

Customer Solution

eCommerce Benchmarking in the Fashion Industry

arvato supports its clients in the comparison of relevant KPIs

The evaluation of internal online store KPIs poses a significant challenge to many eCommerce companies. Although public studies may be used as reference point, they are often not precise and client-specific enough. In order to remedy this issue, arvato's eCC team introduced the arvato Quarterly Benchmarking Study: an internal benchmarking report, specifically dedicated to fashion clients.

arvato Consumer Products

With more than 15 years of experience and over 3,000 employees, arvato Consumer Products is the leading European service provider for integrated eCommerce services and an exclusive partner for renowned brands:

- Experience in operating over 60 Country Online Shops for renowned brands
- Shipping capacity of up to 180,000 parcels per day
- More than 90 distribution centers worldwide with over 1.2 million m² of warehouse space
- Excellent Customer Service with more than 45 call centers globally
- Covering all Online Marketing transactions in more than 12 Online Marketing offices worldwide

Challenge

- Benchmarking proves difficult for online stores due to lack of relevant market data
- Public studies usually expensive and not client-specific
- arvato possesses large customer base in the fashion industry

The optimization of online stores is commonly based on a quantitative analysis of relevant KPIs, such as the conversion rate. In order to identify potentials for optimization, online stores typically rely on benchmarking data. However, finding appropriate data that fulfils the online store's requirements poses a significant challenge to many online stores. Public eCommerce studies are often the first response to the problem, but are only of limited help since they usually lack client-specific factors such as fitting country scope, time span or KPI. arvato's large customer base in the fashion industry provided a unique opportunity in this setting. The idea: an internal benchmarking report that is specifically tailored to arvato's fashion-clients.

Solution

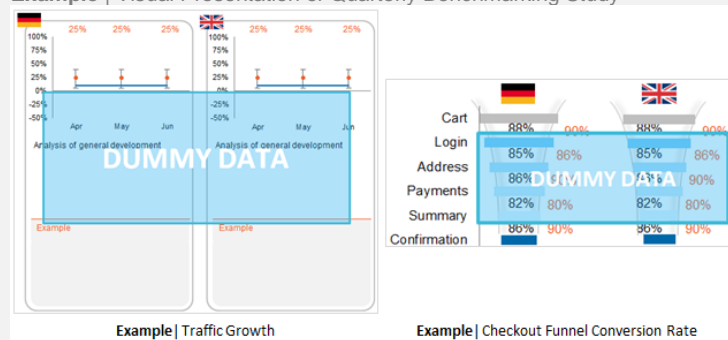
- Introduction of arvato Quarterly Benchmarking Study
- Client-specific analyses
- Regular releases with country-specific breakdowns and personal presentation by eCC analyst

In the following, arvato's eCC team created the Quarterly Benchmarking Study. The study enables a comprehensive understanding of the most significant eCommerce KPIs. The data is exclusively composed of fashion clients that are collected on an anonymous base and subsequently aggregated into a benchmarking average. Each client receives a customized analysis of its data through an eCC analyst. The metrics are enriched with brief data evaluations that summarize all major outcomes of the analysis. The presentation of the results to the client is the final step in the process. The client therefore receives a solution that is highly analytical, easily understandable and most importantly enables a quick and easy detection of optimization potential.

Real Life Example

Due to the Quarterly Benchmarking Study, the client becomes aware that the “payment-to-summary” conversion rate is in several countries below benchmark. After a first examination of the data, the hypothesis is made that the missing payment method “PayPal” might be responsible for the weak conversion rate. As a result the client decides to implement PayPal as additional payment method in its online shop. A later edition of the Quarterly Benchmarking Study finally confirms the hypothesis – the “payment-to-summary” conversion rate is back on benchmark level.

Example | Visual Presentation of Quarterly Benchmarking Study



Result

- Fast identification of optimization potential
- Up-to-date knowledge about market and competitor developments
- Extensive country-specific insights

The Quarterly Benchmarking Study has solved the issue of missing benchmarking data and simultaneously created a tool that enables our clients to easily evaluate their online store’s performance. The outcome: Increasing conversion rates in the entire checkout. Up-to-date knowledge about the fashion-industry. And the opportunity to quickly detect potential for optimization. The exclusive concentration on the fashion industry and the inclusion of several European countries guarantees that all KPIs are considered in the relevant context. The result is an optimized online shop that is based on regular data analyses and best practice applications, enabling the activation of untapped sales potential.

The eCommerce Competence Center (eCC)

Thanks to their long-term experience in eCommerce, our consulting unit is your partner for optimizing your business performance. Our professionals provide strategic and operative consultancy across the entire eCommerce value chain.

- Designing and conceptualizing strategies for market entry, internationalization, mobile, CRM, and multi-channels
- Test concepts and management of services
- Implementation of benchmarking, best practices, and performance analyses
- Calculations and evaluations of strategies for market entry and expansions
- Business optimization with support of Business Intelligence

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