

What posters need from Mail operators at this time

16th June 2009



An annus horribilis for retail?

- **48%** of retailers report a decrease of volumes
(CBI distributive trades May survey)
- **May retail footfall down**
(Experian footfall indices)
- **More High street chains in administration:**
Woolworths, MFI, Zavvi, Bay trading, Principles, The Shoe Studio
- **Increased dependence on sales activity?**

Green shoots?

- **31%** of retailers report an increase in volumes
(CBI distributive trades May survey)
- **Strong April retail footfall**
(Experian footfall indices)
- **Seller optimism exists**
 - **64%** of online businesses feel confident about the immediate business outlook
(eBay Business Index)
 - Turnover of online businesses **grew faster** on eBay - 28.6% from 23.4% (Q407-Q408)

Market Trend: Growth in online sales

“The internet has become a powerful tool for businesses to strengthen themselves during the economic downturn”

David Dinsdale businesslink.gov.uk

- Online sales expected to increase by 13% to £20.9bn this year
(Verdict research)
- Shop Direct (Littlewoods) online channel now generates 56% of total sales.
Online Christmas sales grew 44% YoY

Market Trend: Discounted/Free shipping

- Increase in free/discounted shipping



- 45% of retailers have increased free shipping budgets 'significantly' or 'somewhat higher' in the last year

(AdAge.com)

What do posters need?

Partnership

- Tough times in the retail world
- Posters are prepared to change
 - Argos trialling mobile festival store
 - Private sale websites on the rise
 - B2B companies considering B2C opportunities

Partners are needed for the new ventures

What do posters need? Thought Leaders

- What should your top clients be doing to stay ahead?
- What is the next opportunity for growth?



How can you lead strategic change in your clients?

What do posters need?

Reliability and exceptional customer service

- Online buyers are expecting more
- Posters becoming less accepting of mistakes

Can you turn a weakness into an opportunity?

Summing up

- Extremely challenging times in Retail
- New trends changing the face of business
- Posters need to flex to meet new trends and challenges

How will you respond?