Abstract

Last year Avensia conducted a research regarding omni-channel retail. The investigation showed that Swedish companies had not done enough to integrate their online and offline sales channels. This paper is a follow up on the report from last year with an extended research covering all Scandinavian countries. Now we can see the differences, not only between individual companies and industries but also across borders.

This study provides answers to how far 30 of the largest retailers in Sweden, Norway and Denmark have come in their omni-channel ventures. Avensia has created 16 fundamental omni-channel criteria. Depending on whether the retailer fulfill the criteria or not they're awarded with a point. The points are converted into an index where 100 percent means they have answered “yes” in every criteria and 0 percent means that they have answered “no” in every criteria. Scoring 80 percent and above declares the company omni-channel ready.

The investigated retailers are then compared against each other, both individually, nationally and by industry. From the analysis Avensia has drawn conclusions about which companies and industries that are the best and worst, and what needs to be improved in the future. The survey is conducted by Yougov on behalf of Avensia.
Table of Contents

Introduction 4
  About Avensia 5
Method 6
Sweden 7
  Industries 8
Norway 9
  Industries 10
Denmark 11
  Industries 12
Omni-Channel Criteria 15
Conclusion 17
Contact Avensia 18
Introduction

Last year Avensia conducted a research regarding omni-channel retail. The investigation showed that Swedish companies had not done enough to integrate their online and offline sales channels. This paper is a follow up on the report from last year with an extended research covering all Scandinavian countries. Now we can see the differences, not only between individual companies and industries but also across borders.

This study provides answers to how far 30 of the largest retailers in Sweden, Norway and Denmark has come in their omni-channel ventures. Avensia has created 16 fundamental omni-channel criteria. Depending on whether the retailer fulfills the criteria or not they're awarded with a point. The points are converted into an index where 100 percent means they have answered “yes” in every criteria and 0 percent means that they have answered “no” in every criteria. Scoring 80 percent and above declares the company omni-channel ready.

The investigated retailers are then compared against each other, both individually, nationally and by industry. From the analysis Avensia has drawn conclusions about which companies and industries that are the best and worst, and what needs to be improved in the future. The survey is conducted by Yougov on behalf of Avensia.

“Some of the surveyed companies have been proven very successful in creating omni-channel strategies. Still many companies are stuck in old business models and will soon be overrun by pure players and other more agile companies. Working with incremental change is not enough, consumer behavior changes dramatically and so must the retailers. The landscape development is now moving in a faster pace than the companies are able to adapt to. This leads to a shift of power in the market”
- Jörgen Bertilsson, VP Global Sales at Avensia.
About Avensia

Avensia is the leading e-commerce expert company in the Nordics. Since 1998 the company has delivered complete business solutions for retailers with high aspirations and demands on their business. With experience from more than 100 major e-commerce projects Avensia provides services that reaches well beyond just the implementation, but also strategy, design and business development.

Our customers are European based and operating in both the B2C and B2B, in all industries from sports and fashion to manufacturing. Avensia employs more than 100 e-commerce experts at their offices in Lund, Helsingborg, Stockholm, Copenhagen, Oslo and Cebu.
Method

Prior to the survey 16 different omni-channel criteria were compiled together with a list of 30 of the largest retailers from each Scandinavian country. The companies were divided into categories; Consumer Electronics, Furniture and Furnishings, Clothing and Footwear, and Other. Each of the 16 omni-channel criteria was designed as a question and answered with a “yes” or “no”. The survey was conducted by Yougov through observations during the period of 9th April – 8th June 2015. The observations were made through the companies’ websites and was supplemented by telephone interviews.

The omni-channel criteria that were used in the survey are summarized in Appendix 1. The answers have been compiled in a matrix. The percentage of positive responses in relation to the 16 criteria constitute the omni-channel index. 100 percent indicates that every criteria has been answered with a “yes” whilst 0 percent indicates that every criteria has been answered with a “no”. Scoring above 80 percent in the index indicates that the company can be classed as omni-channel ready. Some of the criteria has changed since last year to make the measurement more accurate.

Selection

The selection is based on well-known retailers that operate in each country’s market. The goal was to have at least four companies per sector. In order to make the research as thorough as possible the list of companies have been revised to 30. Some of the companies are operating in two or all of the investigated countries and has therefore been prioritized to look into differences in the organizations across borders.

The survey is mainly conducted by observations but has been supplemented by interviews when answers have been unclear. The respondents are either E-Commerce Managers, Omni-Channel Manager, Sales Managers or COOs.
Sweden

Sweden has the best overall score of the Scandinavian countries. There are several strong retailers and Sweden is considered the most mature omni-channel nation amongst the Scandinavian countries.

Only 2 of the examined 30 retailers score above 80 and can be called omni-channel ready. Those companies are colored in green. There are some other companies that are starting to reach omni-channel maturity but still have a few steps left. Those are colored in yellow. The red lined companies are far behind average. Those companies are defined as omni-channel laggards.
Industries

These graphs compare the different industries. The black bar describes the industry's average score and the green, yellow and red describes the company's success in each industry.

The most successful industry in Sweden is the consumer electronics industry, with one of the obvious leaders in the business, SIBA. Consumer electronics have proven to be great products for online commerce because of the precision in product specifications, which makes it simple to measure and compare without seeing or touching it. This along with a highly competitive industry has accelerated the omni-channel strategies making these companies top the list.
None of the examined Norwegian retailers are omni-channel ready. Norway is also the country with the most omni-channel laggards. There is lots of potential and significant improvement to be made in the Norwegian retailers omni-channel ventures. There are some other companies that are starting to reach omni-channel maturity but still have a few steps left. Those are colored in yellow. The red lined companies are far behind average. We call these companies omni-channel laggards.
Industries

These graphs compare the different industries. The black bar describes the industry’s average score and the green, yellow and red describes the company’s success in each industry.

The most successful industry in Norway is the consumer electronics industry. SIBA which is the leader in Sweden is here falling behind both Clas Ohlson and Teknikmagasinet. Consumer electronics has proven to be great products for online commerce because of the preciseness in product specifications, which makes it simple to measure and compare without seeing or touching it. This along with a highly competitive industry has accelerated the omni-channel strategies making these companies top the list.
Denmark is the second strongest nation in Scandinavia. Only 1 of the examined 30 retailers score above 80 and can be called omni-channel ready. Those companies are colored in green. There are some other companies that are starting to reach omni-channel maturity but still have a few steps left. Those are colored in yellow. The red lined companies are far behind average. We call these companies omni-channel laggards.
Industries

These graphs compare the different industries. The black bar describes the industry’s average score and the green, yellow and red describes the company’s success in each industry.

There is no significant difference between the success in the different industries but the fashion industry is falling a bit short compared to the others.
“For us at Intersport, our omni-channel venture has been about finding a formula where e-commerce and physical stores can help each other instead of competing. It has been a great challenge to get everyone in the organization to pull together and there has been a lot of work behind the change. Therefore we are very happy that this research really proves how far we have come”

– Daniel Anvell, COO at Intersport Sweden
For us at SIBA, the customer is always in focus. A way for us to prove that we are responsive to their needs is through our distinctive omni-channel strategy. Our customers do not differentiate between channels but chooses the channel depending on their need in a “here and now” perspective. It’s therefore important that the customer recognizes SIBA in all channels and get offered the same good service in all encounters with our company.

– Susanne Ehnbåge, CEO at SIBA Sweden
Omni-Channel Criteria

This section shows the percentage of retailers in each country that fulfilled each criteria. Bricks and mortar is described below as B&M.

Is it possible to see stock from B&M stores online?

- Sweden: 70%
- Norway: 69%
- Denmark: 63%

Is it possible to order online and return the product in B&M store?

- Sweden: 73%
- Norway: 56%
- Denmark: 70%

Is it possible to filter products online to see products available in a B&M store nearby?

- Sweden: 47%
- Norway: 59%
- Denmark: 47%

Can you get access to information about products from B&M by mobile,? Example QR codes for online reviews.

- Sweden: 33%
- Norway: 9%
- Denmark: 0%

Is a product that has been put in the shopping basket on a mobile device still there when using the same account on a laptop or other device?

- Sweden: 57%
- Norway: 56%
- Denmark: 50%

Do you use the same offers online and offline?

- Sweden: 90%
- Norway: 78%
- Denmark: 83%

Is there individual social media sites for each B&M store?

- Sweden: 17%
- Norway: 6%
- Denmark: 7%
Does every B&M store have their own space on your website?
- Sweden: 30%
- Norway: 34%
- Denmark: 17%

Does your customers receive loyalty points when purchasing both online and in B&M?
- Sweden: 53%
- Norway: 16%
- Denmark: 20%

Can your customers see their loyalty points online?
- Sweden: 43%
- Norway: 9%
- Denmark: 20%

Can your customers use their loyalty points when shopping online?
- Sweden: 17%
- Norway: 9%
- Denmark: 17%

Is it possible to write a shopping list online and then bring to your B&M stores?
- Sweden: 40%
- Norway: 41%
- Denmark: 30%

Is there a map with directions online to your closest B&M store?
- Sweden: 97%
- Norway: 59%
- Denmark: 60%

Are there any incentives when buying online and pick up in store? Example free shipment
- Sweden: 47%
- Norway: 38%
- Denmark: 47%

Are there local offers in B&M stores near your customer's location?
- Sweden: 53%
- Norway: 34%
- Denmark: 67%
Conclusion

Building on last year’s report there has been a great development in the retail business. Last year none of the examined companies was declared omni-channel ready but this year there are three, two of them in Sweden and one in Denmark. The conclusion, when comparing the Scandinavian countries to each other, is that Sweden has come the furthest in their omni-channel ventures. Denmark is in second place with and Norway is the country that is falling behind.

Looking at the different industries we can see that consumer electronics is the strongest, although there is not by much.

All in all the results are much stronger this year than the last. Three companies was declared omni-channel ready. It was Intersport Sweden, SIBA Sweden and Intersport Denmark. Intersport Sweden and Interport Denmark are different organizations and do not share the same strategy which makes it interesting to see that they had a similar score. SIBA had a better score in Sweden than they had in Norway where Clas Ohlson was the strongest retailer.
Contact Avensia

Lund
Gasverksgatan 1
SE-222 29 Lund
+46 46–37 30 00

Helsingborg
Billeplatsen 5
SE-252 23 Helsingborg
+46 46–37 30 00

Köpenhamn
Store Kongensgade 72
DK-1264 Copenhagen
+46 46–37 30 00

Stockholm
Birger Jarlsgatan 58
SE-114 29 Stockholm
+46 46–37 30 00

Oslo
Erling Schiøtzvei 3B
NO-1162 Oslo
+46 46–37 30 00

Cebu
14F Cebu IT Tower
Cebu Clty, Philippines 6000
+46 46–37 30 00

www.avensia.com