Different nationalities also appear to have different approaches to discount emails. UK shoppers opened more emails offering a discount of up to 25% (23% open rate), and a discount of more than 50% (22%), with the open rate falling to 18% for those offering discounts of between 25% and 50%. While 15% of emails offering a discount of up to 25% were opened in France, opening rates in France and Germany for all other discount emails failed to get above 11%. The Return Path analysis suggests that French consumers seem suspicious of large discounts, while in Germany discounting is becoming ineffective due to excessive levels of 'discount competition'.

Web page speed

The markets with the best average Speed Index

Speed Index is a composite metric of web page performance. It measures how fast the visible screen goes from blank to complete (lower is better). All Top500 landing pages, granular to country, language, and currency, were tested. InternetRetailing collaborated with NCC Group on this IREU 500 study.

Norway
4,860

Denmark
5,290

The Netherlands
5,310

Sweden
5,370

Belgium
5,380

IREU TOP 500
Brought to you by InternetRetailing

The Customer Dimension
The **Top100** retailers of the **IREU 2016**
The Customer Dimension
Share your thoughts on #IREU500 with @etail

The Customer Top50

Adidas
Alternate
Alza
Apple Store
ATS Euromaster
Bershka
The Body Shop
BonPrix
Boohoo.com
Bose
Burberry
C&A
Conrad
Decathlon
Dress-for-Less
eBay
Esprit

Euronics
Expert
Foot Locker
Games Workshop
H&M
HP
IKEA
Interflora
Intersport
Jack & Jones
John Lewis
La Redoute
Lego
Lindex
Mango
Massimo Dutti
Media Markt

Next
Nike
Oasis
Otto
Oysho
Photobox
Samsung
SportsDirect.com
Spreadshirt
Swatch
Toys Я Us
Vente-Privee
Vistaprint
Zalando
Zara
Zazzle

The Customer Top100

Accessorize
AllPosters.co.uk
Amazon
Asos
Babywalz
Carrefour
Conforama
Deichmann
Delticom
Disney Store
Ellos
Etam
Fashion Days

Fnac
Hema
Hunkemöller
Kiabi
Komplett
LDLC
Leroy Merlin
Lidl
Louis Vuitton
Lush
M&S
Maisons du Monde
Mall.cz

MandM Direct
Misco
MS Mode
Nespresso
OBI
Phone House
Pimkie
Pizza.be
Promod
Pull & Bear
s.Oliver
Saturn
SecretSales

Spar
Staples
Stradivarius
Superdry
Tchibo
Tesco
Ticketmaster
Tommy Hilfiger
Vertbaudet
YOOX.com
Yves Rocher

The fastest 'standard' delivery

The Top500's average 'standard' delivery time in a country, in business days. Member states where fewer than 30 of the IREU 500 operate are excluded

Germany
4 days

Netherlands
4.1 days

Switzerland
4.4 days

Belgium
4.6 days

Poland
4.6 days

IREU 2016

Above standard fulfilment

The right price and the right speed are critical when it comes to operations and logistics

TO WHAT STANDARD are retailers currently delivering orders to consumers in the European Economic Area (EEA) and Switzerland? How sophisticated are their returns policies? Do they offer click-and-collect services? The answers to these questions underpin this IREU Operations and Logistics Performance Dimension.

The market leaders in this Dimension deliver quickly and efficiently, at a time that will suit the customer. They do this either for free, with a minimum purchase, or at a competitive rate. Most offer a click-and-collect service. These retailers accept returns across channels. While some refund the cost of returns quickly, others take up to 20 days.

It's notable that grocers dominate the top of this ranking. InternetRetailing senior researcher Martin Shaw sees a number of factors at play. "Supermarkets, partly due to size and partly due to the necessities brought about by the fresh produce they sell, dominate the ranks of the most-capable companies in this Dimension," he says. The need to deliver fresh food quickly has probably driven this level of service, as has the highly competitive nature of the UK grocery market.

Standout UK performance
UK traders take three of the top five places in this ranking – and 49 in the top 100. It seems that when it comes to operations and logistics, leading in this most mature ecommerce market in the EEA is key to leading in Europe.

Standout companies also include Interflora. The UK-based florist punches well above its weight in this Dimension, with a service that crosses the continent and provides a fast ▶

and efficient, yet still personal, service. "Elite performers such as Interflora are setting the standards in the minds of customers that the rest of the industry must match," says Shaw.

What do the Top500 do?

Across the IREU Top500, it's notable that retailers' own delivery services vary greatly from country to country. Of the traders that sell both in the UK and Germany, two-thirds offer both more choice and a faster and cheaper service in the UK. Indeed, UK retailers offer the widest average choice of delivery options – an average of 2.64 choices – followed by France, Spain, the Czech Republic and Norway.

Nonetheless, retailers in Germany offer the fastest standard delivery service, at an average of close to four days. Traders from the Netherlands were the only others to get close to matching this speed of delivery.

Standard delivery is slower in Norway, Denmark, Lithuania and Latvia (although fewer than 30 of the Top500 retailers operate in these last two markets). The average delivery time across these four markets was 12% slower than in the UK, where the average time promised for standard delivery is 4.8 days. Ireland matched Norway and Denmark for their low cost of delivery.

Germany is the most competitive market for returns, with most retailers operating in this market offering pre-paid returns, followed by Austria, the Netherlands and Sweden. German traders also charged the lowest fee for returns – along with Luxembourg, Finland and Ireland. Customers have more time to change their minds in the Nordics: in Sweden, Norway, Finland and Denmark, the average retailer will accept returns after more than one month.

The uptake of collection services varies widely across the continent. Two-thirds (66%) of retailers offer collection in Germany. By contrast, 44% of those operating in Poland, the Czech Republic, Hungary and Romania offer the service.

Leading by example

Individual retailers that stand out in this field include Apple, with a service for both deliveries and returns that is unparalleled. The technology retailer delivers fast and for free in seven EEA countries, where customers can also specify the date and time their product arrives. Next-day delivery is free to customers spending more than €40 – or the local equivalent where currencies vary. In those countries where Apple offers free deliveries, buyers can return goods to the store within 14 days, or schedule free third-party collection. Refunds are issued within five to seven days of the company receiving the product at the warehouse.

UK supermarkets Sainsbury's and Asda both offer outstanding services that begin by promising a next-day one-hour delivery slot, starting at £4 at Sainsbury's and £3.50 at Asda. Sainsbury's requires a relatively modest minimum basket value (£25) to qualify for home delivery, while shoppers at Asda must spend £40. Sainsbury's also has a more generous returns policy: shoppers can return products within 30 days for a refund within 10 days – faster than Asda by 10 days.

Asda scores well for a wide range of collection points, which include the store, lockers within the store, and petrol stations. Next-day click and collect is free.

Tesco's presence not only covers the UK but also extends to Poland, the Czech Republic, Hungary, the Republic of Ireland and Slovakia. Tesco differentiates itself from other grocery retailers because it doesn't specify a minimum spend in order to schedule home delivery in any of these countries. Its delivery services are the same in all the markets that it serves, with click and collect available in six countries, along with nominated day/time delivery. In some countries, such as the UK and Poland, Tesco additionally offers a wide range of alternate pick-up locations.

Carrefour is a major retailer in France, Italy and Belgium, and also sells online via dedicated ecommerce websites in Poland, Romania, Greece and Spain.

But it's only in Italy that Carrefour's delivery service really stands out. Here, customers can pick up their shopping from a number of store locations as quickly as one hour after placing an order – and they can do so for free.

They can also pay by cash on delivery, while home delivery is free for those shoppers spending more than €70. For those spending less, the standard delivery cost is €4.99 – with same-day home delivery an option.

> Customers of Carrefour in Italy can pick up their shopping from store locations as quickly as one hour after placing an order

Operations and Logistics Dimension

The **Top100** retailers of the **IREU 2016 Operations and Logistics** Dimension

Share your thoughts on #IREU500 with @etail

Operations and Logistics Top50

Accessorize	Dorothy Perkins	New Look
Amazon	Euronics	Office
Apple Store	Evans Cycles	PC World
Argos	F&F	Pets at Home
Asda	George at Asda	Pull & Bear
Asos	H&M	Sainsbury's
Auchan	Halfords	Schuh
Bershka	Homebase	Screwfix
Boots	House of Fraser	Shoe Zone
C&A	Intersport	SportsDirect.com
Carphone Warehouse	Konzum	Tesco
Carrefour	Lidl	TK Maxx
Coop	Littlewoods	Topps Tiles
Currys	M&S	Wallis
Darty	Mango	Yours Womenswear
Debenhams	Media Markt	Zara
Deichmann	Monsoon	

Operations and Logistics Top100

Albert Heijn	Fat Face	L'Occitane	Promod
BCC	Hagebaumarkt	Laura Ashley	Quiz
Bol.com	Hollister	Leroy Merlin	Rossmann
BonPrix	Iceland	Lloyds Pharmacy	Sole
Boulanger	IKEA	Massimo Dutti	Stradivarius
Claire's	IKKS	Mein dm	Superdrug
Decathlon	Interflora	Missguided	Topman
Douglas	Jacamo	Mothercare	Topshop
Dunelm	JD Sports	Next	WHSmith
eBay	JD Williams	OBI	Wiggle
Ernsting's Family	Just Eat	Otto	Zalando
Eroski	JYSK	Pimkie	
Expert	Kiabi	Post Office Shop	

Sharing relevant product information

Enabling shoppers to find and research the goods they want makes them more likely to make a purchase

IN THE MERCHANDISING Performance Dimension, InternetRetailing researchers set out to find how retailers across the European Economic Area (EEA) presented products to shoppers. Researchers rated use of imagery, product information, ratings and reviews alongside search relevance and navigation, checkout speed and the use of social media, both to assess the leaders in the Top500 and to find out which merchandising approaches were most common in different markets.

What the Top500 do
Leaders in this field enable shoppers to find items quickly and accurately. Those at the cutting edge offer auto-suggest search, navigational filters, product images and detailed information. Social sharing is common and checkout often just one click.

Across the Top500, 62% offer dropdown search suggestions, while 95% have at least one navigational filter. The 'filter by product type' option was offered by 69% of retailer websites, making it the most popular filter. Top500 retailers show an average of three product images, and checkout in an average of four (3.7) pages, with social sharing offered by 51% of retailers on the product page.

It's notable that some features seem more popular in certain countries. Dropdown search suggestions, for example, are most widely used in Austria, Hungary, Germany and Belgium.

The most easy-to-navigate sites were those localised to the UK, followed by Spain and Germany, while product information was most comprehensive on websites in Denmark, followed by Ireland, Sweden and Finland. Retailers selling in Latvia, Finland, Slovakia, Austria and Denmark led the way for relevant search results. Filtering search by brand is common in Hungary, Ireland and Austria, with more than 50% of retailers offering it.

When a search yielded no results, 37% of UK retailers measured in the IREU Top500 made alternative product suggestions, with the remainder returning a blank page. In Norway, 43% of traders had an alternative to the 'no results' page, with the Czech Republic, Denmark, Finland and Sweden all above 40%.

Retailers selling in Finland were most likely to use banner advertising. Some 70% of the 27 retailers selling in this market did so, while a relatively modest 46% of the 265 retailers with a UK website took this approach.

The use of a 'bestseller' ribbon was most widespread in Austria, where 44 retailers sell, and Germany, where a little more than 100 sell. Product reviews are most common in the UK, where 53% of retailers show them, followed by Sweden, Denmark, Finland and Hungary (48%). Less than 30% of traders in Portugal and Greece show reviews.

Social media sharing is most widely offered by retailers in Ireland (67%), Italy (60%) and Spain (57%). At the other end of the scale, around 40% of retailers selling in Norway, Switzerland and the Czech Republic offer the function. Wishlists are most widely offered in Greece (64%), Austria (56%) and Germany (55%). Some 47% of UK retailers offer the function, as do, at the bottom end, around a third of retailers in Finland, Denmark and Norway.

Leading the field
British retailer Sally, which operates local currency websites both in the UK and in the Republic of Ireland, led the way with a product search that suggested products even as shoppers typed, while a 'no results' search triggered alternative recommendations. Navigational filters enabled customers to drill down by price, brand and product type, while website users were able to share products through social media, including Twitter and Google Plus. Ratings and reviews were clearly visible from the product page.

Bol.com, which trades in Belgium and the Netherlands, was highly rated for a top-quality product search that enabled customers to filter by price and product. An extra navigational filter in the electronics range meant customers could also search by model, while reviews encouraged user interaction.

German pureplay Baby-Markt has 12 EEA websites but sees most of its traffic from the German and Austrian markets. It scored consistently across all metrics, including its use of promotions, detailed product information and for the use of cross-selling and upselling recommendations.

German fashion retailer Zalando had a consistent approach to merchandising across all of its 15 EEA-localised websites, and on its iOS and Android apps. All let shoppers find items quickly through relevant searches as well as brand, price and bestseller filters. There was an average of six product images, with ratings clearly visible. Its apps let shoppers log in using TouchID and also to share style images.

German-based health and beauty retailer MeinDM trades through stores in nine EEA countries, with ecommerce websites in Germany and Austria. Searches produce highly-relevant results, while five navigational filters make it easy to zero in on a particular item. Home page products show promotions, including extra loyalty points, alongside product ratings. Facebook and Twitter Likes provide social validation."

Other standout retailers include Amazon, which trades via five EEA websites, offers dropdown search suggestions as the customer types, brand and customer rating filters, an average of four product images and fingerprint login to its mobile app. Littlewoods allows customers to rate a product, write a review and share a product on social media. Shoppers can see how many other people are looking at an item – and how many have already bought it. Swiss retailer M-Electronics Migros, which sells online in three languages, offers a particularly easy three-step checkout, while shoppers can compare products based on their price, specification and size.

The UK-based Body Shop sells to 10 EEA countries through six online stores and stands out for an advanced iOS and Android app, while furniture specialist XXXL, which has stores in Germany, Austria, Sweden and the Czech Republic, gives a high level of product information and enables shoppers to reserve products in local stores.

American Golf sells online in the UK and Republic of Ireland, and through 106 stores. Navigational filters include daily offers, while a sophisticated use of social media means shoppers can share products with their friends as well as use their Facebook sign-ins to enable one-click checkout. 🟥

> **Leaders in the Merchandising Dimension enable shoppers to find items quickly**

Merchandising techniques

How the Top500 sell on their websites: the country where a technique is most prevalent and the average across all member states.

Technique	Most-prevalent in this country	Average across all member states
Product recommendations based on browsing history	Sweden	74%
Filter search by product type	Germany	69%
Dropdown suggestions when typing	Austria	62%
Filter search by price	Belgium	60%
Registration required before checkout	France	58%
Banner advertising on home page	Finland	54%
Social media share buttons	Ireland	51%
Save to wishlist	Greece	46%
Written product reviews	UK	42%
Filter search by brand	Hungary	41%
Star-rating reviews	UK	41%
Display how many social media Likes a product has	Portugal	26%
Upsell at checkout	UK	13%
Bestseller ribbon on product image	Austria	7%

IREU TOP 500
Brought to you by InternetRetailing

Merchandising Dimension
The **Top100** retailers of the **IREU 2016**
Merchandising Dimension
Share your thoughts on #IREU500 with @etail

Merchandising Top50

Aktiesport	eBay	Miss Etam
Alza	El Corte Ingles	Morgan
Amazon	Electro Depot	Orchestra
American Golf	Empik.com	Phone House
Asos	Fnac	Pimkie
Baby-Markt	Galeria Kaufhof	Prenatal
Bever	H&M	Public.gr
The Body Shop	IKEA	Rue du Commerce
Bol.com	JYSK	Sally
BonPrix	Kiabi	Tesco
Boohoo.com	La Redoute	Vero Moda
Bristol	Littlewoods	Weltbild.at
Camaieu	M-Electronics Migros	Worten
Cultura-Socultur	M&S	XXXL
Decathlon	Media Markt	Zalando
Deichmann	Media World	Zeeman
Disney Store	Mein dm	

Merchandising Top100

Alcampo.es	Castorama	Karwei	Next
Allegro	Christ	Kasa	Otto
Allopneus.com	Clas Ohlson	Kijkshop.nl	Roller.de
Apotek1	Conforama	Komplett	Sainsbury's
Aubert	Debenhams	Lapeyre	Saturn
Auchandrive.fr	Delhaize.be	Leen Bakker	Sport Zone
Bauhaus	eMAG	Leroy Merlin	SportsDirect.com
BCC	Eroski	Lidl	TK Maxx
Blokker	Euronics	Materiel.net	Toys Я Us
Boots	Expert	Mio	Unieuro
Bottega Verde	Hunkemöller	Monoprix	Xenos
Boulanger	Intersport	Nespresso	
Carphone Warehouse	Intreza.nl	New Look	

Two-way traffic

The importance of localisation and of starting conversations

RETAILERS THAT LEAD the Brand Engagement Performance Dimension make it as easy as possible for customers to communicate with them across different channels. This sounds straightforward but there are many nuances within best practice, mainly around localisation and the need to move beyond merely responding to customer enquiries or sending out marketing messages. Leading retailers tailor messages to specific markets, initiate and then sustain conversations with consumers, and do so across multiple, closely linked channels.

"To be a visible brand in Europe, retailers need to localise and focus on the channels most appropriate to the different territories in which they operate," says Martin Shaw, senior researcher at InternetRetailing. As well as being more visible than direct competitors to consumers, retailers that perform strongly in this Dimension are typically able to gather richer and more detailed information about customers' needs.

Local and social factors
We have measured localisation via such indicators as whether retailers have country-specific customer service channels, social media offerings aimed at specific territories and the number of languages/currencies offered. It's also worth noting that, in terms of the broader picture, consumers in geographically close markets – Germany, Switzerland and the Czech Republic, for instance – often behave in broadly similar ways.

Turning to social media, some channels cut across countries and demographics. As of the first quarter of 2016, Facebook had 1.65 billion monthly active users. This figure in itself does much to explain the growing popularity of Facebook's Shop Now button, which is used by 85% of IREU Top500 retailers operating in the Netherlands. Compared to an EEA average of 67%, there's also a high take-up by retailers operating in Spain (80%), Germany (78%) and the UK (77%). However, it would be a mistake for any retailer to assume that ▶

Email open rates

Data from an IREU 500 study that involved a subset of Top500 retailers sending emails to customers in France, Germany and the UK – 900,000 emails were tracked from 25 retailers using Return Path's consumer panel. The study took place from early January to mid-April 2016 in collaboration with Return Path

Emails offering 0-25% discount
- 🇫🇷 15%
- 🇩🇪 10%
- 🇬🇧 23%

Emails offering 25-50% discount
- 🇫🇷 11%
- 🇩🇪 9%
- 🇬🇧 18%

Emails offering more than 50% discount
- 🇫🇷 9%
- 🇩🇪 10%
- 🇬🇧 22%

Pre-dawn emails
- 🇫🇷 21%
- 🇩🇪 11%
- 🇬🇧 22%

Evening emails
- 🇫🇷 16%
- 🇩🇪 12%
- 🇬🇧 20%

Emails sent on Sundays
- 🇫🇷 12%
- 🇩🇪 10%
- 🇬🇧 24%

Emails sent on Mondays
- 🇫🇷 18%
- 🇩🇪 14%
- 🇬🇧 21%

IREU 2016

a Shop Now button is somehow enough in itself. Social media is, as the name suggests, about interaction. Leading retailers in this Dimension have Facebook pages where there's a sense of activity, with users creating content and the retailer starting conversations as well as responding to customer comments.

Similarly, Twitter shouldn't just be a way for retailers to get sales messages out. To make the most of it, retailers need to reach out to consumers in more personal ways: by following those who follow the brand, by responding to queries, and by proactively dealing with issues such as late deliveries.

Other social media channels have different challenges but the overarching point is that it's important to encourage two-way conversations. However, it's also important to maintain longer-established channels such as email and telephone. We measured 15 channels in total, including LiveChat, blogs and YouTube; for email we looked at read rate to measure the effectiveness of retailers.

Turning to localisation in more detail, the average number of customer services channels for the IREU Top500 overall was 4.6 – for example, social media, email, blog, contact page. Retailers had an average of 2.3 country-specific communication channels, which promote better brand engagement by letting consumers 'speak' in their native language.

On average, Top 500 retailers offer 2.5 unique languages, although we found retailers offering 13 EEA languages. The maximum number of currencies available in the EEA region on Top500 retailers' websites was 13, the average 1.8. Our research suggests a growing recognition of the need to localise.

As yet, we haven't measured hyper-localisation, the emerging art of using personalisation techniques to communicate with different demographics within a territory by age or region, although this is something we plan to address in the future.

Leading the field

Focusing on specific companies, we found French sporting goods retailer Decathlon promoted conversations with customers via an impressive 10 social media channels. It also offered 13 country- and language-specific Facebook handles, suggesting an emphasis on engaging with customers in their native language. The company also excels in its email

> **Social media channels have different challenges but the overarching point is that retailers need to encourage conversations**

communications. While Decathlon France sends fewer emails than market competitors, the read rate is 22.8%, the best in its category. In France, its policy of sending out promotional emails late in the evening, which are then opened early in the morning (pre-dawn), seems to chime with customer behaviour.

Reflecting its international reach, clothing retailer H&M offers 11 unique currencies on its website. It also scored highly on search visibility on Google, with a reach rate of 42% over six months.

British clothing retailer Boohoo.com performed well on a number of metrics. It supports nine customer communication channels and is on seven social media networks. Its focus is on channels that can be used by customers around the world, albeit only in English. It performed especially well on Twitter. The company has more than 447,000 followers, and has tweeted 21,700 times since April 2009. Boohoo.com was also visible in Google search with a 54.1% reach rate.

Consumer electronics retailer Rue du Commerce provides six customer communication channels and five social media channels in France. The retailer performs well on Twitter and around 16 tweets a day since October 2008 suggests a successful, ongoing dialogue with its customers.

German consumer electronics chain Media Markt operates 12 country-specific domains with 10 country-specific Facebook handles. It's noteworthy for localising its use of social media channels, perhaps as a way of experimenting with new approaches. Media Markt Greece and Italy, for example, are present on the local search and discovery service and mobile app Foursquare, which is not currently offered within other countries.

Media Markt Germany offers Shop Now on its Facebook page and has nearly 1.8m Likes. Media Markt Italy has accumulated more than 1m Facebook Likes, and provides customers with links that include Instagram and YouTube.

Taken overall, UK retailers tend to offer the largest number of communication channels. However, we would add the caveat that it's easier for UK retailers to make use of Anglophonic social media networks and we focused on these networks in our research. As we broaden our research to encompass more regional social networks, we may discover subtleties that we're not currently catching.

Brand Engagement Top50

Aktiesport	eBay	Miss Etam
Allegro	El Corte Ingles	Morgan
Allopneus.com	Electro Depot	New Look
Amazon	Empik.com	Orchestra
Asos	Eroski	Phone House
Bever	Fnac	Pimkie
The Body Shop	Galeria Kaufhof	Prenatal
Bol.com	H&M	Public.gr
BonPrix	IKEA	Rue du Commerce
Boohoo.com	Intreza.nl	Tesco
Bristol	JYSK	Vero Moda
Camaieu	Kiabi	Weltbild.at
Carphone Warehouse	La Redoute	Worten
Cultura-Socultur	Lidl	Xenos
Debenhams	M&S	Zalando
Decathlon	Media Markt	Zeeman
Disney Store	Media World	

Brand Engagment Top100

Alcampo.es	Clas Ohlson	Kasa	Otto
Apotek1	Conforama	Kijkshop.nl	Roller.de
Argos	Czc.cz	Komplett	Sainsbury's
Aubert	Delhaize.be	Kruidvat	Saturn
Auchandrive.fr	Dixons	Lapeyre	Scapino
Bauhaus	eMAG	Leen Bakker	Spar
BCC	Euronics	LeroyMerlin	Sport Zone
Blokker	Expert	Materiel.net	SportsDirect.com
Boots	Game	Mio	TK Maxx
Bottega Verde	Görtz	Monoprix	Toys Я Us
Boulanger	Hunkemöller	Nespresso	Unieuro
Castorama	Intersport	Next	
Christ	Karwei	Office	

Joining up the channels

Giving shoppers a good customer experience depends on consistency across sales channels

RETAILERS STOOD OUT in the Mobile and Cross-channel Performance Dimension by delivering fast mobile experiences. Multichannel retailers effectively linked their services in different sales channels to deliver the seamless customer experience that shoppers now demand. At a time when mobile is growing in importance, the InternetRetailing research team wanted to test how far multichannel retailers were building links between mobile, the store and other sales channels, and how pureplay traders are enabling on-the-go shopping within their mix of shopping channels.

Researchers analysed retailers' use of apps as part of their customer service, as well as considering the speed of the service they offered, measuring page load speeds and, with the help of InternetRetailing Knowledge Partner BuiltWith, how closely sites adhered to mobile web standards.

By segmenting retailers into pureplay and multichannel traders, the team aimed to draw a picture of how retailers are working towards a single view of the customer, and to offering customers a consistent experience.

What the Top500 do: mobile websites
The Top500 European retailers all have a fast and efficient online presence. On average, their mobile websites had a PageSpeed score (which analyses how quickly and efficiently a web page loads) of 82.5. Average speeds varied slightly by market: retailers trading in Denmark had the highest PageSpeed score, at 86, followed by the Netherlands at 85, and Sweden, Belgium, Austria and Switzerland, all at 84.

BuiltWith research showed how closely retailers adhered to mobile web standards, and found the highest standards among Top500 retailers selling in Norway, Germany, the UK, the Netherlands and Denmark.

BonPrix, which operates 21 country and language-specific websites, stood out for fast web loading times across its sites, in nearly

App features: measuring the value

How does a feature contribute to the average app's effectiveness, relative to the Poq platform average?	Conversion rate	Average browsing time	Average order value	Percentage of Top500 apps with the feature
Reviews	3.1	5.3	1.04	24%
Social media share	3.7	4.6	1.05	36%
Store stock checker	2.7	4.7	1.19	19%
Open new loyalty account	2.5	3.5	0.94	6%
Enter loyalty card details*	2.4	3.4	0.80	13%
Full screen product zoom	2.0	3.1	1.05	40%
Add to wishlist	1.6	3.0	0.99	41%
Barcode scanner	1.8	3.0	0.40	33%
Store finder*	0.8	2.3	1.20	54%

An app feature's average effect on conversion rate, browsing time and order value. We quantify the effect as a decimal value relative to 1.0, the platform average. The right column shows a feature's uptake by the Top500. This study draws on anonymised usage data from Poq retail clients. Poq is a Knowledge Partner of the Top500.

Multichannel retailers only

seven seconds. The average PageSpeed score reached 79. Within that business, its Swiss and German sites scored 93 out of 100, while the BonPrix France home page loaded in 1.8s – although the Lithuanian and Estonian sites lagged some way behind.

Albert Heijn, with sites in the Netherlands and Belgium, scored highly in the website performance index and achieved 95 out of 100 for PageSpeed score on mobile. The site loaded in 7.6s, thanks to a light page size of 530kb.

What the Top500 do: mobile apps

Top500 retailers offered an average of four country-specific apps, both Android and iOS.

Some 55% of the Top500 had iOS apps, while 49% had Android apps, and 30% of all Top500 retailers had transactional iOS apps. Researchers focused on this group of apps in the research because it was the larger group and because Android apps tended to replicate the features of the iOS apps.

Some 19% of Top500 retailers offered native shopping through iOS apps, enabling browsing in the app rather than on the website, a feature that rates highly in this analysis because of the improved performance that is enabled. Then, 29% offered push notifications and 8% daily deals. A quarter (25%) had a store finder, and 10% a store stock checker, while 18% had a barcode scanner. Zoomable images were enabled by 22%, while 23% offered multiple product images. Just over one in 10 (13%) enabled shoppers to post written reviews, while 20% supported social media sharing. Some 42% offered the ability to save a product for later in a wishlist, while 43% offered the chance to sign-in. Customers could filter by product type on 24% of iOS apps, and by brand on 28%.

In-app localisation was enabled by a minority, with 13% offering a country or language selector and just 1.5% a currency selector: this last feature tended, rather, to be hardcoded to the country.

The Nordic group of companies, Sweden, Denmark, Norway and Finland, ranked highly in app development, as a group boasting 14.5% more apps than in the Netherlands, Belgium, France and Spain. More retailers provided an iOS app for the UK and German markets, but the average number of iOS apps that retailers provided was 21% higher in Sweden and Denmark. Top500 retailers provided more Android apps than iOS ones

in both Poland (8% of retailers provided more Android apps than iOS apps in Poland) and Hungary (16%).

The analysis of app performance recognised Czech general merchandise retailer Alza for dedicated iOS and Android apps in the UK, Czech Republic, Slovakia, German and Austrian markets. Its pan-European Alzashop app is available in Android and iOS to shoppers in 23 EEA countries and features include predictive search and payment through fingerprint ID.

Fnac, the high tech to entertainment retailer, was highly rated for its iOS and Android app, designed for the French market but allowing users to switch language to English. The transactional app includes daily deals, wishlist and scanners to read both barcodes and QR codes and lets users leave product reviews. Most users of the Fnac iOS app are from France, Belgium and Spain, while the biggest audiences for its Android app are in France, Spain, Belgium and Portugal.

What the Top500 do: cross-channel shopping

Across the Top500, 52% offered some form of collection service, while 32% enable shopper to return their online purchases to a store.

UK department store House of Fraser performed strongly in the cross-channel sub-dimension thanks to a service offer that promises delivery to all 32 countries in the market with standard delivery in eight days and express in three, with the exception of Bulgaria. It enables cross-channel services, including next-day in-store collection and the return of online purchases to a convenient House of Fraser store.

Others that stood out for cross-channel services included electricals retailer Darty, with the promise of click and collect within an hour in all its French stores. A fast click-and-collect service was also provided by Matalan, River Island and Smythes. Lingerie-to-swimwear trader Hunkemöller offers free click and collect from its Dutch, Belgian and German websites, while click and collect is also free at Matalan.

River Island offered both expedited and standard click and collect services. The expedited service sees parcels delivered in two days to third-party collection shops, and stores around the UK, while the standard service is free.

Mobile and Cross-channel Top50

Albert Heijn	Halfords	Otto
Alza	Homebase	Pimkie
Apple Store	House of Fraser	Quiz
Argos	Hunkemöller	River Island
Asda	Jack Wills	s.Oliver
Blue Inc	JBC	Saturn
BonPrix	John Lewis	Screwfix
Darty	Konzum	Smyths
Decathlon	Lidl	Stradivarius
Deichmann	M&S	Tape À L'Oeil
Delhaize.be	Mango	Tchibo
Douglas	Massimo Dutti	Thalia
E-shop.gr	Matalan	Topshop
Empik.com	Media Markt	Wallis
Fnac	Migros	We Fashion
Forbidden Planet	Mothercare	Zara
H&M	Next	

Mobile and Cross-channel Top100

Auchan	Coop	Go Outdoors	Oysho
Auchandrive.fr	Debenhams	Hagebaumarkt	PC World
B&Q	Desigual	Hema	Ryman
Bauhaus	Dorothy Perkins	Hollister	Sainsbury's
Bershka	Eduscho	Hornbach	Superdrug
The Body Shop	eMAG	IKEA	Tesco
Boots	Evans	Jack & Jones	Topman
Boulanger	Ex Libris	JD Sports	Waitrose
Brantano	F&F	Leroy Merlin	Waterstones
Brico	Forever 21	Lloyds Pharmacy	Weltbild.at
C&A	Galeries Lafayette	Lush	XXXL
Carrefour	GAP	Majestic Wine	
Conrad	Gigantti	Miss Selfridge	

Top-down innovation

Retailers that rank highly in this dimension adopt innovative approaches as they look to serve customers across Europe

THE STRATEGY AND Innovation Performance Dimension of this first edition of the IREU Top500 focuses on retailers that have successfully taken their retail strategies international. These are traders that have enabled shoppers to buy from them across European borders, while also leading with digital and multichannel services.

The top-ranked merchants in this Dimension have localised effectively to the different European markets in which they sell, enabling shoppers to read about products and services in their own language, and pay in their own currency. They also measure up against the metrics that researchers identified as the most innovative in this report, from fast delivery to offering bug-free mobile apps.

"In a changing industry, we have chosen to measure the Top500 retailers against standards that we consider are cutting-edge today in order to judge their approach towards innovation," says Martin Shaw, senior researcher. "We've also measured how strategic traders have been in positioning themselves across the entire European Economic Area. The results reward highly international and innovative traders, rather than performance or size.

"As these are all relative measures, we envisage both that the measures we consider innovative will change over time, and that the position of retailers within this index will change accordingly."

What the Top500 do: international strategy
Ecommerce growth increasingly depends on successful expansion to new markets. Here, researchers have taken the view that strategic growth throughout the trading bloc is of critical importance.

The average Top500 retailer in this group offers two currencies, and three languages, while trading in four countries. Set in the context of 26 official EEA languages and 13 currencies – with the Euro used by 17 members of the EU – it appears that, as a whole, this group of retailers is more likely to localise its currency than the language in which it trades. It's worth noting that some retailers offered the option of paying in dollars.

"Perhaps," says InternetRetailing's Shaw, "that's because retailers believe that consumers can translate the words to their own language, or understand what's happening on a page by looking at images. However, in order to shop ▶

Localisation across Europe

We found over 2,000 landing pages used by the IREU 500 in Europe – with localised languages, currencies, and country-specific fulfilment options

	Countries	Languages	Currencies
offered by the average Top500 retailer	3.7	2.7	1.9
max. offered	32	24	13
min. offered	1	1	1

IREU 2016

across borders, they prefer to be able to use their own currency."

What the Top500 do: innovation

Researchers measured the Top500 retailers against metrics they believe single out the most innovative. They measured whether retailers offered websites that are speedy and offer alternative results to 'no results' searches, alongside bug-free mobile apps. They also measured whether traders offered fast and flexible delivery and collection.

The fastest websites, as measured by the SpeedIndex devised by InternetRetailing Knowledge Partner NCC Group, are found in Norway, the Netherlands and Denmark.

Across all the Top500, just over a third (35%) of retailers showed alternative results when a 'no results' search was made. Researchers deemed this innovative as it identifies traders that have devised an appropriate solution to a common problem that is not commonly tackled. Norway, the Czech Republic, Finland, Sweden and Denmark stood out in this measure as more than 40% of traders selling in these territories took this approach.

When it comes to fulfilment, the research team took the view that click and collect, next day and nominated time delivery services were all highly convenient but as yet far from universal services. "These services are only possible," says Shaw, "where retailers have a capable and flexible system that not only delivers what's easy for the retailer but what's convenient for the customer. As with the other Dimensions, we've measured retailers' delivery promises in proportion to Footprint, across all the markets where they offer delivery."

They found that 55% of Top500 retailers, measured in all the markets they serve, offered click and collect, while next-day delivery was available from 29% of retailers, and nominated time delivery from 7%.

Retailers trading in the Netherlands were the most likely to offer click and collect (69% of retailers), followed by the UK (68%), Belgium (66%), France and Germany (both 61%).

Next-day delivery was most commonly found in the UK market (67%), France (33%), Czech Republic (30%) and the Netherlands (30%). Nominated time delivery was again most common in the UK (20%), followed by Switzerland and Italy (both just under 10%).

Ecommerce growth increasingly depends on successful expansion to new markets

What the leaders do

Swedish homewares retailer IKEA stands out for its innovative approach to merchandising. Its iOS and Android apps boast an augmented reality feature that enables customers to see how furniture will appear in their homes. IKEA Sweden has developed a new kind of shopping experience through small format stores, where customers can see new products, place orders and pick up items ordered online. IKEA also aims to produce more renewable energy than it consumes.

Spanish-owned Zara rates highly for impressive standards of pan-European customer service. It delivers the same standard of services across the 28 EEA countries that it serves in 23 languages, while a global system of shopper feedback across its operation means that designs and services can be adjusted in the light of comments. At the same time it delivers products from its three manufacturing plants at impressive speed, while also regularly updating its clothing lines.

US ecommerce giant Amazon scores well for the advanced dynamic pricing strategy that it implements, as well as for the sophistication of the recommendations it offers on all its EEA websites. This is a retailer that not only offers a range of millions of products, but also competes with established logistics providers. Its recently-developed Launchpad enables shoppers to buy from UK start-ups.

UK fashion retailer Asos offers top-quality localisation across its markets, both via desktop and on mobile. Shoppers can choose their local currency and language on its main website, and can buy via localised Android and iOS apps in France, Germany, Italy and Spain. The French and German iOS apps enable customers to buy, view daily deals, save products for later and share products on social media. Despite its lack of physical stores on this continent, it provides customers with convenient points to collect and drop off parcels. Its pricing platform enables it to compete in local markets through competitive pricing.

Footwear trader Deichmann sells in 19 EEA countries and 18 languages, with transactional iOS and Android apps in Germany, the UK, Austria and Italy. Its mobile apps offer advanced functionality including barcode scanners, store stock checker – a rare feature for mobile apps – alongside the ability to rate products and write reviews.

IREU TOP 500
Brought to you by InternetRetailing

Strategy and Innovation Dimension

The **Top100** retailers of the **IREU 2016 Strategy and Innovation** Dimension

Share your thoughts on #IREU500 with @etail

Strategy and Innovation Top50

Alternate	Deichmann	Migros
Amazon	E.Leclerc	Next
Apple Store	eBay	Nike
Argos	Esprit	PC World
Asda	Galeries Lafayette	RS Components
Asos	Games Workshop	Samsung
Auchan	Google Play	SportsDirect.com
BestSecret	H&M	Swarovski
Billa	Homebase	Tesco
The Body Shop	House of Fraser	Topps Tiles
BonPrix	IKEA	Unieuro
C&A	Kiabi	VanHaren
Camaieu	La Redoute	Vertbaudet
Currys	Mall.cz	Very
D-Mail	Mango	Zalando
Darty	Massimo Dutti	Zara
Decathlon	Media Markt	

Strategy and Innovation Top100

American Golf	Hema	The Perfume Shop	Superdrug
ATS Euromaster	Holland & Barrett	Philips	Tape À L'Oeil
A.S. Adventure	Hollister	Photobox	Thansen.dk
Bathstore	Krëfel	Pimkie	Trainline
Cache Cache	Lindex	Plus.de	United Colors of Benetton
Carphone Warehouse	MajesticWine	Promod	Vistaprint
Carrefour	Matras	Quiz	Waitrose
Cotswold Outdoor	Mercadona	River Island	We Fashion
Dustin	Microspot.ch	Rossmann	Wiggle
Elkjop	Obaïbi-Okaïdi	Sainsbury's	YOOX.com
Ernsting's Family	OBI	Saturn	Yours Womenswear
Euronics	Office	Scapino	
Expert	Peacocks	Spreadshirt	

Let's stick together

What are the advantages of operating retail brands within a wider group?

WHEN ANNE-MARIE BLAIRE took over as chief digital officer of Spanish clothing retail group Grupo Cortefiel, one of the first strategic tasks she identified was to select a new ecommerce platform to help drive the company's digital sales. She had to implement this across five brands and started with Springfield, the company's urban brand for young shoppers. Her team then took the learning from this initial project to its other brands.

It's a story that demonstrates one of the clearest advantages of being part of a retail group. With the provisos that silos don't intrude and that retailers don't try to impose the values of one brand on another in ways customers won't like, there's strength in numbers.

But which retail groups provide the largest number of Top500 retailers and what does this tell us? Among those that have the largest numbers of retail brands that make the Top500 are the Arcadia Group, the Otto Group, the Darty Group and the H&M Group. Each has its own distinctive strengths, which we analyse briefly below.

The Arcadia Group: Despite the recent travails of Sir Philip Green over the sale of BHS, the Arcadia Group has consistently demonstrated an ability to sell fashion at volume while still maintaining and building a certain cache around its retail brands, such as Topshop and Miss Selfridge.

All seven of its major brands (Topshop, Topman, Miss Selfridge, Burton, Evans, Dorothy Perkins and Wallis) make the IREU Top500. In terms of patterns that reflect the group's strengths, four of its retailers, Topshop, Topman, Evans and Miss Selfridge, also make the Top100 in the Mobile and Cross-channel Dimension.

In February 2015, InternetRetailing analysed Topshop's strategy, which we noted revolved "around winning in fashion, expanding internationally and driving digital". We concluded that, while the

company's strategic approach was exemplary, it had ground to make up in mobile. Our research suggests this work is starting to pay off. It will be intriguing to see if it continues to make gains here, and also whether this learning is shared across the group.

The Otto Group: This German group has its roots in catalogue retail and it was early online. It's continued to innovate and, in the summer of 2015, opened its own mobile lab, a reflection of the fact that around 50% of all visits to its websites are via mobile devices. According to the Otto Group, the lab "supports group companies strategically as well as operatively in m-commerce projects".

This forward-looking outlook has paid particular dividends at clothes retailer BonPrix, which we've classed as an Elite retailer within the IREU Top500. Its retail brands Otto (a Leading retailer), Hagebaumarkt, Baur, Alba Moda and WITT Weiden also performed strongly.

The Darty Group: Darty specialises in the electrical sector and has four brands, including Leading retailer Darty, in the IREU Top500. In the sector within which it operates, margins are often low, and it's therefore no surprise that Darty makes the Top50 in the Operations and Logistics Performance Dimension.

The H&M Group: The Swedish H&M Group's main brand is an Elite retailer, achieving outstanding results across all dimensions. The higher-end COS and rather more playful Monki also make the Top500, and each is nimble and innovative without challenging the main brand for sheer heft. We suspect each may move up the rankings, as the H&M Group seems strongly committed to its subsidiary brands.

Arcadia Group

BURTON MENSWEAR — IREU 2016 TOP 250

DOROTHY PERKINS — IREU 2016 TOP 50

EVANS — IREU 2016 TOP 150

Miss Selfridge — IREU 2016 TOP 150

TOPMAN — IREU 2016 TOP 100

TOPSHOP — IREU 2016 TOP 100

wallis — IREU 2016 TOP 100

Otto Group

Alba Moda — IREU 2016 TOP 500

BAUR — IREU 2016 TOP 500

bonprix — IREU 2016 ELITE

hagebau — IREU 2016 TOP 150

OTTO — IREU 2016 LEADING

WITT weiden — IREU 2016 TOP 500

Darty Group

BCC — IREU 2016 TOP 350

DARTY — IREU 2016 TOP 50

MISTER GOOD DEAL.com — IREU 2016 TOP 500

Vanden Borre — IREU 2016 TOP 500

H&M Group

COS — IREU 2016 TOP 500

H&M — IREU 2016 ELITE

MONKI — IREU 2016 TOP 500

Looking at these four groups, it's perhaps revealing that two are privately owned. Where a public company might sell non-core retails brands to focus on its main companies and therefore be seen as driving short-term shareholder returns, these are companies that are arguably freer to focus on the longer term.

It's perhaps revealing too that we might regard the Darty and H&M Groups as operating brands that are in many respects similar to each, albeit operating in different niches and territories.

We plan to look at the performance of group-supported retailers in more detail next year, assessing the impact group membership has on performance. We don't rank groups within the IREU Top500 since an overarching group identity is not a trading fascia and therefore not visible to consumers.

Top500: Bubbling under

The following retailers are on our radar but did not make the Europe Top500 for 2016. We will continue to include them in our assessments with a view to re-examining the membership of the Top500 next year in accordance with the Footprint guidelines discussed on page 7

Abel&Cole	DelaMaison	HaraldNyborg	MisterSpex	size?
Abercrombie&Fitch	Dell	Harveys	Mobiel.nl	Skechers
Ace	Digitec	Hitmeister	MobileFun	SmartGuy
Alinéa	Dior	HomeEssentials	Modatoi	Society6
AlleKabels	Discshop	Hood	Modz	SockShop
Allyouneed.com	Dreivip	HotelChocolat	MömaX	Sonos
Answear	Druckerzubehoer.at	Hotter	MonShowroom	Sportamore
Anttila	DuneLondon	hse24	Monclick	SportPursuit
ARK	Dyson	TheHut	Montblanc	Sportscheck
AtlasForMen	E-Key	Imressionen	More&More	SportsShoes.com
Aukro	Eboutic.ch	Intymna.pl	Morele.net	Stockisti
Azerty	Efox	IWOOT	MPX	Stofzuigerdiscounter.nl
Bücher.de	ElGanso	Jessops	Muziker	Store
Balsamik	EMP	Jewson	MyCom	StrumentiMusicali
Beaverbrooks	Eobuwie.pl	JonesBootmaker	Mydays	SuperShop
Becquet	EP	Joules	MymallSport	Surfdome
Billabong	ErmenegildoZegna	JunoRecords	MyStore.ch	Technopolis
Blacks	EstéeLauder	K&MComputer	Nay	TedBaker
Bokus	Euroffice	Kaartje2go	Neckermann.at	Testsieger
Bongo	Eventim	Kitbag.com	Nelson	Thecorner.com
Bonmarché	Expansys	Kleertjes.com	NLYman	Thompson&Morgan
BonoboJeans	ExtremeDigital	Klingel	Norauto	Tiffany&Co.
Bookline	Fahrrad.de	Koketna	Novatech	TopSecret
BookPeople.co.uk	Farfetch	KPN	Ofertix	Triumph
Brand.hu	FashionWorld	LaBoutiqueOfficielle	OfficeShoes	Truffaut
BrandAlley	FashionFriends	LaTostadora	OliverBonas	Undiz
BrandsGalaxy	Ferrari.com	LavprisVVS	Oponeo	Universal
Bravissimo	Firebox	LeShop.ch	TheOriginalFactoryShop	Venca
Bricoman	Flannels	Libreriauniversitaria.it	TheOutnet	Venezia
Build-A-BearWorkshop	Fona	Libris	OVS	VenteduDiable
BurtonMenswear	Foto	Loeb	Pavers	VictoriaPlumb.com
Butlers	TheFragranceShop	Logitech	PCCity	Voelkner
CalendarClubUK	Freemans.com	LookFantastic	PCBox	Wagamama
Caseking.de	Freitag	Lovehoney	Perry	Wanimo
CEL	FrenchConnection	LucardiJuwelier	PetitBateau	WarrenJames
Cellbes	FreshCotton	MachineMart	PhaseEight	WatchShop
ChainReactionCycles	Frontlineshop	Made.com	Placedestendances.com	Webdistrib
Coisas	funkypigeon.com	Manfield	Plaisio	Webhallen
ColliShop	Fyndiq	Mathon.fr	Plantes-et-jardins.com	Whistles
Comet	Gant	Maty	Playmobil	TheWhiteCompany
Coolshop	Garneczki.pl	MedicAnimal	PollinElectronic	WhiteStuff
Costco	Geschenkidee	Medimops.de	posterXXL	WhittardofChelsea
Crabtree&Evelyn	Getthelabel.com	MeilleurduChef.com	Proshop	Wonderbox
CreateandCraft	GettingPersonal.co.uk	Members.com	PurificacionGarcia	WorldStores
Cyberphoto	Grattan	MenKind	Quelle.	WyevaleGardenCentres
Dalani	Graze	Mequedouno	Radiopopular	X-Kom
Damart	Greetz.nl	Miinto.dk	RomanOriginals	Zoot
Datart	Gymgrossisten	Milanoo	SeeTickets	Zulily
DeBijenkorf	Halens	Millets	Sheego	&OtherStories
DeguiseToi.fr	Hallmark	MissCoquines	Siba	1-2-3.tv

Pureplays get physical

What are the challenges and opportunities for online-only retailers?

AMID MUCH HYPE last year, Amazon opened its first bricks-and-mortar bookstore at Seattle's University Village shopping centre. In May 2016, speaking at the company's annual shareholder meeting, Jeff Bezos confirmed that Amazon has plans to open more stores. The irony of this hasn't gone unnoticed: the retailer that did, and does, so much to power the growth of ecommerce is opening stores. It's become a clicks-and-mortar retailer.

If even Amazon has been won over to the idea of physical stores, it's tempting to suggest the era of the pureplay etailer is coming to an end. After all, the age of optimism-fuelled dotcom launches trying to secure first-mover advantage is long over, while retailers such as John Lewis and House of Fraser have proved it's possible for long-established companies to reinvent themselves for the cross-channel era. If this is true, the 17% of the IREU Top 500 that are pureplay etailers are, it follows, potentially in trouble over the longer term.

In truth, this is a simplistic view of what's going on. For a start, because of the way our research is weighted, any pureplay that makes the Top500 has to be generating far more revenue in online sales than a multichannel retailer. In reality, this 17% are often among Europoe's most innovative retailers, and many, we would suggest, might even be considering following Amazon's lead.

Whether they do or not will probably depend on the way these retailers' business models develop over the coming years. It's intriguing to note that around 50% of IREU pureplay retailers trade in the general fashion or consumer electronics sectors. These are sectors where many customers are price sensitive. It may be that many retailers will choose to stay online to keep overheads down. A byproduct of this may be to enable them to serve more territories: at 14.6, the average number of countries pureplays service is 11% higher than the average for the Top500 as a whole.

Other retailers, we suggest, will look to establish a physical presence, but not to build costly stores on traditional lines. In this context, Apple's stores, designed around gathering customer information and making transactions as easy as possible to complete, are a glimpse of the future. From a different angle, ecommerce platform provider Demandware is rolling out a point-of-sale solution in the US, which will enable retailers to bring ecommerce techniques into the real world more effectively. The rise of pop-up shops goes on.

The wider point is that retail remains in a state of flux. New hybrids will continue to emerge and forward-looking retailers we currently think of as pureplays will drive many experiments. As even Jeff Bezos noted of Amazon's real-world store initiative: "In these early days it's all about learning, rather than trying to earn a lot of revenue."

Jeff Bezos says Amazon's real-world bookstores are currently more about learning than revenue

Copyright: Amazon

Transparent pricing

Exploring the place of marketplaces within the wider European retail picture

THE INTERNET HAS made it far easier for customers to compare prices. No longer do consumers have to traipse around a variety of shops in the rain to find the keenest deal. Instead, with certain caveats, the best price is only a click away.

In itself, this does much to explain the rise and rise of marketplaces. These are destinations that aggregate goods sold by a variety of different businesses and individuals – retailers, brands, entrepreneurs, craft enthusiasts, your neighbour who's doing some decluttering – and where there are bargains to be had and unusual items to be found. Digitally powered transparency on price is built into their DNA.

While we don't classify many marketplaces as being retailers in themselves, they exert a huge influence on retail within the EEA and Switzerland. Over the coming years, we expect that influence to grow. As we noted when compiling the IRUK Top500, for example, the planned acquisition of Home Retail by Sainsbury's will mean Argos's drop-and-delivery service partnership with eBay will likely be available via new Argos outlets in supermarkets.

In addition, as customers around Europe grow more confident about ecommerce and generations of digital natives grow up, we also expect the influence of marketplaces to grow simply because consumers are far more comfortable with the idea of using them. This will be growth from a high starting point: compiling the IREU Top500 Footprint last year, we found that 41% of EEA web traffic was generated by users of Amazon and eBay websites.

We focus here on eight different marketplaces: three that made the list of leading European retailers because they take payment, stand behind the sale, etc (see page 4 for the full definition of a retailer used in the IREU Top500 research); and five that we've tracked but not included.

Marketplaces in the IREU Top500:

amazon

Amazon: The launch of Amazon Marketplace has helped to cement the online behemoth's place as a shopping destination because it gives shoppers access to thousands of items the retailer itself doesn't stock. In a sense, Amazon has become both destination store and shopping centre.

When it first launched Marketplace, some questioned whether its reputation would suffer if those who sold via Amazon weren't able to match the company's high standards. In truth, this doesn't appear to have happened, perhaps because its customer reviews' system means it's easy to check whether a seller offers satisfactory service.

Sellers can choose to offer different delivery options, and Marketplace operates in all countries of operation.

eBay

eBay: Less obviously a retailer than Amazon, in that it grew from an auction site, we have chosen to rank eBay in the IREU Top500 because it stands behind its operations and its vendors' sales in a way that's analogous to a more conventional retailer.

It's also a hugely impressive performer in key areas of online retail. Its UK homepage loads in 2.3 seconds on mobile, and it scored 93 out of a 100 for full website performance on mobile devices. In addition, our research found that eBay offered iOS and Android apps in the UK and Switzerland that scored the highest marks for app personalisation. The apps were native and transactional.

allegro

Allegro: This marketplace operates primarily in Poland where it is immensely popular and successful. Within our research, it achieved a top score for search relevance. It offers effective brand-specific and price-specific filtering options on its search page.

It's also noteworthy in that it shows how a retailer in one country can affect others. Polish émigrés in the UK often use Allegro, to the extent that, when we researched the IRUK Top500, we noted that it would have been included had it been eligible.

Marketplaces excluded from the IREU Top500 but which we're tracking:

Alibaba.com

Alibaba.com: Defining itself as "the leading platform for global wholesale trade", Alibaba inevitably exerts a huge influence on global business. The Alibaba Group, valued at $212bn in December 2015, operates Tmall.com (formerly Taobao Mall), aimed at Chinese consumers. Effectively, any European retailer wanting to launch in China needs to consider selling via Alibaba.

DX dealextreme
GREAT GADGETS, PRICE & SERVICE

DealExtreme: This Chinese marketplace is based in Hong Kong and it specialises in selling electronics to Europe and the US at competetive prices. DealExtreme guarantees three-day delivery in Western Europe and North America.

PRICEMINISTER

PriceMinister: The second-most visited ecommerce site in France, this marketplace focuses in great part on building trust. It guarantees a refund to the buyer if the product is not delivered or if an item is found to be damaged on delivery. It ensures payment to the seller.

iOffer: Describing itself as "a global marketplace", US-based iOffer operates slightly differently to online auction sites. Rather than a bidding-based model, the idea is that consumers negotiate with sellers in the same way as they might at a flea market or garage sale.

Etsy

Etsy: Peer-to-peer ecommerce website Etsy is focused on crafts and vintage items. As of 31 December 2014, Etsy had 54m users registered as members. While it's arguably a niche service, its revenues in 2014 were US$195.6m, a figure that reflects a move towards consumers wanting to buy one-off and handcrafted items. Our research showed that it generated 93% higher EEA traffic than the average traffic generated by IREU Top500 retailers.

Ongoing research

IT DOESN'T STOP here. The InternetRetailing Europe Top500 represents just the start of this research journey. Through our analysis of the performance of leading European retailers, we've uncovered new and interesting areas of research that we intend to tackle in future reports.

In coming months, we'll continue to expand the metrics that we cover and through detailed and at-scale analysis, we aim to find and explore new relationships between the practice of what retailers are doing, their results and, over time, the way that what they are doing changes.

The coming year will see six Performance Dimension reports looking in-depth at how these leading European retailers are approaching the Performance Dimension areas of The Customer, Operations and Logistics, Merchandising, Brand Engagement, Mobile and Cross-channel, and Strategy and Innovation. There'll be detailed analysis through best practice case studies, interviews with leading retailers and analysis of industry developments.

The InternetRetailing Multichannel Brand Index will move on to address how brands work as they contest ground traditionally owned by retailers through their own direct-to-customer operations. The successful brands and their strategies will be assessed through the same metrics as the IREU Top500 Index.

At the same time, the next 12 months will bring online new analyses and reports, both in print and online. InternetRetailing.net will be home to blog posts exploring these themes in more detail, while through the InternetRetailing series of events – including the October conference and the spring Expo – we will continue to offer further and fresh insights as European etail gathers pace over the coming years.

Knowledge Partners

InternetRetailing would like to thank our Knowledge Partners, the companies that have offered original research insights, plus advice and guidance, in putting together the IREU 500

BuiltWith
BuiltWith, a website assessment company, found the technologies in use on every IREU 500 website – from ecommerce platforms to logistics plug-ins.
www.builtwith.com

GTMetrix
GTmetrix, a website monitoring company, assessed how well IREU 500 websites had been designed for mobile devices.
www.gtmetrix.com

NCC Group
NCC Group, a company that, among other services, offers website monitoring and consultancy services to retailers, performed multiple tests of all EEA-localised landing pages of the IREU 500.
www.nccgroup.trust

Poq
Poq contributed a dataset on the relative value of app features, measured by time spent in-app, average order value and conversion rate. The app developer also assisted in the design and research of a pan-European app capability study used in this report.
www.poqcommerce.com

Return Path
Email experts Return Path drew upon their millions-strong consumer base to gauge the average interaction a subset of IREU 500 retailers received in France, Germany and the UK.
www.returnpath.com

SimilarWeb
SimilarWeb, a web traffic monitoring company, contributed data on the number of users using IREU 500 websites on a country-specific basis.
www.similarweb.com

Conclusion

IN RESEARCHING AND preparing this first edition of the InternetRetailing Europe Top500, we've aimed to understand the approaches that retailers are taking as they target new markets within Europe. We've been interested to see how fast and how effectively retailers, especially those within the fashion market, are expanding their reach across the continent. Some are building their retail brands for a European and, indeed, a global audience, and they are making it easy for shoppers across this continent to buy in the way that best works for them.

We've also seen that as yet, this is far from typical among the Top500 that we've identified as the leaders in this market this year. As we noted in the strategic overview, the average Top500 retailer sells in two currencies and uses three languages.

That's likely to change as more retailers across Europe grapple with the challenges of selling online, before going on to sell across the region as they see the potential for growth and the sheer range of opportunity in a market that's set to become ever easier to sell to, thanks to advances in technology and to regulatory movement towards a simplified single market.

By the time we come to prepare the second edition of the IREU Top500 in a year's time, we confidently predict that more retailers will be selling to more markets, and using more languages and currencies to do so. We expect that customers will inevitably widen their horizons too. As they browse European retailers that are new to them, they'll inevitably find new products and styles that they once discovered only on holidays but which are now becoming ever easier to buy closer to home, at the touch of a button. As that happens, we on the InternetRetailing team will be watching and monitoring with interest, ready to report on changes as they happen.

We also expect the phenomena of marketplaces and brands selling direct to exert a bigger influence on European retail over the next year, and our ongoing research will reflect this. We hope you've enjoyed this report and we look forward to returning with our findings about the development of ecommerce and multichannel retailing both in regular updates over the coming year and in next year's IREU Top500.