

# CASE STUDY

## Dansk Supermarked leads the ecommerce charge

*Infosys helps Danish retail group drive sales growth and enrich the customer experience*



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Søren Johansen,  
Strategic Cross Channel  
Programme Director,  
Dansk Supermarked

More channels. More choice. More competition. The retail industry is undergoing massive and rapid change, with worldwide ecommerce sales topping \$1 trillion for the first time in 2012<sup>1</sup>.

For many retailers, this online boom has taken its toll with the shift in consumer spend from the physical to the virtual resulting in lower footfalls and store closures.

Danish retailer Dansk Supermarked is determined not to fall into the bricks versus clicks trap, and has ambitious plans to use the Internet to complement not cannibalize its in-store sales.

As Jørgen Klüwer, Director of Ecommerce, Dansk Supermarked, explains: “We want to be the number one multi-channel retailer in Denmark, with our stores and websites acting as ambassadors for each other, leading to greater overall sales and a better customer experience.”

As Denmark’s largest retail company, Dansk Supermarked already has a well-established physical presence with 1,200 stores in four countries operating under the brands føtex, Bilka, Netto and Salling.

Through this network of stores and its ecommerce site, bilka.dk, Dansk Supermarked supplies nearly two million customers with groceries and non-food products every day.

Although Dansk Supermarked has been selling non-food products online since 2009, its ecommerce capabilities were being held back by a legacy IT platform. As Alan Jensen, Group CIO at Dansk Supermarked, reveals: “We were running out of capacity and support, and needed an ecommerce solution that could scale with the business over the next five years.”

To help identify and implement its new ecommerce solution, Dansk Supermarked also needed a new partner. “We knew what we could do today and what we wanted to do tomorrow, but not how to get there,” says Jensen.

## A channel for change

To bring its vision for an ‘anytime, anywhere’ shopping experience to life, Dansk Supermarked turned to Infosys. “Ecommerce is still in its infancy in



Denmark, which means there is a lack of local expertise,” explains Søren Johansen, Strategic Cross Channel Programme Director at Dansk Supermarked. “Infosys has a track record in cross-channel ecommerce projects on an enterprise scale and offers independent advice.”

Infosys began by carrying out a requirements study to help Dansk Supermarked define key areas of its ecommerce strategy and solution, such as product management, order fulfilment and user experience.

“By partnering with Infosys, we were able to tap into a wealth of international knowledge gained from previous ecommerce projects in more developed markets, such as the UK,” comments Johansen.

Infosys went on to assist with the strategy for the new ecommerce platform, and the subsequent configuration and implementation of the selected Hybris solution.

The configuration stage of the project was based on a co-creation model, which enabled Dansk Supermarked to lower the cost of innovation while taking full advantage of Infosys’ ecommerce expertise.

“We decided to take a shared approach to intellectual property even though it means we might be competing against retailers using the same platform as us in the future,” explains Johansen. “We are confident that an early mover advantage is all we need to offer the best cross-channel experience to our customers in Denmark and beyond.”

<sup>1</sup> <http://www.emarketer.com/Article/Ecommerce-Sales-Topped-1-Trillion-First-Time-2012/1009649>

## Providing the ecommerce X-factor

Dansk Supermarked gained this lead when the new bilka.dk site and ecommerce solution went live.

As well as providing an improved customer experience, the new platform helps Dansk Supermarked to connect its stores to online, and provide a broader selection of brands to its customers. The integrated digital platform also enriches the experience for Dansk Supermarked to manage products, promotions and content on bilka.dk and source customer feedback at regular intervals.

As more retailers join Dansk Supermarked with cross-channel offerings, Johansen believes digital content will be a key differentiator for the company. "We need to be able to offer our customers added value, and we see content as a way to do that," affirms Johansen.

The retailer plans to publish buying guides and instructional videos alongside many of the 10,000 products it currently features online. This approach has already proven a great success with Bilka's range of greenhouses.

This is just one example of the cross-channel customer experience that Dansk Supermarked is aiming to encourage. It has also deployed tablet devices in its stores, which enable sales assistants to place customer orders on bilka.dk.

"We can only stock a certain amount of products in each store. If a customer wants a different size or colour, they can now place an order online but still pay through the store checkout as they would for any other store purchase," comments Jensen.

Seamless order fulfilment capabilities and the solution's integration with the company's SAP platform will be key to the launch of 'click and collect'. The service will be the first of its kind in Denmark

and could be extended to include orders placed with other retailers.

"With click and collect, we will be able to lower our logistics costs while providing greater convenience to our customers. It will also help increase in-store footfall, which in turn increases in-store sales," comments Klüwer.

## A faster, smarter retail experience

Revenue generation is not the only objective of Dansk Supermarked's cross-channel programme; the retailer also wants to build on its already good reputation with consumers. As Klüwer explains: "The re-purchase ratio is very important to us, and the new ecommerce platform will help us track this. It will also provide customers with the opportunity to give feedback on product and service quality via our website, and enable us to follow-up on purchases with maintenance advice."

The flexibility and scalability of the Hybris solution will be fundamental to driving ongoing innovation and enriching the ecommerce experience. As well as increasing the range of products offered online, Dansk Supermarked wants to establish a dynamic pricing model and mobile shopping capabilities.

"The new cross-channel commerce solution is highly agile at both a technical and operational level, which means we can apply changes and add new services in a much shorter timeframe than before," comments Jensen.

The platform hasn't just saved Dansk Supermarked time; it's also reduced the time it takes customers to search for products on bilka.dk. "With help from Infosys we have been able to improve the menu structure and search criteria for the site, which has simplified navigation," confirms Johansen.



"The programme will position us as a true cross-channel retailer who is present before, during and after the purchase across website, store, customer service, in-store kiosk and mobile."

Jørgen Klüwer,  
Director of Ecommerce,  
Dansk Supermarked

- Enriched customer experience
- Increased potential for online and in-store sales
- Reduced time-to-market for new customer services
- Gained competitive advantage with cross-channel approach





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Alan Jensen,  
Group CIO,  
Dansk Supermarked

## Making its mark

With online purchases currently accounting for only 12 per cent of the total retail market in Denmark, there are a lot of untapped opportunities – and Dansk Supermarked plans to make the most of them.

Following the success of the initiative in its Bilka hypermarkets, Dansk Supermarked is now extending the programme to its føtex supermarkets. “We now have the foundations we need to increase sales across not one but multiple channels,” adds Johansen.

The retailer expects the new ecommerce solution and cross-channel strategy will enable it to:

- Enlarge basket sizes
- Increase order frequency of existing customers
- Decrease cost per transaction
- Improve customer loyalty

“The programme will position us as a true cross-channel retailer who is present before, during and after the purchase across website, store, customer service, in-store kiosk and mobile. It will also make us the most advanced retailers in Denmark, when compared to our immediate competitors,” concludes Klüwer.

## About Dansk Supermarked A/S

Dansk Supermarked A/S is the largest retail group in Denmark, supply nearly 2 million customers with food and non-food products through the chains føtex, Bilka, Netto, and Salling as well as the webshop Bilka.dk.

Dansk Supermarked A/S employs 32,000 people in Denmark, along with 9,000 more in Netto Sweden, Germany and Poland, all of whom work every day all year round to offer their customers the best shopping experience.

Dansk Supermarked is owned by A.P. Møller-Mærsk and F. Salling Gruppen and has a yearly turnover of 56 billion DKK.

*Watch the video (live link) to learn more about Dansk Supermarked's multi-channel transformation*

For more information, contact [askus@infosys.com](mailto:askus@infosys.com)

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