

How Spree won big at the Bookmarks - two years running



By Leigh Andrews

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It's not often that an e-tailer wins big at the Bookmark Awards, traditionally seen as the domain of digital publishers. But after a year of phenomenal growth, Spree.co.za did just that. The following year, it repeated the results. Karen Dempers, Head of Customer Interaction at Spree.co.za, tells us how.

Granted, Spree.co.za, is part of Naspers' ecommerce division, but it's by no means a site for regular online reads. Instead, it's SA's first online shop to offer a "magazine-styled shopping experience."

This means you'll find items ranging from clothing and décor to gifts and beauty products online. It's the company's reputation for offering an outstanding ecommerce site and valuable digital marketing communications that result in conversions that led to it winning a Silver Pixel for the newsletters and a Bronze Pixel for its ecommerce site.



Spree celebrates its 2015 Bookmark Award wins

I spoke to Dempers to find out more...

1. Tell us more about Spree.co.za's year of phenomenal growth.

Dempers: Spree has had another 12 months of great performance and we're expecting to close off this financial period with 300% growth YOY. A number of key factors have played a role in driving us forward, including:

- Our expansion from just a ladies' fashion brand to becoming a fully-fledged online department store offering ladies' and men's fashion, kids' and babies' clothing, beauty and grooming, home décor and gifting.
- Our introduction of NEXT to the local marketplace. Spree is the only online retailer to offer NEXT fashion and décor in South Africa. Shoppers who want access to this UK-based high-street retailer's offerings no longer have to worry about taxes and import duties, as Spree has taken care of all of that for them.
- The launch of Spree Boutique - our store-within-a-store concept. Spree Boutique gives South Africans access to capsule collections from top local designers including Gert Johan Coetzee, Marianne Fassler, Thula Sindi, Mantsho and more. Clearance rates within Spree Boutique show the great appreciation our shopping base has for this offering.
- Our ongoing partnerships with the magazine brands within the Media24 stable. Having magazine, fashion and beauty editors curate their favourites on Spree and market those to their audiences not only ties in perfectly with Spree's 'shoppable magazine' positioning but also extends our reach and offers us endorsement from highly credible sources.

- The growth in ecommerce in South Africa. Although ecommerce currently only makes up just over 1% of total retail, the industry is growing at approximately 30% per annum, which offers a brand like Spree great opportunities for growth and expansion.

2. Here's what everyone wants to know: What does it take for an e-tailer to shine at awards traditionally won by advertisers?

Dempers: Spree is incredibly proud to have been awarded with Pixels two years in a row, and to be lined up next to some of SA's most creative digital work and renowned digital agencies.

I think it's important to remember that the Bookmark Awards are overtly structured to recognise performance and results. Entrants have to be able to show sound strategic thinking, creative excellence, flawless execution and innovative use of technology, but 40% of the mark given to a submission is based purely on results. Did the work achieve what it set out to? Did the audience it was built for find it useful or entertaining enough to engage with it? Traffic, conversion, engagement, sign-ups, repeat visits, time spent onsite, cost per user, per customer, per subscriber - these are the real criteria that separate one Bookmark submission from the next.

As pure-play ecommerce retailer Spree's entire business is driven by numbers, when it comes to the Bookmark Awards, we're fortunately very well positioned to showcase how our offerings are meeting the needs of our target audience and propelling our brand forward.

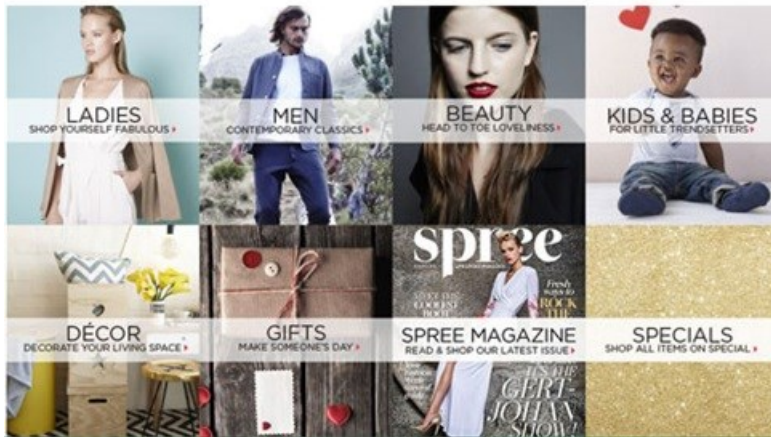
3. How did your decision to enter the awards come about, and what went into the entry process?

Dempers: Spree was fortunate enough to win two Bookmarks in 2013 - a Gold Pixel for our email publication and a Bronze Pixel for our ecommerce website. We made the call to enter the 2014 awards as we had seen great growth in both areas of our business (our email channel and our online store) and we wanted to showcase that we'd successfully delivered on customer expectations a second year in a row.

As a new brand in the market, it's important to communicate that your offering is sustainable and you are going from strength to strength as you evolve.

Within our categories, submissions have to address four key areas, namely strategic insight, execution, innovation and results. To put our entries together, we pulled on multiple resources in our business including our creative/content team, our technology team, our marketing team and our business intelligence team.

SPREE DEPARTMENTS



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We went through the submission forms in detail and ensured that we addressed each aspect that was listed. If it was specifically referenced, we knew it was important to cover. As highlighted above, we also knew the results area was of prime importance, so a lot of effort went into giving the judges access to as many key stats as possible.

In general, Bookmark entries deserve time and attention. The judges give up their own personal time to review hundreds of entries and then finalise scores for those who make the short list. I think entrants need to take that into consideration when crafting their submissions and ensure they're working to really highlight what sets their entry apart from the rest, makes it memorable and makes it worth recognising.

4. What did it take to pioneer the 'shoppable magazine' experience in this country, did you look to international examples?

Dempers: As part of the Media24 stable, and born out of the success of the *Sarie Winkel*, Spree has its roots in the magazine industry.

As a brand, we understand the role that magazine style content has always played in creating demand for lifestyle products. Through magazines, audiences engage with expert content specifically curated for them, which informs them, advises them or inspires them. The end result is often a desire for the items showcased via those same editorial articles or spreads.

Spree creates and showcases that same curated, expert, magazine styled content on our website. However, instead of having to turn to the back of the magazine for the stockists and then head out that weekend to the relevant store, Spree shoppers can immediately add the product to cart, check out and then wait for the item to be delivered to their door within a few working days. It's content, commerce and convenience all in one-place and South African online shoppers are showing us that they understand and really like the concept.

Besides beautiful crafted imagery, "why buy" fashion advice and "style with" inspiration on all our product pages, Spree also has three digital magazine publications that are completely shoppable. These magazines (for ladies, décor and Kids&Babies) give browsers the shoppable-magazine experience in its truest form and stats to date indicate that they work really well to convert readers to shoppers.

In terms of international examples, the SA ecommerce industry is estimated to be three to four years behind developed economies like the US and the UK. So yes, we're constantly watching what's happening in international markets and learning from their successes. However, as anyone who has come from overseas and then worked in South Africa will know, our local market is very different and international concepts need to be carefully adapted to meet South African consumers' needs for them to be successful.

5. Tell us more about your winning digital marketing communications like the newsletter

and e-commerce site, and how these result in conversions...

Dempers: Spree's email publication won a Gold Pixel in 2013 and was awarded a Silver Pixel in the 2014/2015 awards.

Within the ecommerce space, email is a core channel for traffic and transactions. It is traditionally a performance-marketing channel, which means it's often used for "hard sell". However, if a careful balance is not achieved between pushing sales and keeping email content engaging, your channel will experience fatigue and you'll see churn, dropping open rates and declining click through rates.

Knowing this, Spree made the call to hold true to our "shoppable magazine" positioning in our email publications. Our creative and fashion teams work tirelessly to ensure that we put inspiring, engaging content into inboxes of opted in users on a daily basis. Each email is like a mini-magazine - giving readers updates on the latest trends, showing them how to adopt trends into their wardrobes, beauty regimes or homes, or inspiring them to change their style or try something new with their look. Readers engage with the content and can then click through to the products on Spree and shop the items they've "fallen for".

Spree's newsletter base grew 208% in the time period under review for the 2014/15 bookmarks awards. We successfully launched a men's mailer as well as a 'kids&baby' mailer. This was inline with our brand move to being an online department store. Our open rates and click through rates have stayed stable - even with this massive growth in subscribers - our churn rates are inline with industry averages, even though we mail daily.

Spree's email channel drives 30% of our website traffic and contributes just under 30% to our turnover. Over the last 6 months, our email channel's conversion rate has been 13% higher than our site wide conversion.

6. Impressive. How are you helping to move ecommerce in South Africa beyond simple transactional shopping into the fullness of a shopping journey?

Dempers: Spree's shoppable magazine focus looks to engage shoppers much earlier in their purchasing journey than is normal for most ecommerce brands.

Although our site is carefully structured to ensure that shoppers who know exactly what they're looking for can find their products, add to cart and checkout as quickly and easily as possible, our content experience offers browsers who are less sure about what they want or need, or who are simply looking for an engaging online experience around fashion, beauty or décor, the opportunity to interact, get advice and information, and be inspired. This may mean that the time from first visiting Spree to checking out is a little longer but the loyalty the experience entrenches ensures a customer lifetime value that is well worth the effort we put into being a daily destination for South Africans.

Our goal is to be an online store that South African women love to spend time in, and South African men actually like spending time in, and shopping in. So far, our stats indicate that our proposition resonates really well with SA's online audience.

7. Seems you're on to a winning formula. What's next for Spree??

Dempers: We're really excited about the year ahead. As with all connected South African brands, we know that mobile penetration is not slowing down and there is so much opportunity in honing our mobile experience for our shoppers. So that is most definitely a key focus area for Spree.

We will also continue to work towards being *the* online fashion destination for South African men. We launched as a ladies' fashion brand and our success in positioning ourselves within the women's fashion space has meant we have to work even harder to show SA men Spree is just as relevant for them. We'll continue to evolve our store structure, our content strategy, and our menswear product mix to ensure we're a store that South African men actually like spending time in, and shopping in. We also have some very exciting designer and brand collaborations planned in the men's fashion space.

Our focus on customer service, end to end, is relentless and improving our logistics to give customers the best possible shopping experience, from browsing the site, to placing and paying for an order, to having it delivered and even - to returning it if they find its not for them - will continue to be a key part of what the Spree team spends time on this year.

We'll continue to evolve our digital magazines - making the shoppable magazine experience as seamless as possible. Even internationally there are still gaps in the content-driven commerce space and Spree is constantly evaluating our own offering to make sure we adapt and update our online magazines to give readers the most engaging, shoppable experience possible, which, in turn, will continue to drive conversion.

Last but certainly not least we'll be working even more closely with our magazine partners - finding ways to add value to their audiences by enabling content driven commerce within their offline and online properties, and adding value to our audiences by having their editors curate and present favourites in magazine pop-up stores on Spree.

It's going to be an interesting year and we're looking forward to stepping up and leveraging the opportunities SA's ecommerce players will be presented with as the market grows and evolves.

Great advice for anyone in the digital space. [Click here](#) for the full list of 2015 Bookmark Winners.

ABOUT LEIGH ANDREWS

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