



# MULTI-CHANNEL - BEYOND WEBSITES

Online is just the beginning as retailers continue to adapt



As online and cross border sales increase, retailers are embracing new ways to create attractive multi-channel offerings.

- ➤ Total online retail sales were £42.5 billion in 2015, and accounted for 12.3% of all retail sales. Online retailing has been growing annually at about 1% for most of the last decade, equivalent to about £1bn of sales. But in 2016 that rate suddenly doubled to an increase of 2.1% of retail sales, £2bn in sales value terms.
- ▶ The multi-channel retail experience is the strategic focus for many retailers, allowing customers to interact online, in-store, in-app, on-phone, in the cloud and via social media. An ongoing dialogue with customers on purchases, returns and offers and value add has become a fundamental part of the buying experience.
- Sales via smartphones rose 47% year-over-year in December 2016.
- Retailers are adapting their business models to compete more effectively with each other, including through using retail space as a showroom and having hubs in the right places to drive sales across all channels.
- "Click and collect" has become a customer service trend. As competition increases, retailers are also likely to adopt technical innovations like wearables and utilising the Internet of Things to improve the customer experience.

- ► In addition to traditional advertising media retailers are increasingly using sponsored key word advertising online.
- Investors are attracted to businesses with a strong UK presence, but also with a differentiated proposition for customers for example, those that can offer a truly integrated online experience alongside engaging store environments.
- Operating in new markets can present new challenges. Local rules around agents and distributors can influence the structure of distribution networks and market positioning.
- Cybercrime is a growing concern for retailers after a number of high profile data breaches in 2016. 63% of consumers are worried about the privacy of their personal data, whilst 63% are worried about fake sites and 60% worried about being sent phishing emails
- Measures to facilitate e-commerce are a key area of regulatory focus, particularly in the EU, with online platforms, streaming and downloading and pricecomparison websites in the spotlight. Restrictions on pricing and cross-border trade are also being scrutinised, including technical measures such as geoblocking.

Addleshaw Goddard is known for its pragmatic and client-focused advice. The firm puts the client at the centre of its work and really tries to deliver advice and a product that is user-friendly.

### How we can help

### **NEW DISTRIBUTION MODELS**

- ► Advising on cross-border trade issues
- ► Advising on different distribution models (exclusive/ selective distribution, franchise, agency)
- ► Managing IP enforcement risks
- ▶ Bespoke commercial agreements
- Advising on legislative proposals relating to the "Digital Single Market" and e-commerce

#### **ENGAGING IN NEW MARKETS**

- Choosing and supervising the right local lawyers for you, asking them the right questions and delivering premium, consistent output
- Working collaboratively with your other advisors to provide joined-up and actionable advice and guidance

### ADDED VALUE

- ► Market intelligence on new developments
- Dedicated retail & consumer sector hub including bespoke training and seminars; sharing industry knowhow and market practices

#### **REDUCING COSTS**

- ► Competitive fee proposals
- Use of our embedded Transaction Services Team of over 100 paralegals
- Development of standard precedents and approaches
- ► Sharing industry know-how and market practices

## Who we've helped

Our team has experience of advising a range of leading retail businesses in relation to their online and e-commerce needs. Clients include Royal Mail, Sainsbury's, The Hut Group and William Hill.

### Contact Us

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