

GUTEMARKEN

olsen

Case Study: Olsen

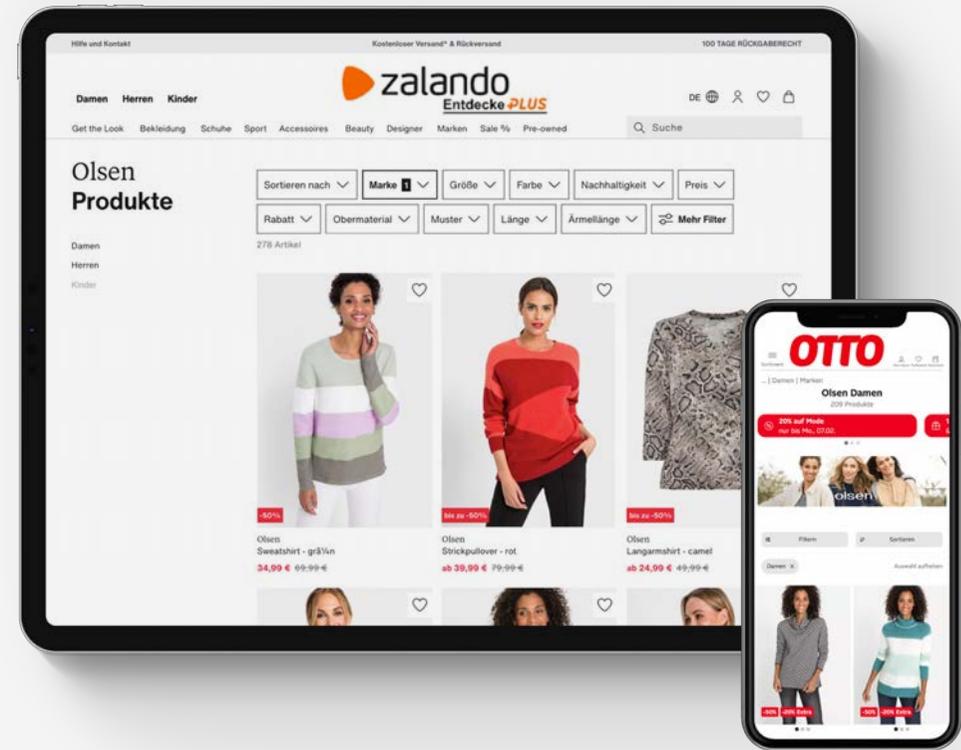
„Marketplace presence is immensely important today because we need to be where our customer is.“

- ✔ 79% of RRP achieved during product lifecycle
- ✔ 92-94% Sell-Through-Rate
- ✔ Returns Rate 39,6%

The Hamburg-based fashion company Olsen Germany GmbH has been selling women's outerwear with a focus on knitwear and shirts since 1995.

The brand made annual sales of around 70 million euros in 2019 and is available in over 25 countries. In Poland and Canada, the fashion manufacturer also has its own branches and localized online stores. The sales focus in the DACH region is on over-the-counter retail, which consists of retail partners. Olsen supplies its approximately 800 point of sales in Germany and a further 200 sales stations in Austria and Switzerland with 16 collection capsules of around 50 pieces each year. The company employs 60 people at its headquarters in Hamburg and 600 worldwide.

In order to tap additional sales potential, achieve new buyer target groups and to give the brand more visibility, the marketplace business in the DACH region was to be expanded. Olsen had already gained initial experience through the direct connection to Otto.de, and now all other relevant fashion portals were to be added. As a generalist for e-commerce, the future partner should not only have a firm grasp of all processes and services related to online retailing, but also have many years of experience in the fashion business. Topics such as logistics, fulfillment, customer service and invoicing were to be taken over so as not to burden the team in Hamburg. Olsen chose GUTEMARKEN Online GmbH as the ideal partner in June 2020.



Objectives

Sales growth by developing new target groups on online marketplaces

Brand building through increased visibility for the Olsen brand

Realized by GUTEMARKEN

Connection to online marketplaces Zalando, About You, Klingel, Amazon, Limango, Mirapodo

Outsourcing of logistics & returns management to GUTEMARKEN

Outsourcing of fulfillment, customer service and accounting to GUTEMARKEN

Online marketplaces are the prime locations for e-commerce

The average Olsen customer is 56 years old – and of course she also buys online. According to a recent Statista analysis*, 50- to 59-year-olds were even the age group with the most Internet users in 2021. Michael Greiner, Global Sales Director at Olsen, explains: „On average, every online user has 6.5 active online stores that they visit regularly. Right at the top of the fashion mindset are marketplaces such as Zalando, About You, Klingel or Amazon. We also want to present our brand online in top locations and that can only be done via marketplaces.“ Until the beginning of 2019, the company operated its own online store in addition to its Otto.de engagement, but it fell short of its expectations and was therefore taken offline when Olsen started working with GUTEMARKEN. Michael Greiner explains:

„As a medium-sized company, it is extremely difficult to successfully set up your own online store and compete in the Google ranking with marketplaces. That’s why we now sell directly via marketplaces.“

Michael Greiner, Global Sales Director at Olsen



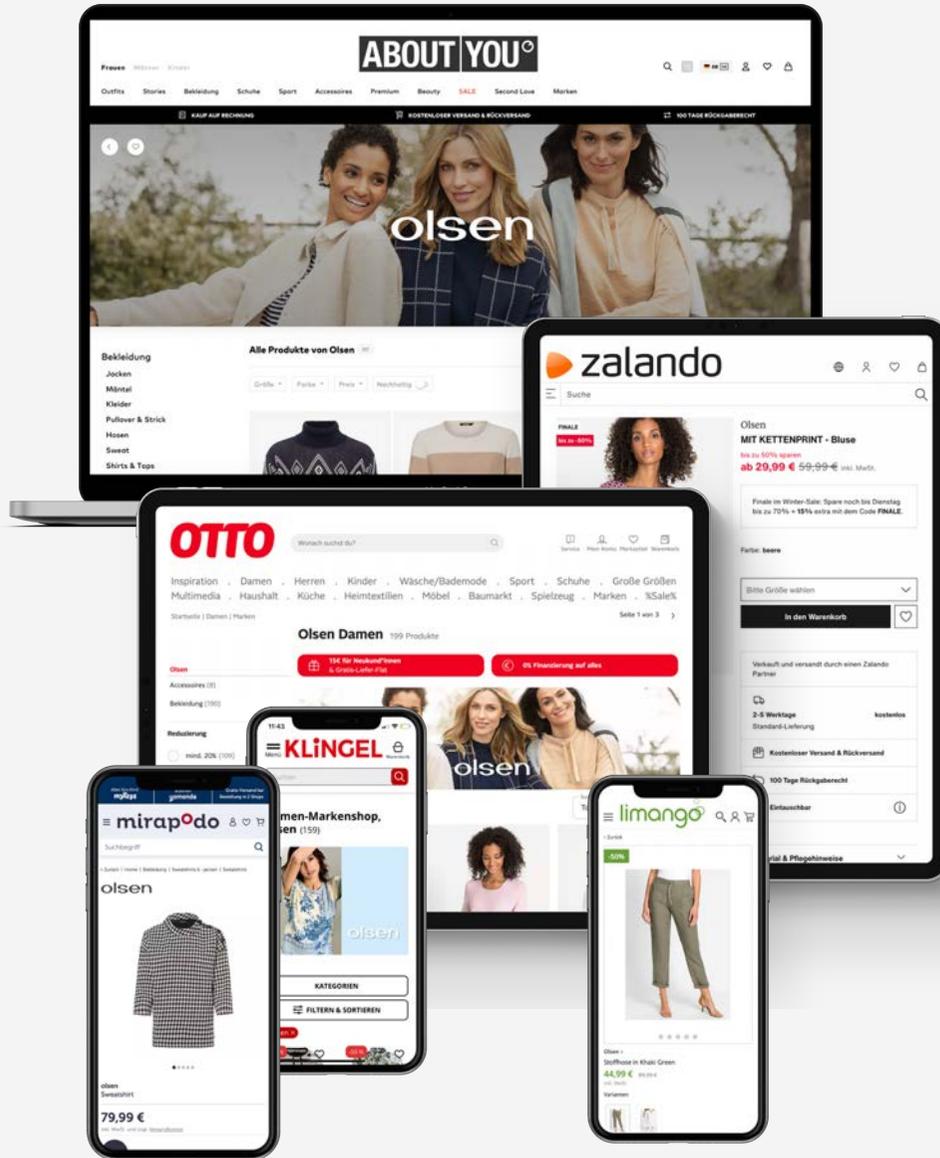
No resentment against the „marketplace“ sales channel

For brand manufacturers, selling via marketplaces was still associated with certain protests from retail partners a few years ago, but this has long since calmed down. This is also the experience Olsen has made: „It was no longer an issue. Zalando & Co are now an integral part of brands' marketing strategy, and our retail partners also use them as an additional sales channel.“

„Our retailers also benefit from more visibility of the Olsen brand on marketplaces, because new buyer target groups can be tapped much more easily than in stationary stores – and from these new female customers stationary retailers also benefit in the end.“

Michael Greiner

Olsen also sees an advantage in the fact that GUTEMARKEN can sell leftover stock via off-price channels such as Brands4friends without inciting a price war with competitors. „For us, this is an interesting expansion of our spectrum of how we can sell merchandise,“ confirms Michael Greiner.



Teamwork makes it easier to get started in the marketplace business

In order to list the products on the marketplaces, hardly any effort was required on Olsen's part. First, the collection items had to be selected together with the experts from GUTEMARKEN.

„GUTEMARKEN's experience played an important role in the launch into the marketplace business, because it was a matter of providing the ideal stock at the right time for Zalando & Co.“

Michael Greiner

„Our first ‚marketplace collection‘ was a product group mix of our primarily offline experience and GUTEMARKEN's marketplace knowledge. On this basis, we determined an assortment of 140 styles plus 35 never-out-of-stock pieces, which could then be delivered directly to customers from the GUTEMARKEN warehouse,“ explains Michael Greiner. The data feeds for onboarding were available at Olsen through the cooperation with Otto.de, and missing interfaces could be added quickly. Only some data formats had to be adapted, but that was no problem: „We knew 90 percent of the requirements, and the remaining 10 percent were done in two weeks,“ Michael Greiner recalls. Today, a single employee at Olsen manages the marketplace business with GUTEMARKEN.



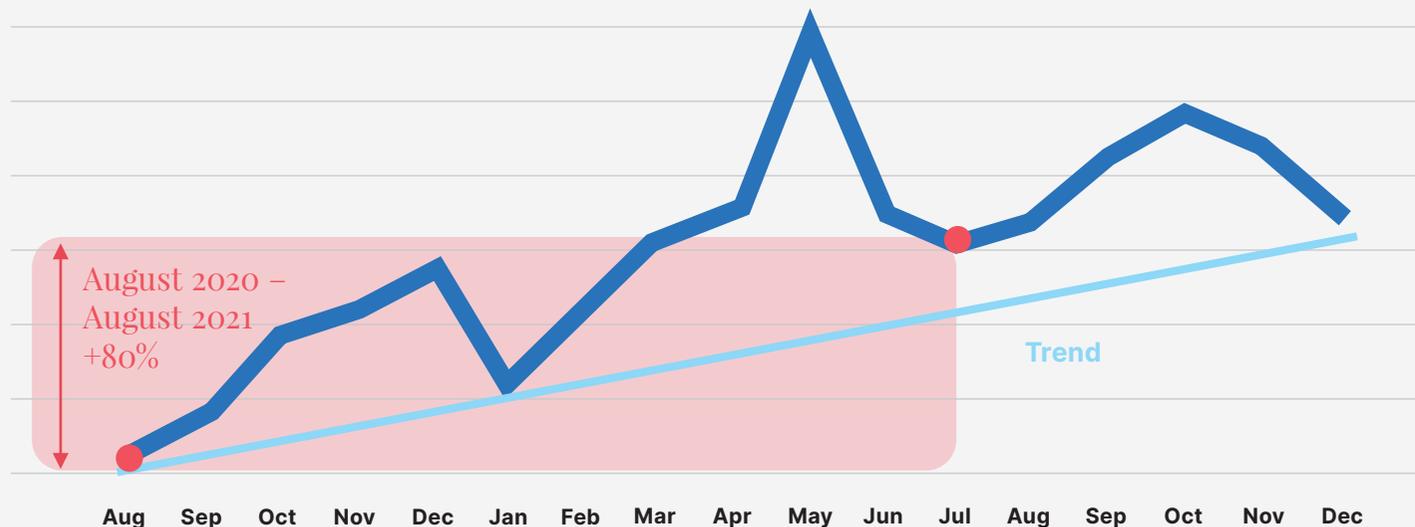
Strong growth and excellent key figures

For Olsen, the expectations for the „marketplaces“ sales channel have now been more than fulfilled. In the 1.5 years since the go live in August 2020, sales have developed rapidly and still show a lot of growth potential. Compared the second half of 2020 with 2021, sales have now tripled! The returns rate is 39.6 percent – compared to the industry value of around 50 percent, this is a very low value for a fashion brand. The joint pricing policy has also worked out very well:

„On average, we can achieve just under 80 percent of the RRP over the product lifecycle.“

Michael Greiner

Sales growth Aug. 2020 – Dec. 2021



The number of styles is now steadily expanding – but in a controlled manner to maintain the balance between maximum merchandise availability and minimum remaining stock. „Already in the first two seasons of our collaboration, we have achieved a sell-through rate of 92 to 94 percent,“ confirms Michael Greiner, adding, „GUTEMARKEN has a high intrinsic interest that our products perform well, as they have a percentage share in the sales. For us, this intrinsic motivation is an important trust factor.“



Interesting insights into the target group

While the assortment determination at the beginning of the Go Live was still based to a certain extent on „trial & error“, valid KPIs can now be used for the controlling of campaigns and the control of the assortments. In the process, some surprising findings emerged: For example, the Olsen customer wears size 38 much more often online while she tends to wear size 42-46 in stationary retail.

„We also didn't expect to be able to achieve almost the same high sales via Zalando as via the Klingel marketplace.“

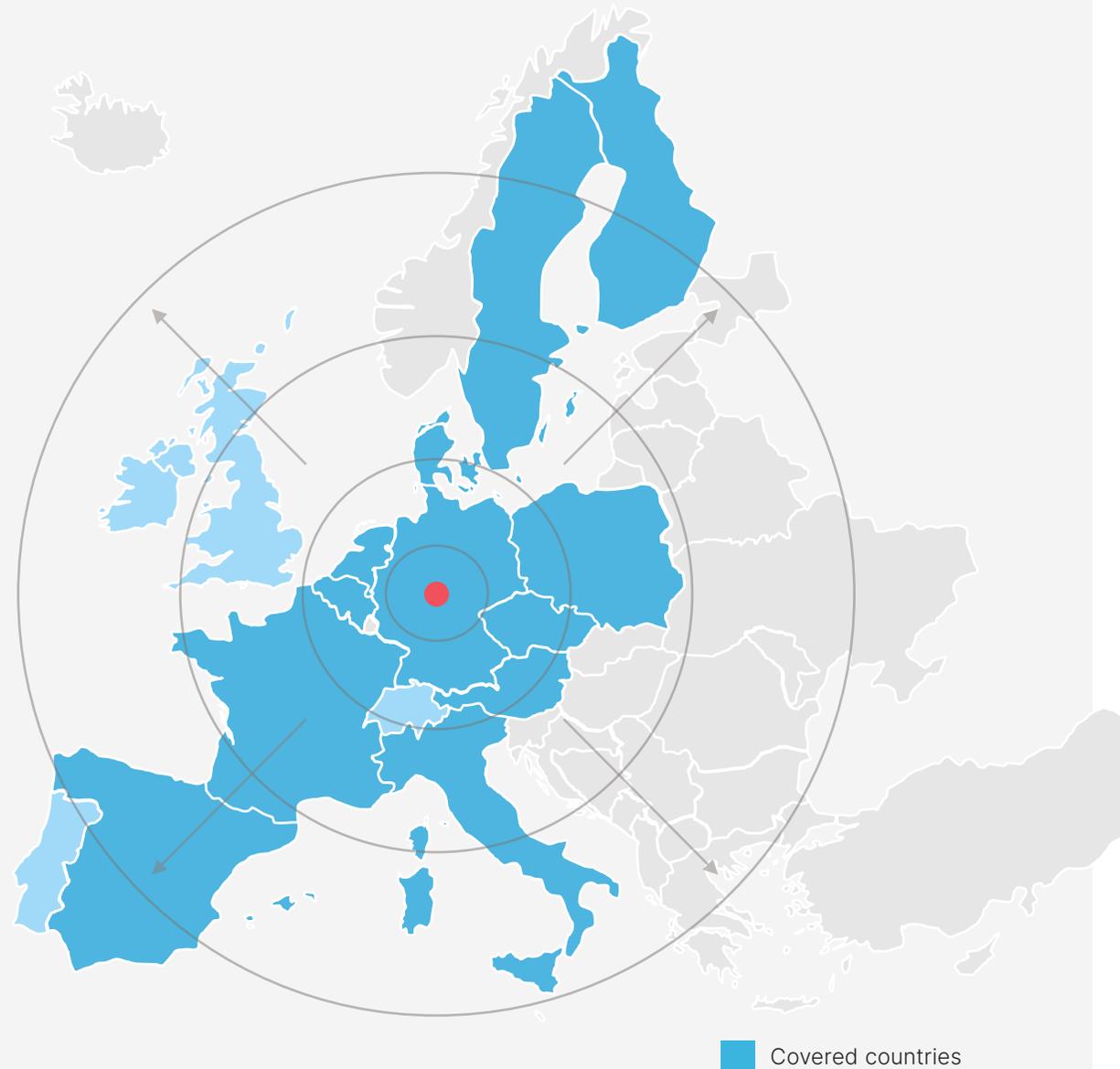
Michael Greiner

Of course, this is also due to a very consistent assortment policy that puts key figures such as conversion, returns rate and sales very precisely into perspective. After an initially rather broad-based assortment strategy, the route has therefore now shifted more in depth. „Today, we have a much clearer picture of what customers want on the fashion portals and GUTEMARKEN can now optimize our campaigns step by step,“ explains Michael Greiner.

Range of the brand Olsen

For the future: Further growth together

Olsen Germany GmbH is very satisfied with the cooperation with GUTEMARKEN. „For us, the marketplace business is currently the most dynamic sales concept of all. We can very well imagine continuing to grow with the team from Munich and also breaking new ground together,“ explains Michael Greiner. Both companies are currently working on linking Olsen’s warehouse to GUTEMARKEN’s fulfillment processes - in order to achieve even greater sales potential via the marketplaces.



GUTEMARKEN

We develop brands with
our system, experience
and passion!



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