

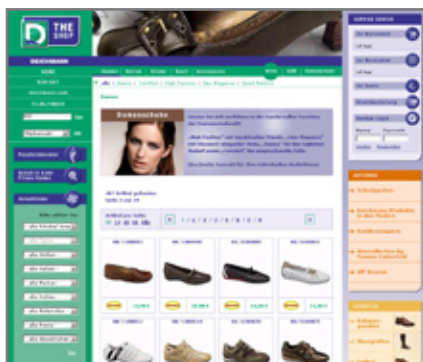
INTERSHOP™

Success Story



It's not just shoes that need to be comfortable – a company's website must have the same kind of feel-good factor. If customers don't find what they are looking for right away, they soon go elsewhere. Deichmann has created an attractive website that applies its philosophy of offering fashionable shoes at the best possible price and quality on the Internet.

Alongside design, technology plays a major role in generating sales by ensuring access is fast and data flows are smooth. Deichmann, which has been running its online store on Intershop software since 2000, has now migrated to the latest version – Enfinity Suite 6 – to ensure that it continues to deploy cutting-edge technology. Special multi-channel requirements were incorporated, including the ability to check what sizes are in stock at a particular branch. Also added were new functions, such as cross-selling and sending recommendations to friends via e-mail, which today's consumers have come to expect.



From shoemaker's workshop to virtual store
Deichmann is currently the leading shoe retailer in both Germany and Europe. Still a family business, it dates back to 1913, when Heinrich Deichmann opened a shoemaker's workshop in Essen-Borbeck, Germany.

The founder's son, Dr. Heinz-Horst Deichmann, pursued a strategy of nationwide expansion during the 1950s, while today's Group is managed by third-generation family member Heinrich O. Deichmann. For 90-plus years, the company has steadily expanded and now has 2,100 branches and 24,000 employees in 12 countries. "Fashionable shoes and good quality at unbeatable prices" neatly sums up the formula behind Deichmann's success. Sales of over 100 million pairs of shoes in 2005 are proof of customer appeal. Deichmann achieves its competitive prices by placing high-volume orders, mostly cutting out the middleman, and keeping margins tight.

True to its entrepreneurial mindset, the company was an early adopter of the Internet and set up its first web store at www.eshoes.com in 2000. Since then, any customer wishing to shop outside normal business hours, or who prefers to try on their shoes at home or at work rather than in a store, has enjoyed online access to a wide range of items. Rapid growth in traffic soon necessitated a technology platform upgrade and in 2002 "eShoes" was combined with "Deichmann – The Shop" as part of a

multi-channel concept. After five years of successfully deploying the first version of Enfinity, the online offering was migrated to Intershop's new Enfinity Suite 6 software in late 2005.

"Our experience with Intershop has always been good, right from when our online store first went live in 2000: reliable, scalable software, flexible expansion options based on individual requirements, and great service! This made the decision to task Intershop with implementing our enhanced online platform easy," explains Michael Kraus, head of e-commerce at Deichmann.

The perfect fit

Based on MultiSite technology, Enfinity Suite 6 software from Intershop is fully modular and consists of six different channels covering sales, procurement, content management, and partners, with enterprises able to combine channels to create their own custom solution. Deichmann's online store primarily deploys the Consumer Channel, which is specially designed to handle high numbers of retail customers.

Along with an array of predefined B2C e-commerce processes, this module contains all the tools needed for professional catalog and order management. Examples include flexible discount promotions and voucher campaigns for online marketing, as well as special offers to promote customer loyalty. Additional options, such as the

Key Business Benefits

- Integration of customer-specific stores
- Online offerings and conventional retail linked for optimum service
- Standardized software architecture to facilitate the integration of online stores of foreign subsidiaries and to support B2B processes



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integration of wish lists, product ratings, auctions, individual user profiles, and customer order tracking, are all features of the standard software product. In Deichmann’s case, customer-friendly attribute-based searching was implemented for the online store, which carries approximately 1,000 items each season. A “fit tool” and detailed help section provide support for shoppers, with the proven branch finder enabling geographical searches for Deichmann stores. A further feature is a special XXL area for customers who need larger sizes. Anyone looking for women’s shoes up to size 12, or up to size 17 for men, will find a choice of fashionable casual and elegant shoes based on the normal product ranges – all just as reasonably priced as the smaller sizes.

If a customer is not satisfied with their order, all items can be returned free of charge via UPS or taken to a local Deichmann branch. This option illustrates how the online business and conventional stores form part of an integrated strategy. Deichmann is now going one step further with a new online feature that allows customers to check exactly what sizes and shoes are in stock before visiting their Deichmann store. Sales figures show that the strategy works – almost half of the company’s web visitors exhibit “multi-channel” behavior. So-called “channel-hoppers” visit their nearest branch with the clear intention of making a purchase based on their Internet research. “It’s a similar story the other way round, but unfortunately fewer than half of all Deichmann customers make the move from branch to website,” notes Michael Kraus. The precise volume of online sales has not been made public, though.

“The store has been operating profitably for a long time and posts strong annual growth rates,” says the company. This is due in no small part to the deployment of stable Intershop Enfinity software.

An integrated business platform

The migration of Deichmann’s online store was combined with the task of integrating the Partner Channel. This addition enables the online activities of foreign subsidiaries to be incorporated in a structured way, as was necessary during the spring with Ochsner-Sport’s World Cup fan store in Switzerland. In addition, the Enfinity Suite 6 B2B Channel was set up for part of the collection to enable the company to make direct contact with business partners online. In the standard version, retailers can use their own content, consumer, business, or partner channel. If required, even multi-level demand chains can be replicated online and centrally managed.

“We are using only a small part of the B2B Channel’s functionality, but the benefits of the portal are obvious – both parties can place, check, and process orders with minimum need for human resources. By deploying the Enfinity Suite 6 Partner Channel and B2B Channel, we will also be able to make our operations in these areas more efficient and steadily expand them,” concludes Michael Kraus at Deichmann.



Intershop Product:
Enfinity Suite 6

Business Model:
Business-to-consumer

Industry Segment:
Retail

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