

OMNI-2000 Research: Germany|Austria

Is Germany|Austria a Well-progressed Omni-channel Market?



EXECUTIVE SUMMARY

This report details the customer buying journey based on research specific to the retail market in Germany|Austria. It uses the random-walk method to investigate 200 German|Austrian based retail chains, with a minimum of 10 store locations.

Key findings for the German|Austrian retail market include:

- **43.0%** of all retailers currently offer Click and Collect
- **11.6%** of omni-channel retailers commit to having orders within 24 hours
- **59.0%** of all retailers offer basic active inventory visibility
- **84.0%** of all retailers provide free return deliveries
- **77.9%** of omni-channel retailers offer buy online return in-store (BORIS)
- **10.5%** of omni-channel retailers have an optimized m-commerce site
- **9.3%** of omni-channel retailers accept Instagram purchases

With over 2,000 retail chains globally reviewed in depth, Omni-2000 Research provides an increasingly robust view of the modern retail market. Relative to the seven countries reviewing in Omni-2000, Germany|Austria is a well-progressed and developing market in omni-channel retailing.



Because of the current state of the German|Austrian market, opportunities for improvement exist. For example, while German|Austrian retailers are rapidly gravitating towards having a social media presence, few are offering it as a retail channel.

Research shows that active inventory visibility among retailers is not as high globally as it should be in an advanced omni-channel market. Germany|Austria is bucking the trend towards decreasing inventory visibility and remains committed to delivering on what customers want.

In general, the German|Austrian omni-channel retail market is healthy and well-serviced compared to other markets in the global research. The following study offers many observations revealing a very balanced market of omni-channel practices in the country.

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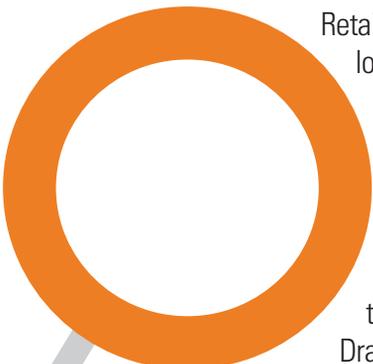
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RESEARCH METHODOLOGY

OrderDynamics' Omni-2000 research is based on a 'random-walk' methodology, directly assessing retailer websites for the presence of omni-channel capabilities. Researchers took a shopper's perspective to uncover which merchants offer Click and Collect / Buy Online Pickup In-Store (BOPIS) services today. The random-walk approach means this research did not expressly include or exclude retailers based on pre-defined market ratios.

For Germany|Austria, a total of 200 retail chains were reviewed. The full Omni-2000 Research: Global report initially investigated over 5,000 merchants, narrowing in on 2,026 retailers with 10 or more stores and a web presence. The following pages provide further details about the German|Austrian omni-channel market, retail sub-sectors, chain sizes, and e-commerce platforms.

Although the random-walk methodology may appear haphazard, there is a high level of consistency across categories, countries and other data points. Data collection and analysis for the OrderDynamics' Omni-2000 Research: Germany|Austria spanned from August to October 2018. This research reflects the offerings retailers in the study made through their websites. In effect, this is what shoppers experience during their buyer's journey.



Retailers selected for the study include only those with 10 or more physical store locations. Each of the included retailers has a web presence, be it merely a website, or an e-commerce platform for purchase. Not all retailers in the study had online order-taking capabilities.

Forty data observations were collected for each retailer in the research, culminating in 8,000 data points for Germany|Austria. Some core data is provided in the various charts throughout the report. Readers are reminded to be cognizant of certain smaller sample sizes for some of the sub-sectors.

Drawing conclusions from small sample size groups should be considered directionally indicative, rather than statistically robust.

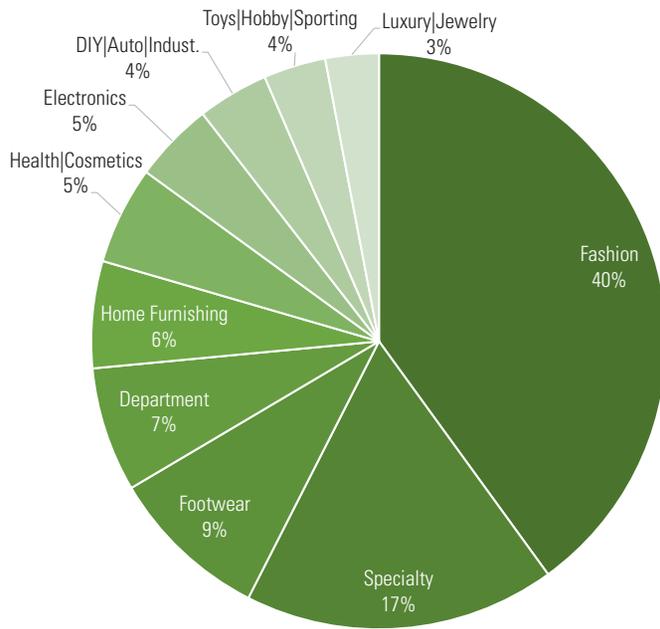


[Contact OrderDynamics](#) directly with further questions. If you are a retailer and would like to know if your organization was part of this research, we would be pleased to share these results with your senior management team. Call directly or fill out an [Omni-Score request form](#). We will connect with you as quickly as possible.

REFERENCES

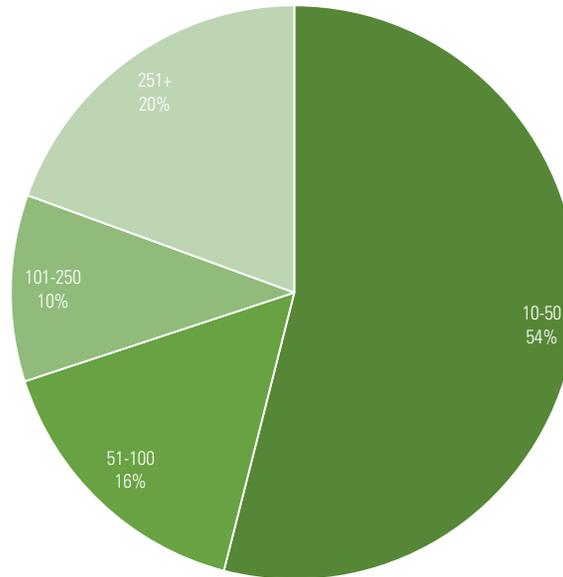
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RESEARCH METHODOLOGY



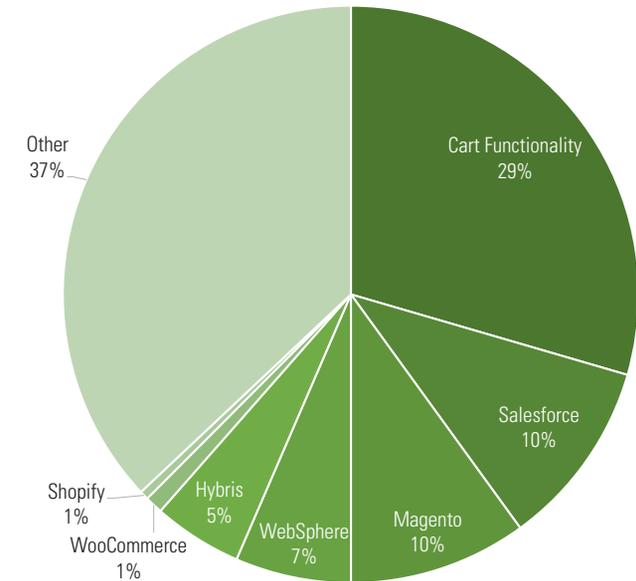
Retail Sectors

Similar to the Omni-1000 research, a random-walk approach provides a natural breakdown as shown above. Fashion is 40% of the retail market. Specialty goods like gifts, cards, candles, musical instruments and such, weigh in at 17% of the retailers reviewed. This is followed by smaller groupings of Footwear 9%, Department 7%, and so on.



Store Count Sizing

Retail chain sizes in the research seem characteristic of the market. The largest proportion are the mid-market retailers of 10-50 stores (54%). The remaining 46% is split somewhat evenly between the upper mid-sized (51-100 stores), large-sized (101-250 stores) and enterprise-sized (251+ stores) retailers.



eCommerce Platform (eCP)

Using Builtwith to determine the eCP systems, Cart Functionality has the largest presence at 29%. This is followed by Salesforce at 10%. Enterprise-class systems follow with Magento in the lead, followed by WebSphere, Hybris and WooCommerce.

GERMAN|AUSTRIAN SNAPSHOT

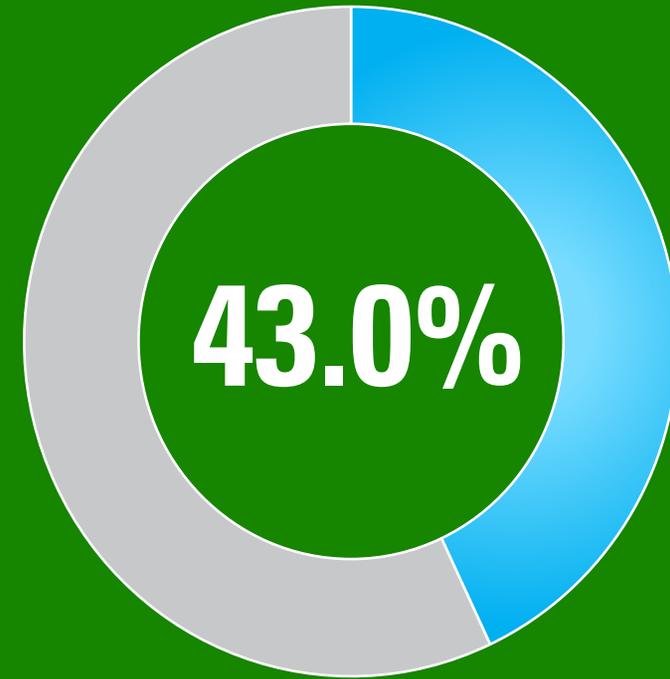
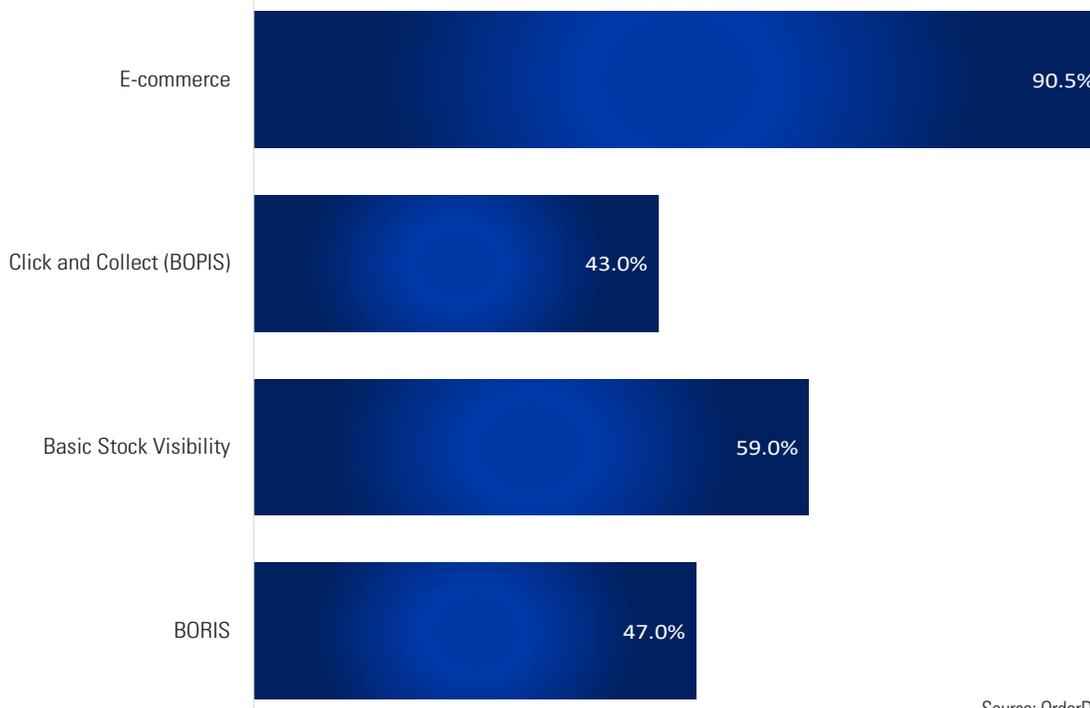
Most retailers in Germany|Austria have an active e-commerce business, at 90.5%. This makes the country only second to the UK (91.3%) and just ahead of the USA (85.8%).

Moreover, Germany|Austria is third behind France (50.5%) and the UK (64.0%) in number of retailers with Click and Collect (BOPIS) offerings, at 43.0%

Retailers in Germany|Austria have done a notable job at informing consumers with inventory visibility, with 59.0% of them offering basic stock visibility. All other countries in the global research, besides France, registered below in the 30.0% range.

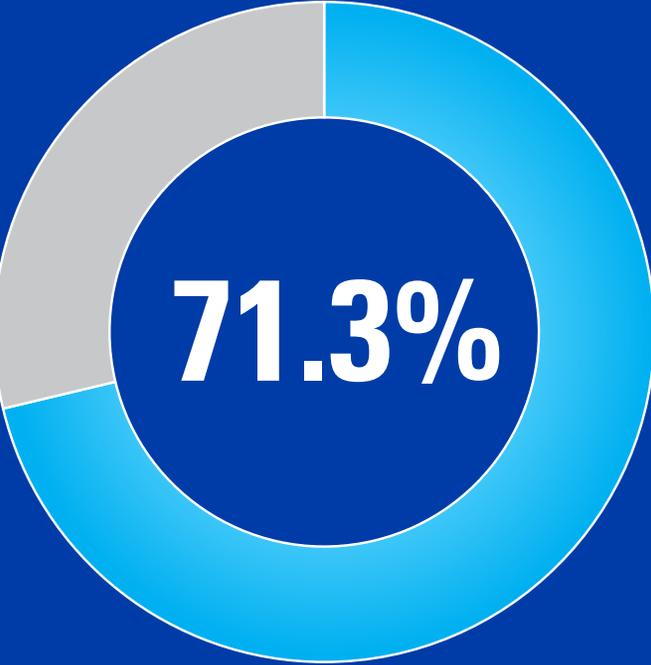
BORIS (Buy Online Return In-Store) is adequate for merchants in Germany|Austria at 47.0%.

CAPABILITIES SNAPSHOT



“43% of all German|Austrian retailers offer Click and Collect / Buy Online Pickup In-Store (BOPIS) services.”

N=200
Source: OrderDynamics, Oct 2018

A donut chart with a blue segment representing 71.3% and a grey segment representing 28.7%. The percentage '71.3%' is displayed in white text in the center of the blue segment.

71.3%

“71.3% of German| Austrian retailers with e-commerce sites offer some form of free shipping.”



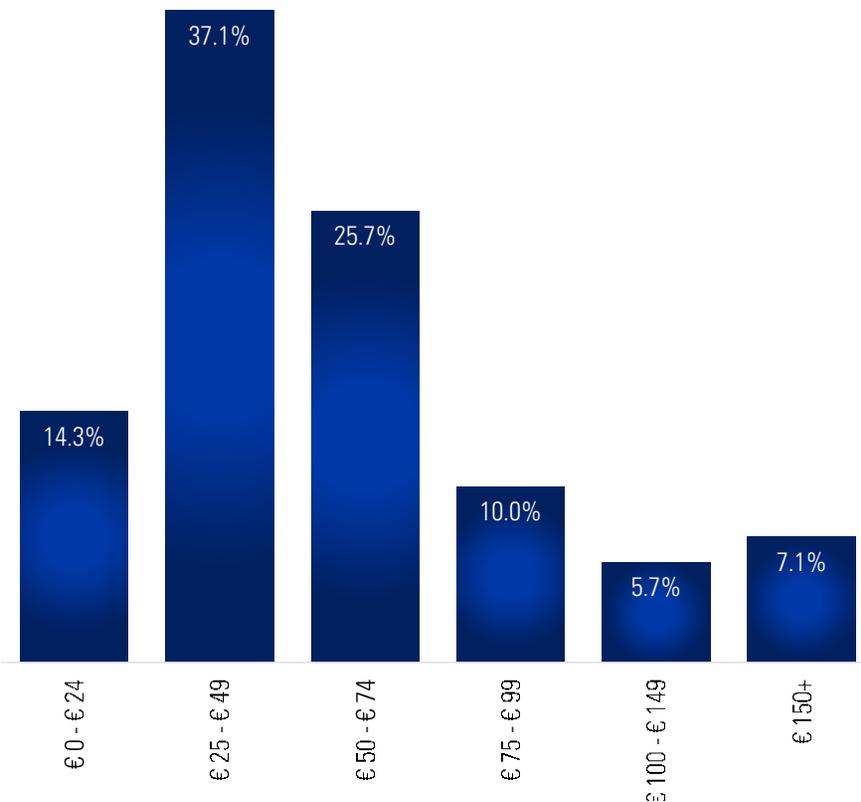
ECommerce and Free Shipping

Seventy-one-point-three percent (71.3%) of German|Austrian retailers that have an e-commerce platform offer some form of free shipping. The price range that retailers (37.1%) use to offer free shipping is € 25 - € 49. A total of 77.1% of retailers that offer free shipping in Germany|Austria, provide this type of service on orders under € 74.

Like the UK, where Amazon and eBay are spurring retailers to offer greater value, Germany|Austria have been quick to realize the competitive advantage of free shipping. This likeness does not extend to minimum basket values. In the UK, the average MBV is £ 43.38. In Germany|Austria, the average is quite higher at € 73.39.

Decreasing minimum basket values will be an interesting area to watch in Germany|Austria.

FREE SHIPPING WITH MINIMUM PURCHASE



Need to compress your order fulfillment cycle?

Here's how Browns Shoes did it!

Get the Case Study >>>

Case Study: Browns Shoes Leading The Way With Order Consolidation

Browns Shoes is North America's leading independent footwear chain, with over 60 stores and a long-standing e-commerce presence. To improve their customer's experience both online and in-store, they invested in OrderDynamics' DOM technology (distributed order management) to improve fulfillment and inventory visibility.

With OrderDynamics DOM, Browns was able to:

- Reduce their order-to-shipment (OTD) cycle by 20%
- Improve their customer's experience by providing faster delivery times
- Reduce their shipping costs by 15%
- Improve their inventory visibility across all channels

OrderDynamics DOM is a cloud-based, multi-channel order management system that provides a single view of all orders across all channels, enabling retailers to optimize their fulfillment process and improve their customer's experience.

FREE DELIVERY BY RETAIL SECTOR

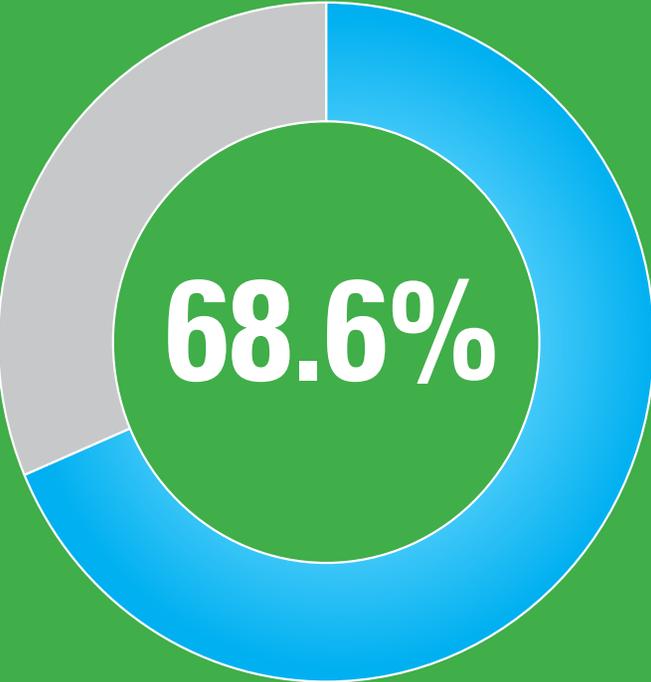
With 71.3% of German|Austrian retailers with an e-commerce platform providing free shipping, the offering is expected by consumers. In fact, the surprising element worthy of more investigation are the retailers that do not offer it.

Health|Cosmetics and Luxury|Jewelry are the sectors most likely to provide free shipping, with 100% of merchants doing so. This is followed by the Footwear sector at 88.9%, and the Specialty sector at 82.8%.

Minimum order basket sizes are largest for the Home Furnishing sector at € 269.75, and Luxury|Jewelry market at € 197.50. Conversely, the smallest average minimum basket size to qualify for free delivery are the Health|Cosmetics retailers at € 36.30, and the Specialty retailers at € 38.83.

Retail Sector	Retail Chains	Retail with eCP	Offer Free Shipping			Min. Basket for Free Shipping	
			All	Promo (*)	%	Avg	High Value
Fashion	80	76	48	--	63.2%	€ 53.78	€ 150.00
Specialty	35	29	24	--	82.8%	€ 38.83	€ 100.00
Footwear	18	18	16	--	88.9%	€ 55.00	€ 80.00
Department	14	11	7	--	63.6%	€ 67.16	€ 150.00
Home Furnishing	12	9	5	--	55.6%	€ 269.75	€ 1,000.00
Health Cosmetics	11	11	11	--	100.0%	€ 36.30	€ 69.00
Electronics	9	8	3	--	37.5%	€ 53.17	€ 100.00
DIY Auto Indust.	8	7	5	--	71.4%	€ 41.67	€ 50.00
Toys Hobby Sporting	7	7	5	--	71.4%	€ 101.80	€ 200.00
Luxury Jewelry	6	5	5	--	100.0%	€ 197.50	€ 600.00
Total	200	181	129	0	71.3%	€ 73.39	€ 1,000.00

(*) Promo: Promotional free shipping

A donut chart on a green background. The chart is divided into two segments: a larger blue segment representing 68.6% and a smaller grey segment representing 31.4%. The percentage '68.6%' is written in white text in the center of the blue segment.

68.6%

“Over 68.6% of Click and Collect retailers in Germany|Austria now advertise the service on their first web-page.”



CLICK AND COLLECT PROFILE

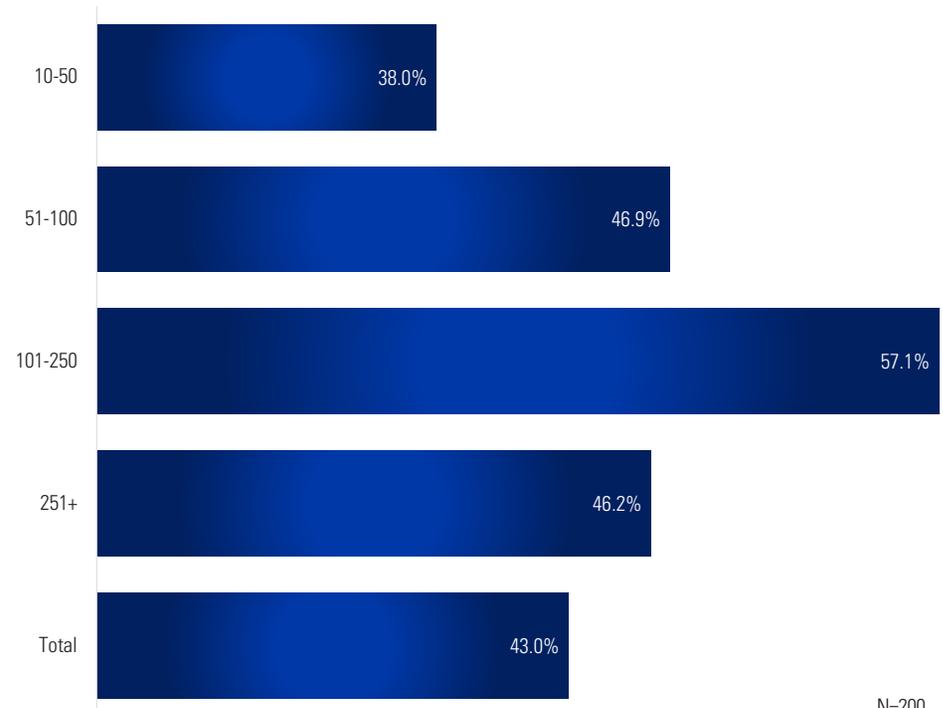
The global market profile shows a clear and distinct correlation between the retailer chain size and the adoption of Click and Collect as an offering. In other words, the availability of Click and Collect rises as the size of the retail chain grows. Globally, 48.6% of enterprise-sized (251+ stores) retailers offer Click and Collect services. Compared this to only 31.5% of small retail chains (10-50 stores) worldwide.

Unlike the global pattern, the German|Austrian market's highest omni-channel rate of adoption is with retail chains of 101-250 stores, at 57.1%. Not far behind are enterprise retailers (251+ stores) at 46.2% adoption. As the omni-channel market matures, the size of retail chain becomes less of a factor in the service adoption.

Observations in this report focus on ads on the first page. In this regard, 68.6% of all German|Austrian retailers offering Click and Collect inform customers about their omni-channel capabilities up front. However, it is notable that enterprise Click and Collect retailers (251+ stores) are most likely to provide this information on the first page with 94.4% doing so.

German|Austrian retailers have further encouraged the use of Click and Collect with 'How to' instructions on using omni-channel services. Currently, 90.7% of Click and Collect retailers have added these instructions for the benefit of their customers. Likewise, 96.5% of German|Austrian Click and Collect retailers indicate that pickup alerts will be provided when the items are ready for pickup.

CLICK AND COLLECT ADOPTION BY RETAILER STORE COUNT



N=200
Source: OrderDynamics, Nov 2018

Chain Store Count	Retail Chains	Click and Collect		C&C(*) Ad on 1st Pg		'How To' FAQ		Pickup Alert	
		Count	%	Count	%	Count	%	Count	%
10-50	108	41	38.0%	24	58.5%	36	87.8%	39	95.1%
51-100	32	15	46.9%	9	60.0%	13	86.7%	15	100.0%
101-250	21	12	57.1%	9	75.0%	12	100.0%	12	100.0%
251+	39	18	46.2%	17	94.4%	17	94.4%	17	94.4%
Total	200	86	43.0%	59	68.6%	78	90.7%	83	96.5%

(*) C&C: Click and Collect

N=86
Source: OrderDynamics, Nov 2018

CLICK AND COLLECT OPTIONS

54.7% of German|Austrian omni-channel merchants refer to only one pickup option or default to an in-store pickup for customers. 20.9% of German|Austrian Click and Collect retailers stated online that they offer 2 pickup options. An equal number (20.9%) of retailers referred to 3+ pickup options.

Truly, in-store pickups are the best option for retailers. While in-store, 41 - 59% of customers will purchase additional merchandise.^{4,5} In that sense, the best option for retailers is to run collect service in their own store, to maximize sales. However, at least offering partners' pickup is a good option as well. As long as both partners reciprocate, then it increases store traffic, with a chance of additional conversions.

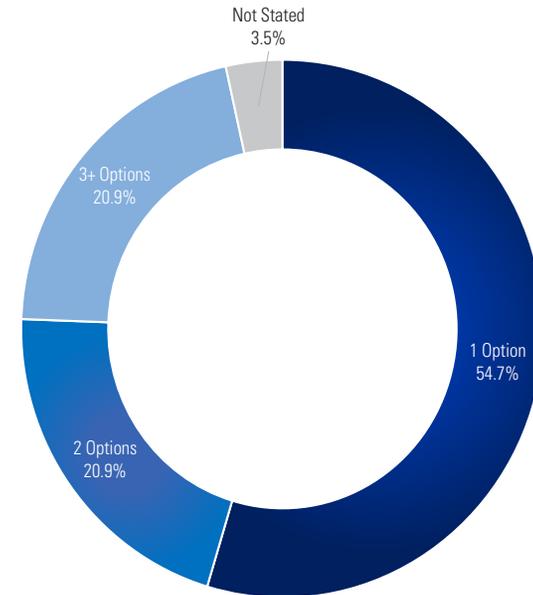
Despite this, it is always a good practice to cater to your customers' needs. If customers want more options, then giving them more choices - when your competitors do not - is an advantage. Using a pickup locker may not result in an additional sale during that collection, but it may result in future loyalty, due to the convenience your brand provides to the shopper.

PICKUP NOTIFICATIONS

Pickup notifications are alerts to advise customers that their order is ready for collection. The vast majority of German|Austrian omni-channel merchants offer one notification method. Typically, this is an email notification. Only 3.5% offer a second method.

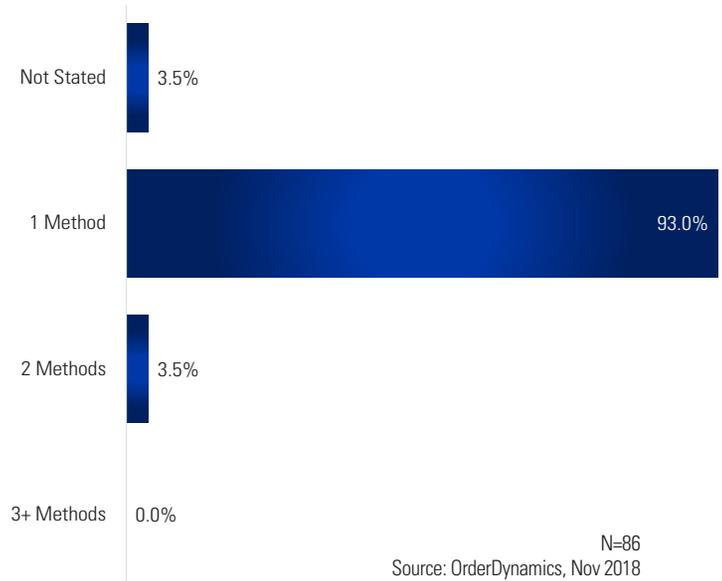
This is perplexing. All retail chains in this investigation need a robust order management technology to effectively coordinate and run an omni-channel business. A good order management system provides flexible communication capabilities. That means it can connect to any desired number of communication systems be it email, interactive voice response, text, social, chat, or other communication portals. As such, an easy option retailers need to consider is to provide shoppers with more notification options. Specifically, the retailers that keep up with the Millennial and Gen Z expectations, will ultimately have an advantage.

PICKUP OPTIONS



N=86
Source: OrderDynamics, Nov 2018

NOTIFICATION METHODS



N=86
Source: OrderDynamics, Nov 2018

ENGAGING CUSTOMERS

Broken out by industry sector, omni-channel adoption varies considerably. Specialty retail adoption is only 25.7%, whereas adoption in the Electronics retail sector is 66.7%. Also low on click and collect availability are Footwear retailers and Toys|Hobby|Sporting goods retailers. Globally we see a similar pattern, the Electronics industry has the highest amounts of Click and Collect retailers at 51.7% and the Footwear sector is one of the lowest at only 36.2%.

A good majority (68.6%) of German|Austrian retailers are advertising their omni-channel services prominently, showcasing omni-channel services on their first web-page. Few (33.3%) Electronics retailers advertise their Click and Collect services prominently but all (100%) Department, Health|Cosmetics and Toys|Hobby|Sporting omni-channel retailers called out Click and Collect on the front page of their websites.

As noted earlier, the 'How To' instructions and pickup alerts for Click and Collect pickups are well done. 90.7% of retailers that offer the omni-channel service provide instructions on its use and 96.5% state that at least one form of pickup alert is available for shoppers.

Retail Sector	Retail Chains	Click and Collect Available		Click and Collect Ad on First Page		'How-To' Instructions		Pickup Alert	
		Count	%	Count	%	Count	%	Count	%
Fashion	80	40	50.0%	26	65.0%	37	92.5%	40	100.0%
Specialty	35	9	25.7%	5	55.6%	8	88.9%	9	100.0%
Footwear	18	5	27.8%	3	60.0%	5	100.0%	5	100.0%
Department	14	5	35.7%	5	100.0%	5	100.0%	4	80.0%
Home Furnishing	12	5	41.7%	4	80.0%	4	80.0%	5	100.0%
Health Cosmetics	11	6	54.5%	6	100.0%	6	100.0%	6	100.0%
Electronics	9	6	66.7%	2	33.3%	5	83.3%	4	66.7%
DIY Auto Indust.	8	4	50.0%	3	75.0%	2	50.0%	4	100.0%
Toys Hobby Sporting	7	2	28.6%	2	100.0%	2	100.0%	2	100.0%
Luxury Jewelry	6	4	66.7%	3	75.0%	4	100.0%	4	100.0%
Total	200	86	43.0%	59	68.6%	78	90.7%	83	96.5%

N=86

Source: OrderDynamics, Nov 2018

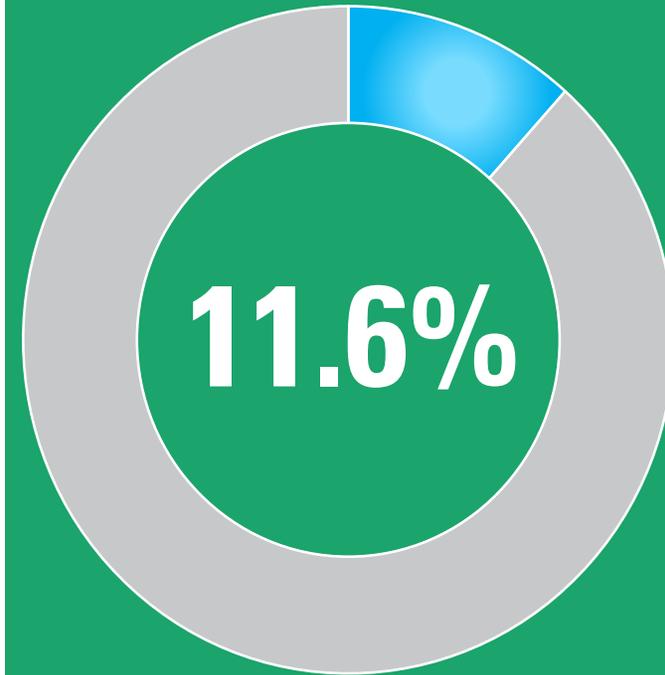
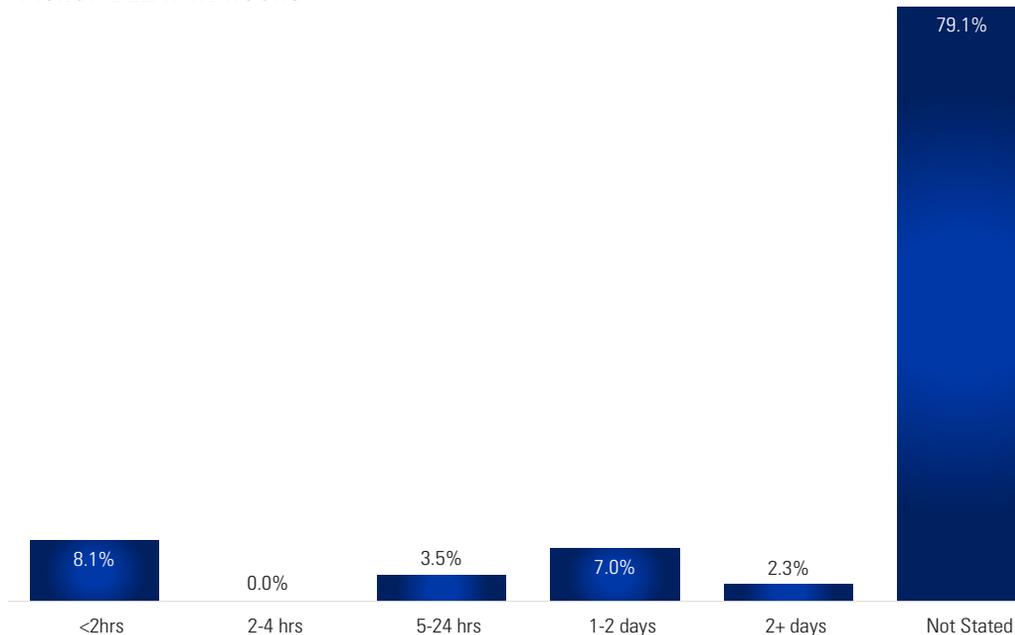
IN-STORE PICKUP DELAYS

Click and Collect Superconsumers expect their purchase to be ready as soon as possible. A North American study, the [Click and Collect Superconsumer research](#), shows that omni-channel proficient customers (the Superconsumers) expect items to be ready for pickup within 24 hours.⁵ Even more intense is the occasional Click and Collect consumer's expectation that items be ready for pickup within 2 hours. Surprisingly, the majority (79.1%) of German|Austrian retailers do not state the pickup delay on their website.

Comparing the Omni-2000 global picture, 34.8% of 762 Click and Collect retailers worldwide commit to a pickup within 24 hours, while in Germany|Austria, only 11.6% of omni-channel retailers offer collection within 24 hours.

There is a significant disconnect in Germany|Austria between what consumers expect, and what retailers are providing (or at least promoting). Pickup delay is a significant omni-channel area that retailers need to pay attention to, and improve upon, to meet customer expectations.

PICKUP DELAY IN HOURS



“Only 11.6% of Click and Collect merchants in Germany|Austria, offer collection within 24 hours.”

RETAILER SIZE AND PICKUP TIMING

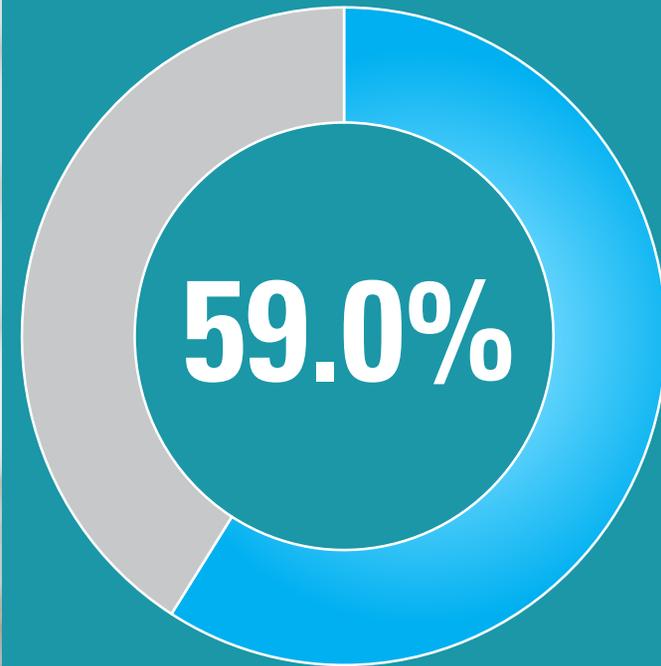
Only 20.9% of German|Austrian retailers with omni-channel capabilities state the expected pickup delay on their website. This is well below the global average of 79.8% of retailers.

The research finds that the average German|Austrian retail pickup delay in hours is 30.8, the lowest among the countries reviewed on the Omni-2000 research. This average pickup delay is less than the global average of 46.8 hours. It is the small and the large-size retailers who commit to the largest pickup delays. Retailers (with 51-100 stores) offer an average pickup delay of 2 hours which is the shortest amount of time across all omni-channel retailers.

Also noted in the research is the high end of the commitment spectrum, or in other words, the longest delays noted on German|Austrian retailer websites. The longest delay noted is 100 hours, from a mid-to-large (101-250 stores) retailer. At 4 days, this may be deemed as a long time for the average consumer to wait, but it is still a step forward for retail's Click and Collect.

What continues to be surprising is that retailers in the US and Australia provide one of the lowest overall average commitment times for in-store pickup orders. The average commitment for the US retailer is 41.6 hours, and for Australia it is 39.1 hours. Both of these regions can be characterized as omni-channel nascent markets, unlike the more mature German|Austrian retailing space.

Retailer Store Count	Retail Chains	Click and Collect		Pickup Delay Stated in Hrs				
		Count	%	Count	%	Average	Low	High
10-50	108	41	38.0%	7	17.1%	29.7	2	94
51-100	32	15	46.9%	1	6.7%	2.0	2	2
101-250	21	12	57.1%	3	25.0%	50.0	2	100
251+	39	18	46.2%	7	38.9%	27.9	1	48
Total	200	86	43.0%	18	20.9%	30.8	1	100



“Of all retailers in Germany|Austria, only **59.0% show basic, active inventory visibility online.”**

ONLINE INVENTORY VISIBILITY LEVELS

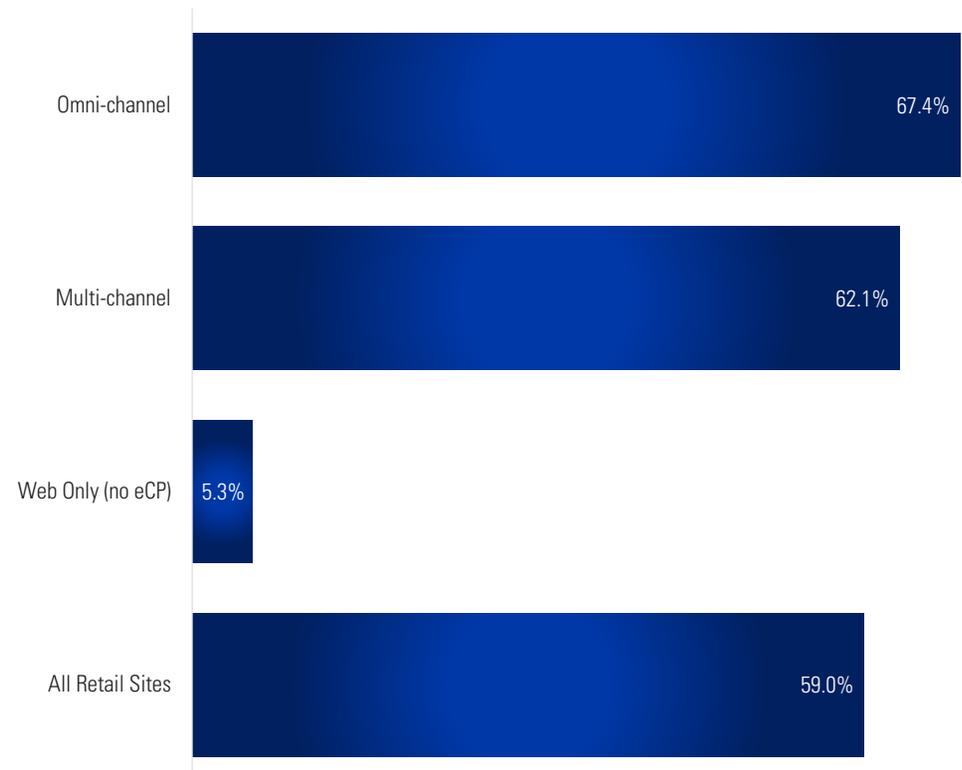
Inventory visibility is important to online consumers. Given the ease of jumping from one retailer's website to the next, inventory visibility should be a very important issue for retailers as well. In fact, failing to provide inventory visibility may be akin to sending your customers to shop at your competitors' site instead.

This fact seems intuitively obvious, yet there has been a sizeable drop in the number of retailers providing active inventory visibility online. Active inventory visibility is an indicator on a product page, showing that an item is either in-stock or out-of-stock, at the most basic level. A more advanced active indicator is the store level inventory indicator. Better still is the store level indicator that provides actual quantities available. When only one or two of an item are left, it creates a sense of urgency. Either the item would be purchased immediately, or it might be taken by another online or physical shopper.

A counter-argument to this is that no retailer wants to tip off their competitor to their stocking positions. This fear may help explain part of the drop in active inventory visibility observed. Currently, 40.0% of multi-channel merchants globally provide active inventory visibility at the basic level (in-stock, out-of-stock). In contrast, Germany|Austria was ahead at 62.1%. Even among global omni-channel retailers, only 49.2% currently provide active inventory visibility worldwide versus 67.4% in Germany|Austria.

Although not specific to the German|Austrian market, research by D3Supply noted a drop in inventory visibility spanning 2016 to 2017.² The Omni-2000 research confirms a significant drop spanning 2017 to 2018 globally. Advances in passive inventory visibility technique at the eCP level (e-commerce platform level) may also be part of the reason for this dramatic shift. Passive inventory visibility is the notification of inventory levels, ONLY in the event that the item in question is out-of-stock. Although NOT recommended as a best practice, passive inventory visibility appears to be growing in acceptance among retailers. This research observes this anecdotally (no empirical statistics captured).

BASIC INVENTORY VISIBILITY ACROSS RETAIL SITES



(*) Omni-channel is having an in-store and an online/digital presence, while also offering Buy Online Pickup In-Store and other cross-channel services.

(**) Multi-channel is when a retailer offers an in-store and an online/digital presence with no Buy Online Pickup In-Store abilities.

(***) eCP refers to e-commerce platform.

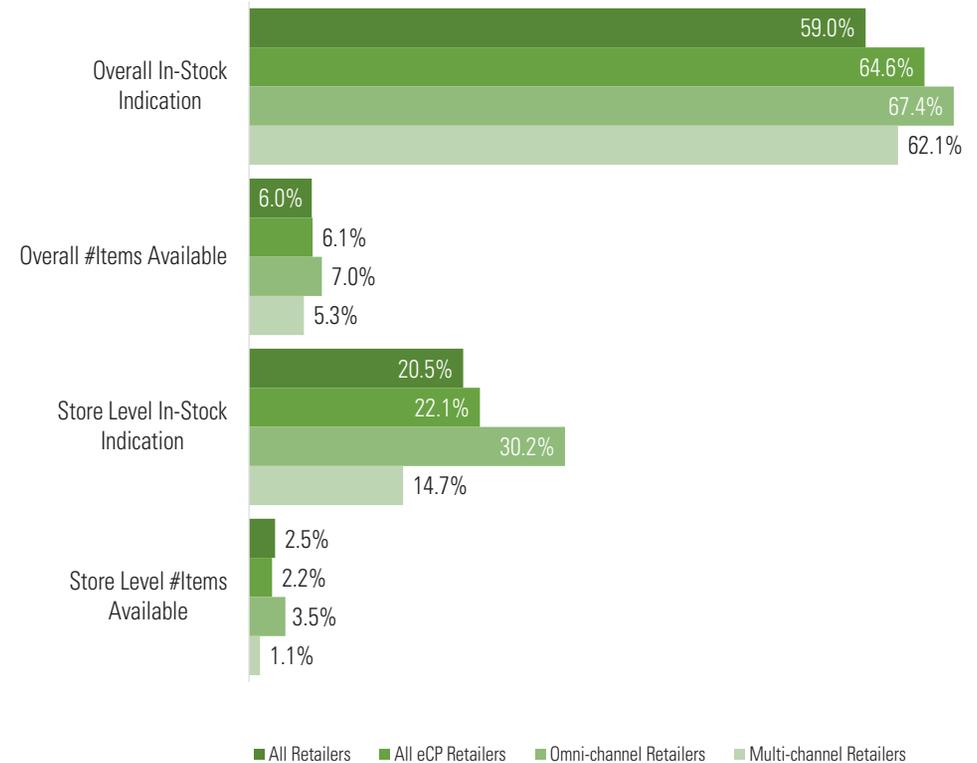
INVENTORY VISIBILITY BY RETAILER SIZE

Globally, a disturbing observation in the Omni-2000 report is the lack of focus on online inventory visibility. In the Omni-1000 report, 68.4% of merchants showed inventory visibility. In the Omni-2000 report, only 38.1% of all retailers show basic visibility on the product pages.

German|Austrian retailers appear to be maintaining a commitment to overall in-stock indicators, with 59.0% of retailers showing overall in-stock indicators on their websites. The large-sized retailers (with 101-250 stores) are the ones that commit the most, at 66.7%.

Retailers globally, and in Germany|Austria specifically, appear to have largely shunned a detailed level of inventory visibility. This is both at the overall retail level, as well as at the store level. This is perplexing as low inventory volumes at a particular store level can spur consumers to purchase. Limited quantities create a sense of urgency.

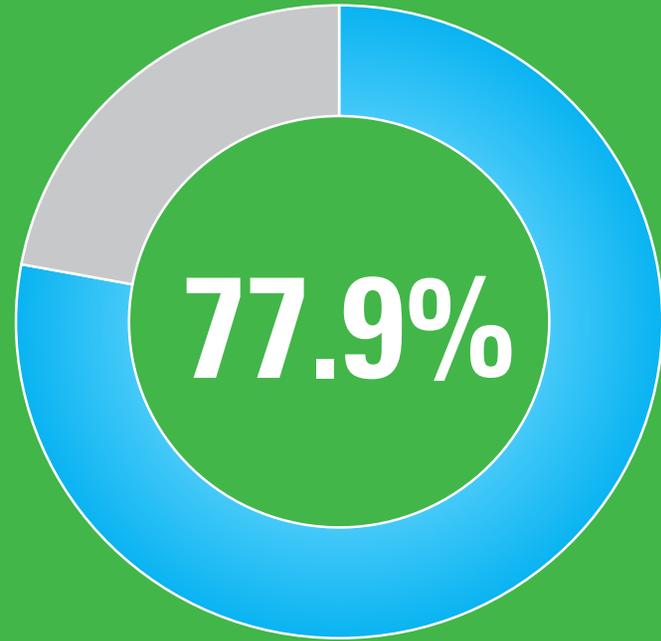
INVENTORY VISIBILITY BREAKDOWN BY RETAIL STRATEGY



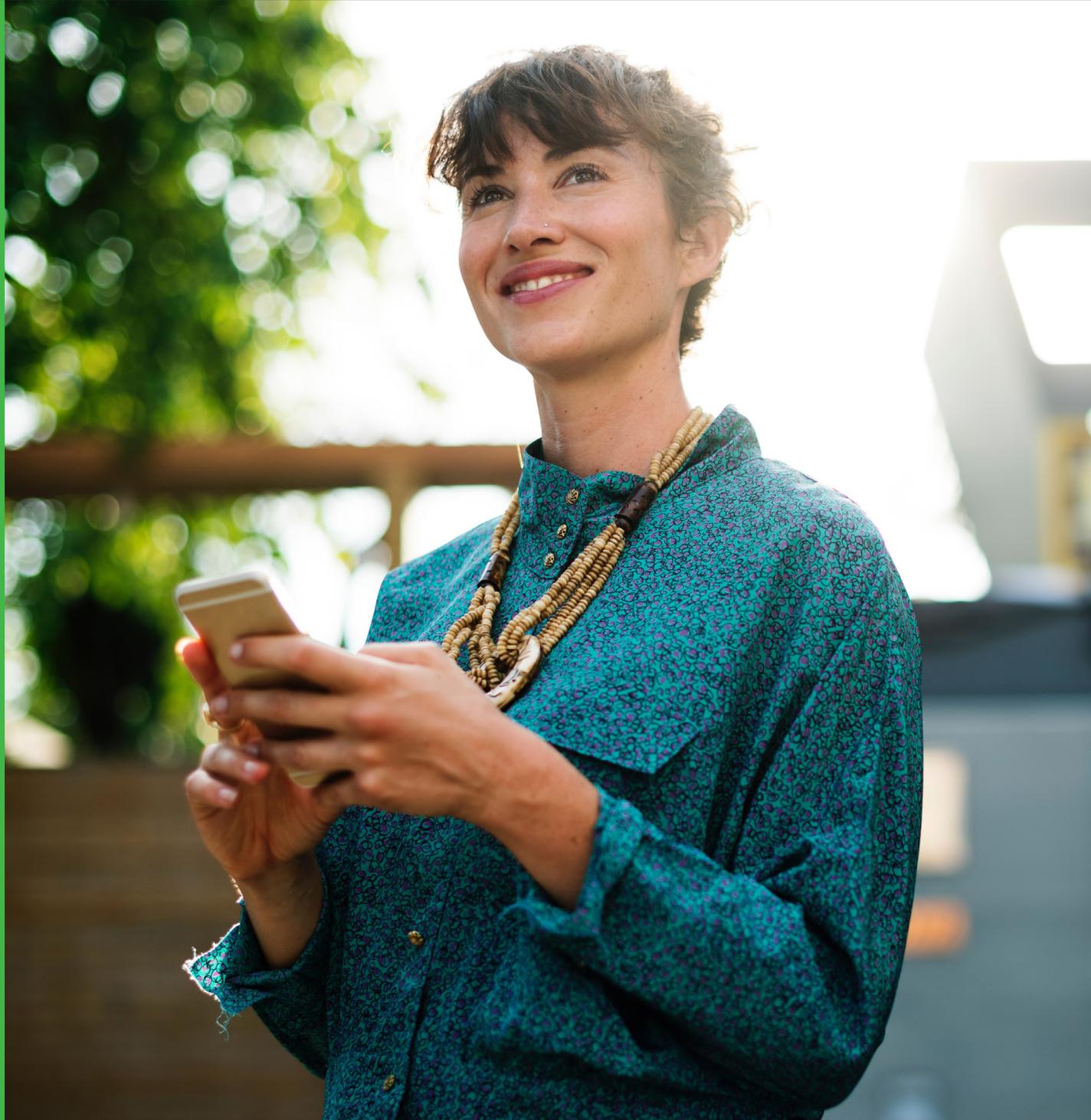
N=200
Source: OrderDynamics, Nov 2018

Chain Store Count	Retail Chains	Overall Inventory Visibility				Store Level Inventory Visibility			
		InStock	%	Qty	%	InStock	%	Qty	%
10-50	108	62	57.4%	6	5.6%	24	22.2%	2	1.9%
51-100	32	20	62.5%	3	9.4%	7	21.9%	--	--
101-250	21	14	66.7%	3	14.3%	4	19.0%	1	4.8%
251+	39	22	56.4%	--	--	6	15.4%	2	5.1%
Total	200	118	59.0%	12	6.0%	41	20.5%	5	2.5%

N=200
Source: OrderDynamics, Nov 2018



**“In Germany|Austria
77.9% of omni-channel
retailers offer BORIS
(Buy Online Return
In-Store) services.”**



RETURNS POLICIES

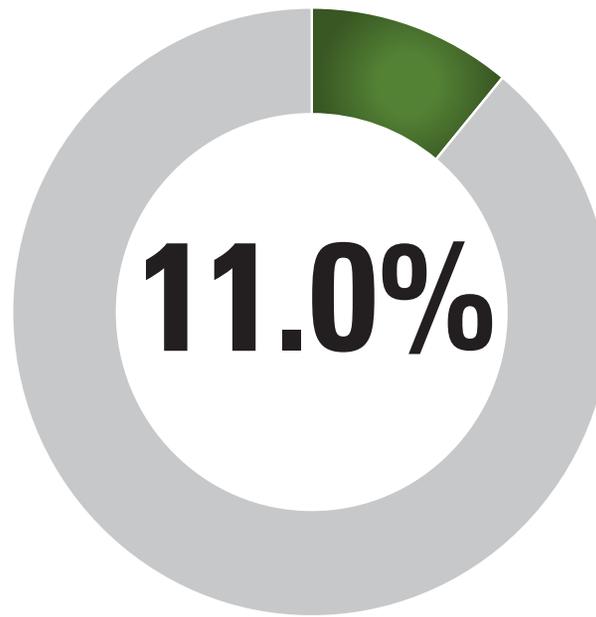


Customer Friendly Returns Policy

In Germany|Austria, 94.9% of merchants that provide a findable online returns policy are deemed customer friendly. The highest score among the seven countries reviewed.

Returns policies are an important part of deciding on whether to purchase from a particular retailer or not. Done well, a good returns policy will entice customers to purchase goods, reassured about the ability to return an item if it does not meet their needs.

N=178
Source: OrderDynamics, Nov 2018

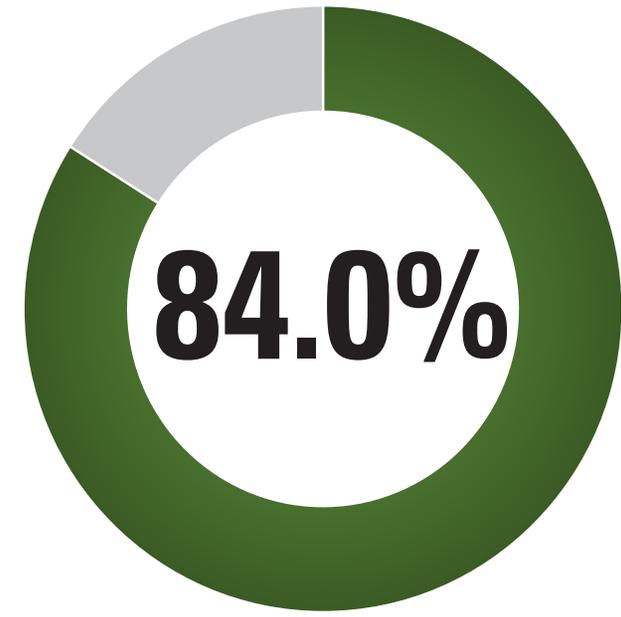


No Return Policy Found Online

Most German|Austrian retailers have a returns policy online. Yet, 11.0% either do not provide the policy online or made it very difficult to find.

At this stage, in an advanced retail market, all retailers should have searchable returns policies online. Although this is a small number, it should approach zero.

N=200
Source: OrderDynamics, Nov 2018



Free Returns Shipping

Germany|Austria ranks first in countries offering free returns shipping services at 84.0%, with 30.4% being the global percentage.

It is a good practice to offer free returns shipping as a method to reduce of reducing barriers to purchase for a shopper. It will raise costs. So, retailers might want to focus efforts on convincing shoppers to return items in-store. In-store they are likely to repeat a purchase, thus saving second shipping costs.

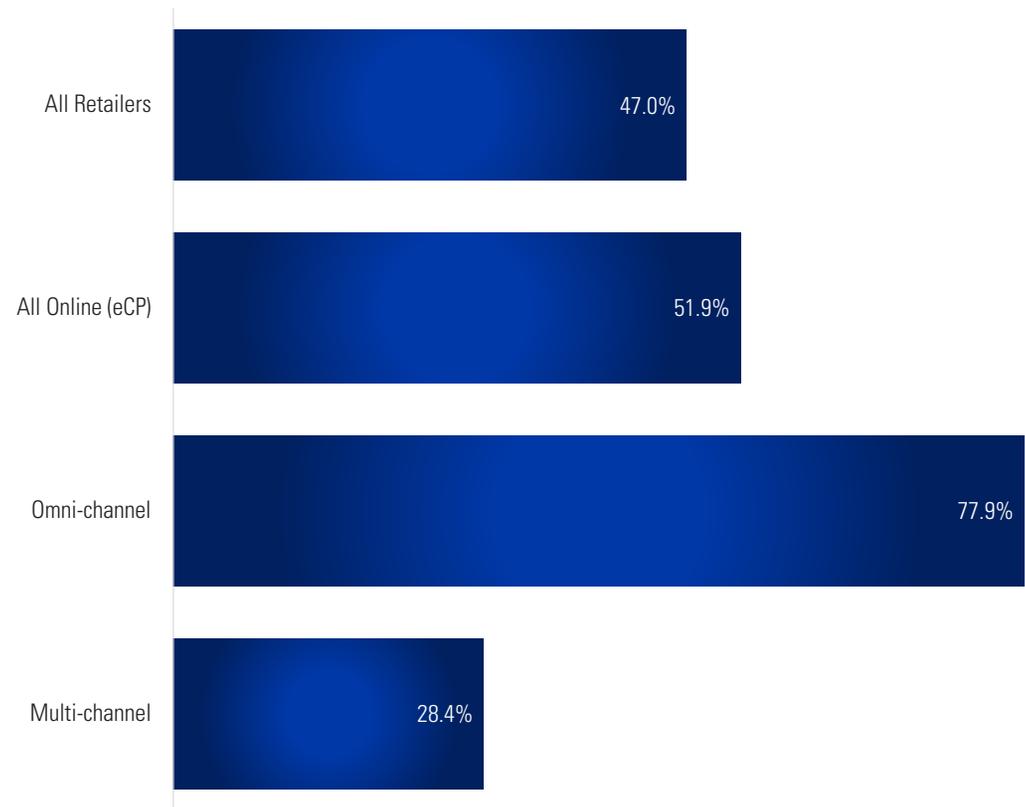
N=200
Source: OrderDynamics, Nov 2018

BUY ONLINE RETURN IN-STORE (BORIS)

Not surprisingly, omni-channel retailers in Germany|Austria are the most likely to accept in-store returns for items purchased online. 77.9% of German|Austrian omni-channel retailers allow Buy Online Return In-Store (BORIS). The principle here is that a customer, who crosses channels during the purchase, is entirely likely to also view crossing channels during a return, as part of the expected transactions sets.

Although only 77.9% stated the chain accepts BORIS, it is entirely possible that not all omni-channel retailers posted this policy on their website. Should this be the case, retailers need to post the policy, as it may entice more customers to purchase.

BUY ONLINE RETURN IN-STORE BY RETAIL STRATEGY



It is worth repeating that consumers prefer returning goods to physical stores.⁵ Returning goods to a store is also likely to result in either an exchange or a purchase of more goods.^{5,7} This is particularly important considering that “53% of shoppers expect to return 1 out of every 4 online purchases.”¹ In this regard, BORIS can be a powerful tool to help reconvert many of the online returns.

Now take a look to see how German|Austrian retailers stacks up against the rest of the world. Which are the countries to watch on the omni-channel stage? The Omni-2000 Global research gives you a view of the full set of 2,000 retailers. Like the German|Austrian report, the global version is a free download.

Get it now: bit.ly/od-omni-2000-global

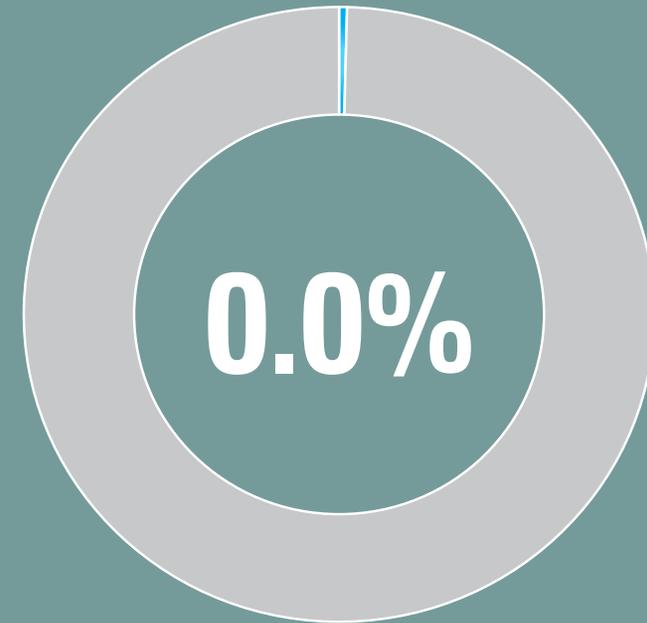
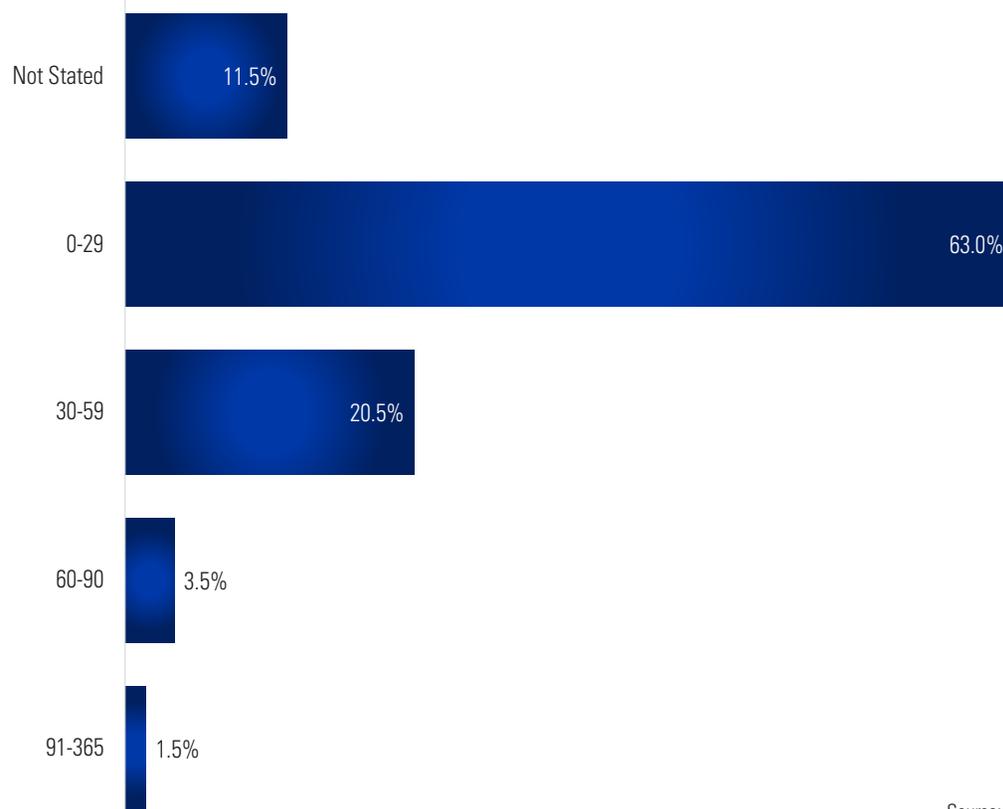
RETURN DAYS ALLOWANCES

From a global perspective, a small number of merchants (0.4%) charge a restocking fee for returning goods. From the German|Austrian sample of retail chains, 0.0% of retailers charge restocking fees on returned merchandise.

On the number of days to return a good, 63.0% of German|Austrian retailers offer 0-29-day allowances. Another 20.5% allow 30-59 days. Then it drops off dramatically. Only 3.5% provide 60-90 days to return items, and 1.5% allow 91-365 days.

Currently, retailers have excellent non-price promotional opportunities. Merchants may want to run trial offers, where customers have 60 or 90 days to return items purchased during a promotional period.

RETAILER RETURN DAYS ALLOWANCE



“From the sample of German|Austrian retailers researched, none discuss, have or enforce, a returns restocking fee - based on online messaging.”

N=200

Source: OrderDynamics, Nov 2018

RETURN ALLOWANCE RANGES

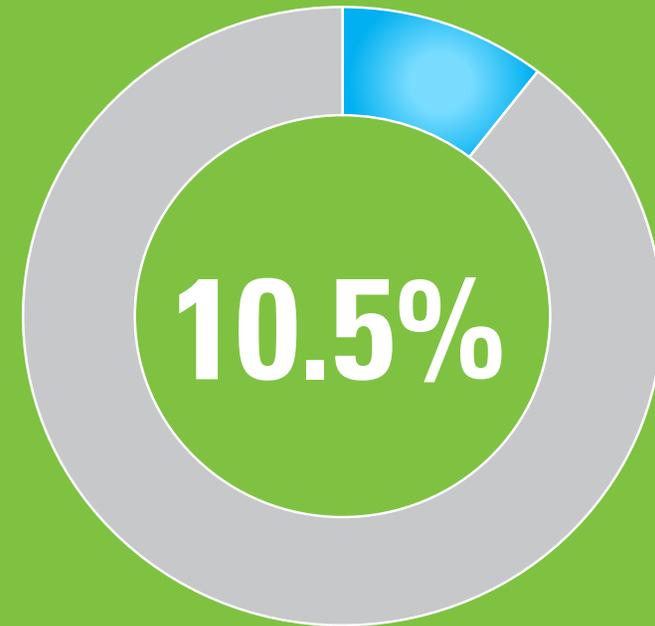
The table below provides a full view of the return allowances by retail sectors. Note that some of the retail sub-sector counts are small. In other words, the change in course of one merchant chain can dramatically swing the results. Despite this, the table is indicative of the retail market tendencies. The table should also be useful to help retailers identify their particular competitive strategy, against their specific market segment.

On free returns delivery, 84.0% of retailers provide the option. Even the Home Furnishing sector, with the lowest average of retailers offering it, still has more than half of retailers (58.3%) offering free returns delivery.

Toys|Hobby|Sporting retailers are most likely to offer Buy Online Return In-Store (BORIS), at 100%; followed by the Fashion retail sector at 91.3%, and the Health|Cosmetics retail sector at 90.9%. BORIS figures were calculated based on those retailers that have an e-commerce platform (eCP).

Retail Sector	Retail Chains	Retail with eCP	Days to Return Merchandise					Free Return Ship		BORIS	
			N/A	0-29	30-59	60-59	90-365	Count	%	Count	%
Fashion	80	76	5.0%	66.3%	25.0%	3.8%	--	73	91.3%	39	51.3%
Specialty	35	29	14.3%	62.9%	14.3%	2.9%	5.7%	28	80.0%	13	44.8%
Footwear	18	18	11.1%	50.0%	22.2%	11.1%	5.6%	16	88.9%	7	38.9%
Department	14	11	21.4%	78.6%	--	--	--	9	64.3%	7	63.6%
Home Furnishing	12	9	25.0%	50.0%	25.0%	--	--	7	58.3%	6	66.7%
Health Cosmetics	11	11	9.1%	81.8%	--	9.1%	--	10	90.9%	5	45.5%
Electronics	9	8	11.1%	66.7%	22.2%	--	--	7	77.8%	4	50.0%
DIY Auto Indust.	8	7	25.0%	37.5%	37.5%	--	--	7	87.5%	6	85.7%
Toys Hobby Sporting	7	7	--	71.4%	28.6%	--	--	7	100.0%	3	42.9%
Luxury Jewelry	6	5	33.3%	33.3%	33.3%	--	--	4	66.7%	4	80.0%
Total	200	181	11.5%	63.0%	20.5%	3.5%	1.5%	168	84.0%	94	51.9%

N=200
Source: OrderDynamics, Nov 2018



“Mobile commerce is emerging fast. Yet, only 10.5% of omni-channel retailers have an optimized m-commerce site.”

MOBILE RESPONSIVE SITES

Overall, 83.0% of German|Austrian retailers offer mobile responsive websites. That means consumers can use their smartphone to access the retailer's website and even process orders online. However, a responsive website still may not provide users with an ideal customer experience.

The difference is that a mobile responsive site is good, but not optimized for the purchasing experience. Most website platforms and themes offer mobile responsive web designs, today. Solid first step, but it does not ensure everything is set up ideally for a customer purchase on smartphones. This explains why 83.0% of German|Austrian retail sites are responsive, yet only 7.0% of all German|Austrian retailers offer m-commerce optimized sites.

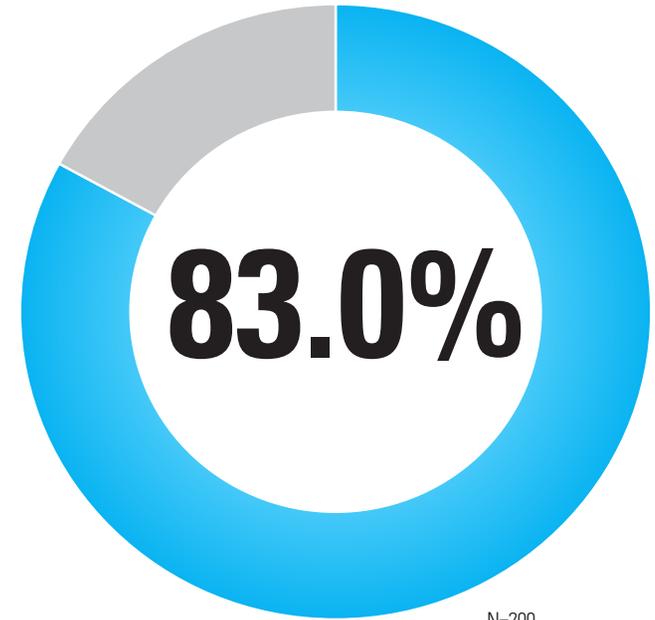
Given that m-commerce is still nascent, responsive sites should grow, as should m-commerce optimized sites.

M-COMMERCE OPTIMIZED RETAIL

Optimized m-commerce is at the forefront of online retailing. It's no secret that consumers compare prices, and even purchase items on m-commerce sites while browsing them, even in-store. As such, m-commerce is becoming an increasingly important part of retail. In fact, Google is taking a mobile-first approach to SEO ranking, indicative of the importance that mobile will play in retail.

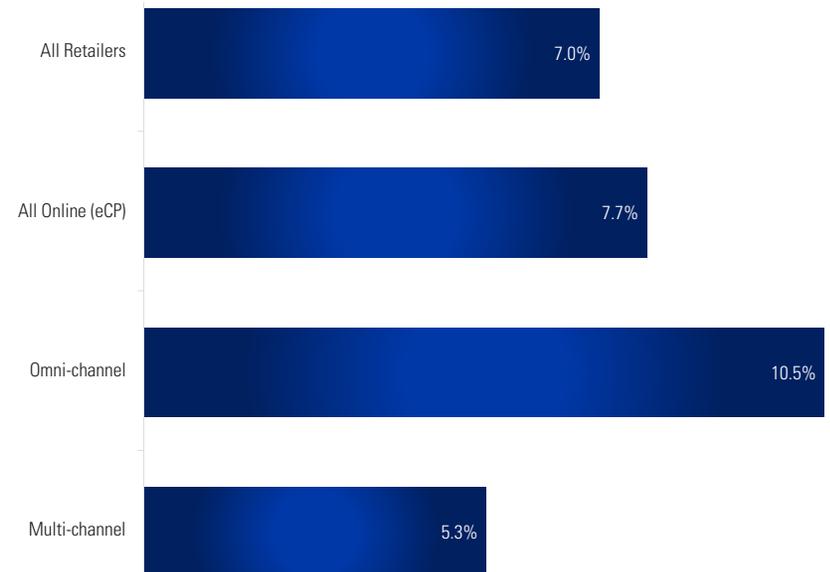
An interesting comparison is against the global observations where we find that Germany|Austria is on par with worldwide averages. Globally, 7.0% of multi-channel merchants have mobile-optimized sites. In Germany|Austria, 5.3% of multi-channel merchants have mobile-optimized sites. Worldwide, 11.4% of omni-channel vendors offer m-commerce optimized sites. In Germany|Austria, 10.5% of omni-channel vendors are m-commerce optimized sites in operation.

MOBILE RESPONSIVE RETAIL SITES



N=200
Source: OrderDynamics, Nov 2018

M-COMMERCE RESPONSIVE SITES



N=200
Source: OrderDynamics, Nov 2018

SOCIAL MEDIA AND COMMERCE

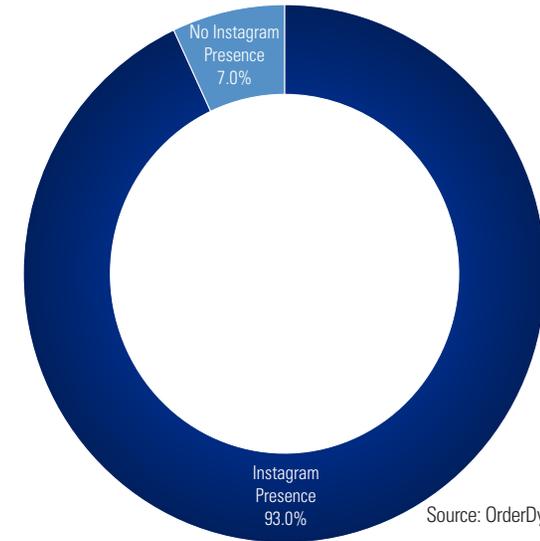
Retailers in Germany|Austria have gravitated towards Instagram en masse. 93% of German|Austrian omni-channel retailers have a presence on the social platform. It is no surprise that Footwear, Department, and Luxury|Jewelry sectors have the largest percentages of retailers on Instagram. In Germany|Austria, the DIY|Auto|Indust. sector has the smallest presence on Instagram, with only 62.5% of retailers on the social network. Although only one of many social media platforms, Instagram continues to be the leading destination for omni-channel retailers.

Despite the high adoption of having a presence on Instagram, only 6.5% have established Instagram as a sales channel. No doubt this will be a category that will change in the coming year.

Germany|Austria have a great number of retail loyalty programs found online, at 39.0%.

Low m-commerce optimized sites are likely due to responsive sites providing a good-enough mobile purchasing experience for shoppers. This will be an interesting aspect to watch for changes in the near future.

INSTAGRAM PRESENCE - OMNI-CHANNEL RETAILERS



N=86

Source: OrderDynamics, Nov 2018

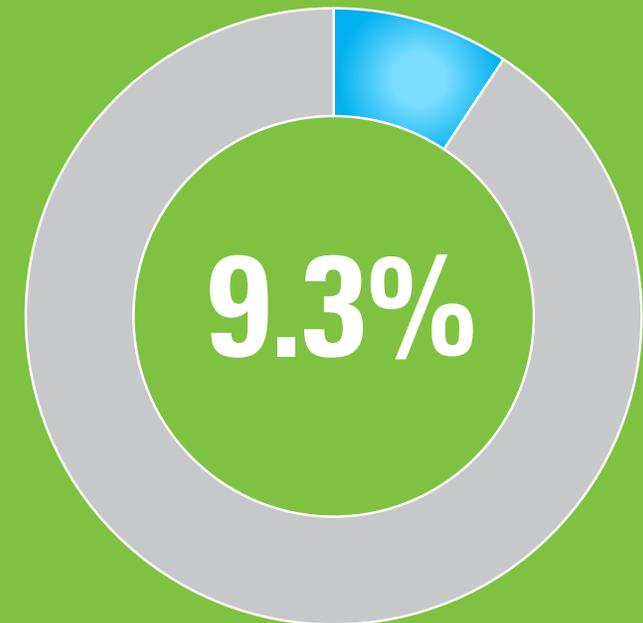
Retail Sector	Retail Chains	Loyalty		Mobile Site				Instagram			
		Prog.	%	Resp.	%	Opt.	%	Present	%	Shop	%
Fashion	80	29	36.3%	66	82.5%	5	6.3%	72	90.0%	7	8.8%
Specialty	35	12	34.3%	28	80.0%	--	--	23	65.7%	2	5.7%
Footwear	18	7	38.9%	18	100.0%	3	16.7%	17	94.4%	1	5.6%
Department	14	7	50.0%	9	64.3%	--	--	13	92.9%	--	--
Home Furnishing	12	5	41.7%	10	83.3%	1	8.3%	11	91.7%	--	--
Health Cosmetics	11	4	36.4%	10	90.9%	1	9.1%	9	81.8%	1	9.1%
Electronics	9	3	33.3%	9	100.0%	1	11.1%	8	88.9%	1	11.1%
DIY Auto Indust.	8	6	75.0%	4	50.0%	--	--	5	62.5%	--	--
Toys Hobby Sporting	7	3	42.9%	6	85.7%	1	14.3%	6	85.7%	--	--
Luxury Jewelry	6	2	33.3%	6	100.0%	2	33.3%	6	100.0%	1	16.7%
Total	200	78	39.0%	166	83.0%	14	7.0%	170	85.0%	13	6.5%

N=200

Source: OrderDynamics, Nov 2018



**“9.3% of
German|Austrian
omni-channel retailers
offer shoppers the
ability for to purchase
directly from their
Instagram account.”**



OMNI-CHANNEL IN THE GERMAN|AUSTRIAN RETAIL MARKET

Across the expanded retail chain sample of 200, the Omni-2000 Research: Germany|Austria finds that 43.0% of retailers offer Click and Collect services. Based on the seven countries reviewed, the German|Austrian market is a well-progressed developing market in omni-channel retailing.

One of the most surprising results from the research is that a significantly high number of German|Austrian omni-channel retailers (77.9%) offer BORIS (Buy Online Return In-Store).

Another extremely positive area in German|Austrian retail is the customer friendly returns policy. A clear returns policy is important to customers. The global average for retailers in this area is 76.9%, but German|Austrian retailers are far ahead of this average. Most retailers here (94.9%) that provide an online returns policy are deemed customer friendly.

In keeping with their dominance in the area of returns, Germany|Austria also leads in free returns shipping. 84% of German|Austrian retailers in the Omni-2000 research offer free returns shipping. The global average in this area is only 30.4%.



One of the most interesting aspects for Germany|Austria is in the area of inventory visibility. Globally, this area saw a sharp decline from the Omni-1000 report to the Omni-2000 report. This year's research showed that only 38.1% of global retailers displayed an overall inventory visibility. But in Germany|Austria, this number is significantly higher, leading all countries at 59.0% of retailers offering a basic, active inventory visibility.

There are areas where German|Austrian retailers can improve. Social selling is becoming an increasingly important channel for retailers across the world. The 85.0% of German|Austrian retailers who have an Instagram presence must push forward and start optimizing the social media tool as a channel.

Key Observations

According to our research, the market in Germany|Austria is a well-progressed developing market in omni-channel retailing. Yet, there are opportunities for further improvement, as noted above. German|Austrian retailers are making early headway in Click and Collect, and it will be interesting to watch as the market continues to evolve and grow.



**300 Shopping Journeys.
10 Top US Retailers.**

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Learned About Buy
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Find out your score here: bit.ly/od-omni-2000-score



BOPIS: State of the Industry

Who is getting Buy Online Pickup In-Store right in the US?

OrderDynamics and Bell and Howell partnered to explore BOPIS offerings from the top ten retailers across the US. Where are they doing really well or where are they falling flat? Find the answers to these questions in our latest Buy Online Pickup In-Store research, analyzing 300 secret shopping experiences.

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OrderDynamics enables customer options like Buy Online Pickup In-Store (BOPIS), and ship-from-store. This creates exceptional shopping experiences. Iconic brands like Speedo, Quiksilver, Columbia Sportswear, JYSK, Princess Auto, Crabtree and Evelyn, Murdoch's Ranch and Home Supply, and Browns Shoes use OrderDynamics technology across North America, Europe, Asia and Australia.

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For more insights, statistics and discussions about the OrderDynamics Omni-2000 Research [visit the OrderDynamics Blog](#)

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