

Cold weather no barrier for online shoppers in March

- **Online retail sales up 16% year-on-year in March**
- **Q1 sales up 15% on Q1 2012**
- **Sales of clothing up 15% year-on-year despite unseasonable weather**
- **Mobile Index up 243% year-on-year - strongest growth since November 2012**

16th April 2013 – According to the latest results from the **IMRG Capgemini e-Retail Sales Index**, online shoppers were not put off from making purchase decisions by the freezing weather in March, as online retail sales rose 16% year-on-year. In fact, the results conclude what has been a very solid first quarter of the year, with online sales up 15% on the same period in 2012, exceeding earlier expectations of 12%.

In terms of sector performance, online clothing sales performed particularly well in March. Despite a disappointing start to spring, with parts of the country experiencing the highest March snowfall in 30 years, the online clothing sector recorded growth of 15% year-on-year – in contrast with the performance reported by several major UK high street brands.

Growth in sales via mobile devices (smartphones and tablets) was restored to levels last seen in 2012 with sales up 243% year-on-year. This was despite a drop in average conversion rates to 1.8% compared to 2.3% in February. This suggests that users are adopting mobile phones to access retail sites for more purposes (eg research, at home or on the move) as opposed to purely for direct purchases.

Andrew McClelland, Chief Operations & Policy Officer at **IMRG**: “Unseasonal weather patterns can impact some online retail sectors just as much as on the high street, so with the freezing weather in March it was a real surprise to see the clothing sector up by 15% year-on-year. In 2012 for example, we saw the wettest April on record and the online clothing sector was badly impacted, recording its lowest ever growth of 1%. What this demonstrates is that e-commerce is fairly unique in the retail industry, as it doesn’t always reflect analysts’ expectations; online shopping is so engrained in the culture now, the market seems to keep up its double-digit growth irrespective of potentially disruptive external factors.”

Chris Webster, VP, Head of Retail Consulting and Technology at **Capgemini**: “Despite the various challenges currently facing the wider retail sector, such as the weather and its subsequent impact on high-street footfall, online is continuing to show its resilience.

“While the sector may at times slow or report a marginal annual increase, overall growth for both online and mobile has been relentless. As retailers continue to develop multichannel offerings and improve mobile services in line with an ever evolving technology, the high-street will struggle to match the performance of their online counterparts.”

Industry View:

Omid Rezvani, Director of Mobile Solutions, **eCommera** comments: “The growth of mobile commerce continues unabated with all the statistics showing what an increasingly important



channel mobile is becoming for retailers to sell their products directly to consumers. All of the metrics show positive growth with the exception of the conversion ratio which seems to have gone slightly into reverse. Why is this? Are consumers now using the mobile retail services as more of a discovery channel rather than a transactional channel and are they being put off by poorly designed mobile services which do not allow for rapid product discovery followed by a decent payment experience?

“Our experiences show that if retailers deliver a clear and intuitive mobile service then customers will use the mobile channel to complete purchases. Evaluate and improve each user journey through the service, make them as simple as possible and then complement this with a robust yet easy payment experience. With this the conversion ratios will improve as well as purchasing frequency and basket values.”

Notes:

About the ‘IMRG Capgemini e-Retail Sales Index’

The IMRG Capgemini Index, which was started in April 2000, tracks 'online sales', which we define as 'transactions completed fully, including payment, via interactive channels' from any location, including in-store.

Over one hundred e-retailers now regularly contribute data to the IMRG Capgemini Index, including *A. Hume Country Clothing, Addict, Airport Parking & Hotels Ltd, Amara, Arcadia Group (Burton, Top Man, Top Shop, Dorothy Perkins, Evans, Wallis, Miss Selfridge), Ask Direct, ASOS.com, B&Q, Bank, Berry Bros & Rudd, Binends.com, Blacks, Boden.co.uk, Boohoo.com, Boots Direct, Boutique to You, Brandosa.co.uk, Brora, Buyagift.com, BuyItDirect.co.uk, Carphone Warehouse, Charles Clinkard, Charles Tyrwhitt, Clarks, Cloggs, Cocosa, Co-operative Travel, Crocus.co.uk, Dabs.com, Damart, Debenhams, Dune, Dunelm Mill, Effortless Skin, Ethical Superstore, Firebox, First Choice, Freemans Grattan Holdings (Freemans, Grattan, Look Again, Kaleidoscope, Curvissa, Swimear365, Witt International UK), Furniture123, Game, Gamestation, Getting Personal.co.uk, Greenfingers.com, Home & Cook, House of Fraser, JD Sports, J D Williams, John Lewis Partnership, Ladderstore.com, Lastminute.com, LK Bennett, Lookfantastic.com, M and M Direct, Majestic Wine, Marks & Spencer, Matalan, Millets, Naked Wines, NaturalCollection.com, New Look, Next, Perfect Handbags Perricone MD, PetPlanet.co.uk, Philip Kingsley, PIXmania, Prezzybox.com, Purely Gadgets, QVC, Redfoot Revolution, Richer Sounds, Sainsbury's, Scales Express, Schuh, Scotlight Direct, Scott, Shoe-Shop.com, Shop Direct Home Shopping (Brand Quarter, Kays, Littlewoods, Very, Isme, Woolworths), Serenata Flowers, Size, Slurp.co.uk, Sofa and Home, Sparkling Strawberry, Sunshine.co.uk, SuperGA, Tesco.com, The Body Shop, The Mat Factory, The Natural Skincare Co, The Natural Store, The White Company, This is Pulp, ToxicFox, TUI UK, Turton Wines, Waitrose, Warehouse, Wilkinson Hardware & Wyncors World of Shoes.*

About IMRG

IMRG (Interactive Media in Retail Group) is the UK's industry association for e-retail. Formed in 1990, IMRG is setting and maintaining pragmatic and robust e-retail standards to enable fast-track industry growth, and facilitates its community of members with practical help, information, tools, guidance and networking. The strength of IMRG is the collective and



cooperative power of its members. For more information please visit <http://www.imrg.org/> or email membership@imrg.org

About Capgemini

With more than 125,000 people in 44 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2012 global revenues of EUR 10.3 billion. Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Learn more about us at www.capgemini.com.

Rightshore® is a trademark belonging to Capgemini