google@ Manchester

Peter Fitzgerald

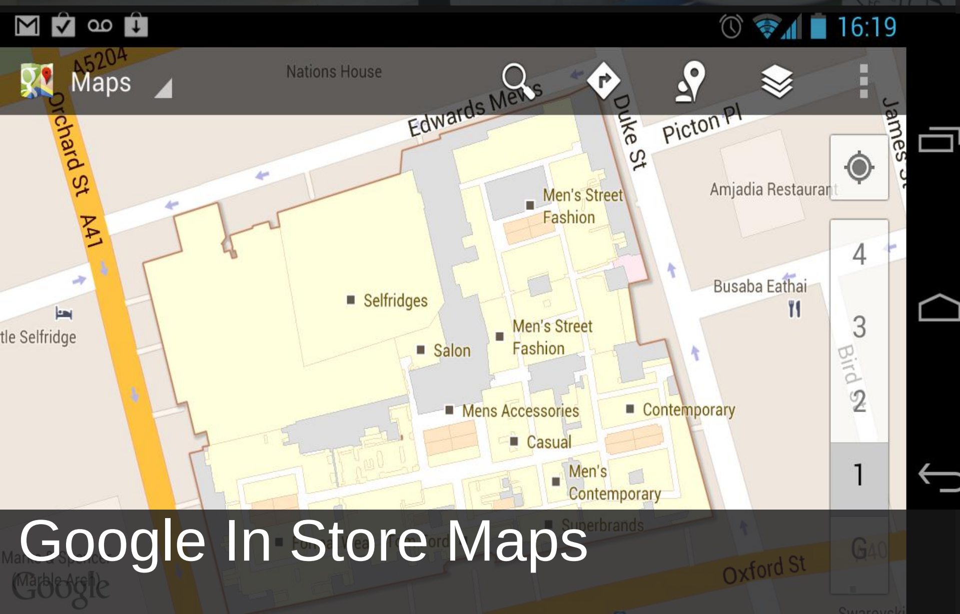
Country Sales Director, Google UK

New realities of retail

E-commerce becoming commerce

Tesco @ Gatwick


Wholefoods Personalised Cart



Google In Store Maps

F&F Pop-Up Shop

Consumers are hyper-informed

90% of European internet users go online to search for products & services

Online sources considered before making purchase


18

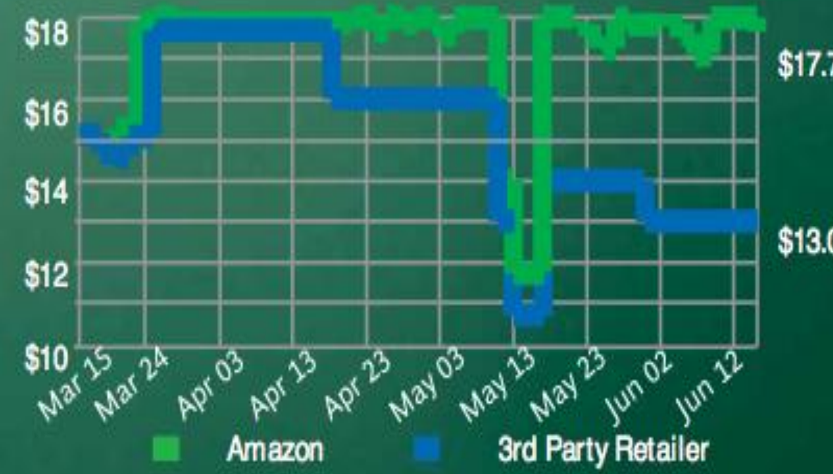

12


10


7

Breadth of offer

Flexibility to move prices

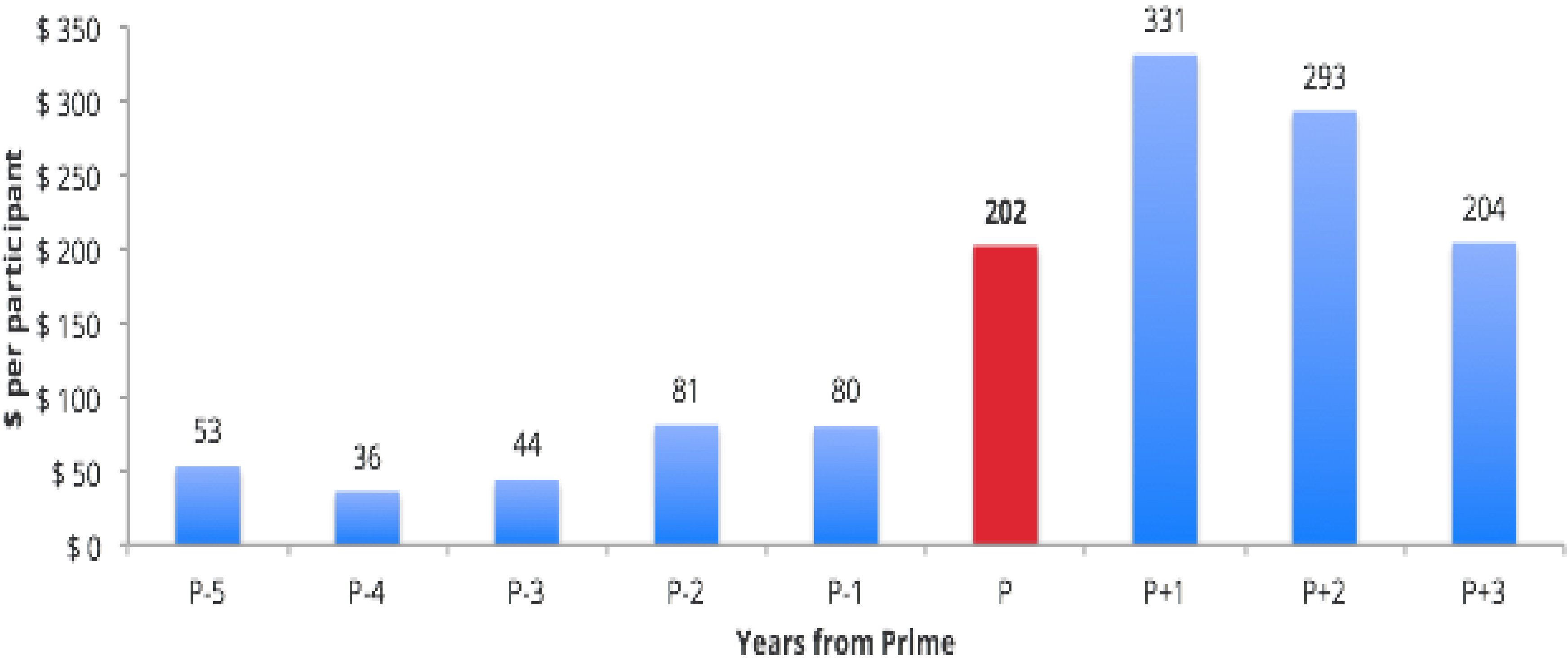


Increasing scale

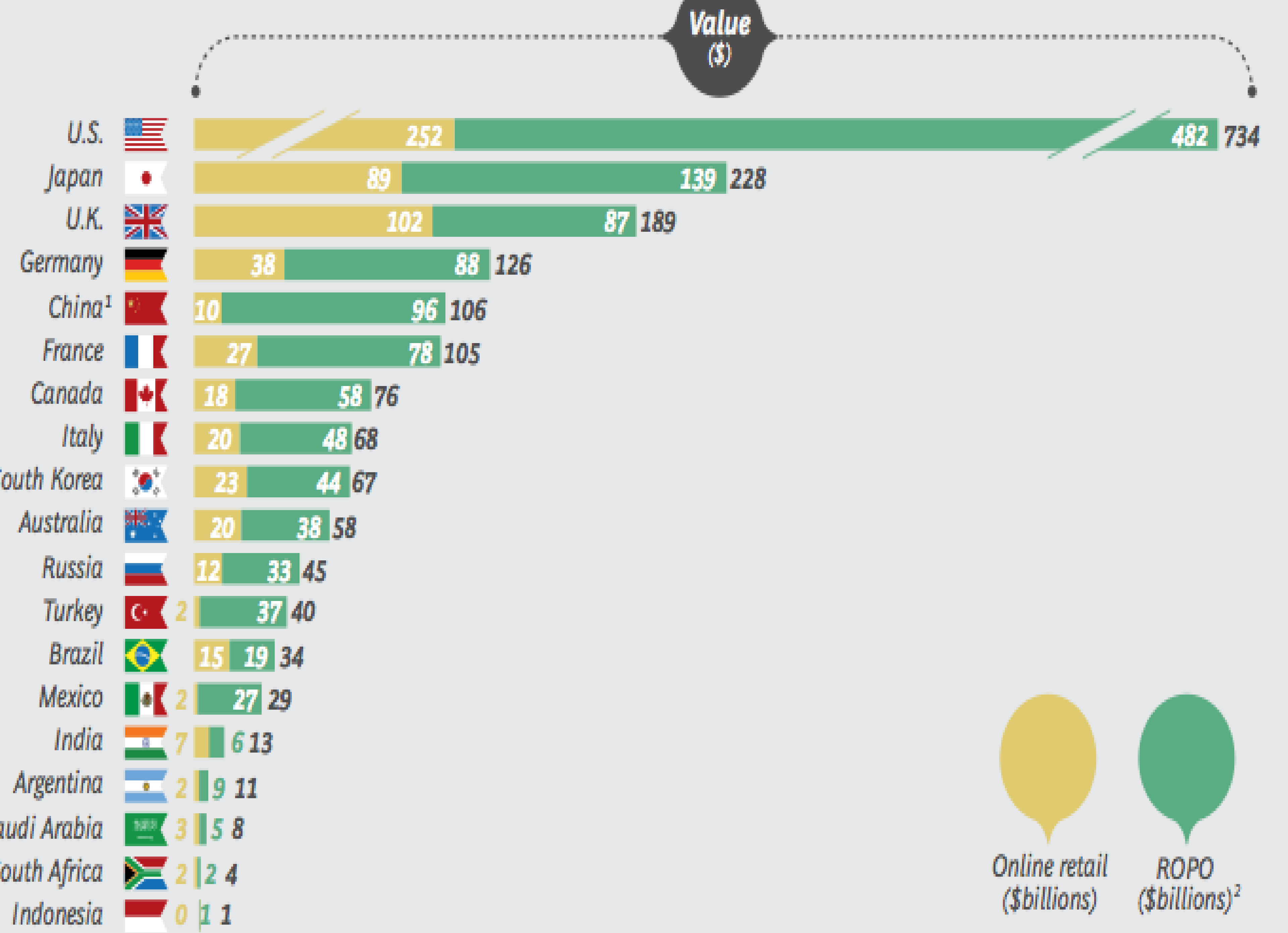
Household not product focus

AmazonPrime™ me

- Household not product focus

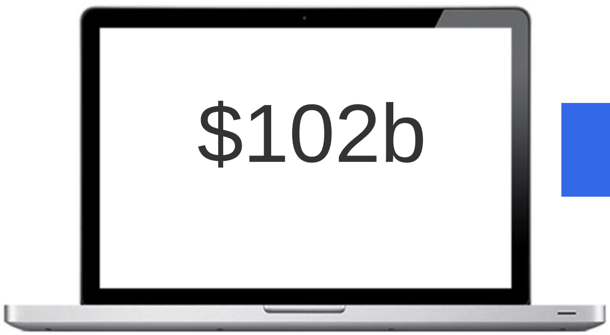


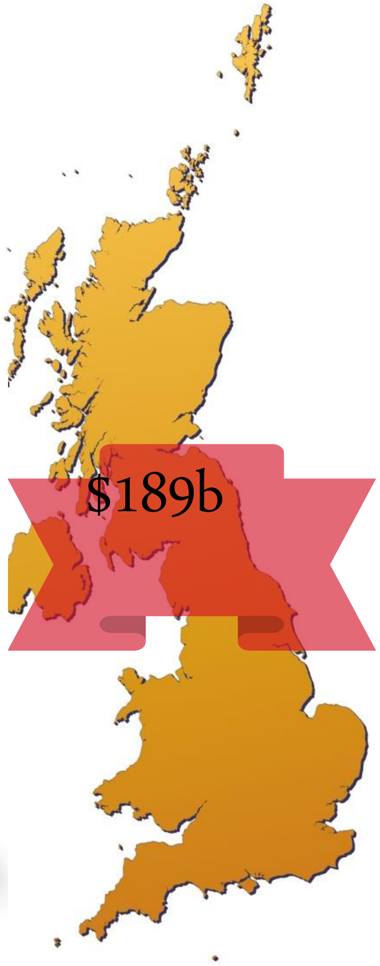
Source: Boston Consulting Group



Value ($)
U.S. 252 482 734
Japan 89 139 228
U.K. 102 87 189
Germany 38 88 126
China1 10 96 106
France 27 78 105
Canada 18 58 76
Italy 20 48 68
South Korea 23 44 67
Australia 20 38 58
Russia 12 33 45
Turkey 2 37 40
Brazil 15 19 34
Mexico 2 27 29
India 7 6 13
Argentina 2 9 11
Saudi Arabia 3 5 8
South Africa 2 2 4
Indonesia 0 1 1
Online retail ($billions)
ROPO ($billions)2

Online Retail & ROPO





Source: Boston Consulting Group

Google

Quantifying influence of their websi

Carrefour

CLIENT

Carrefour is the world's #2 retailer

OBJECTIVE

To understand the role played by their website in driving store sales of PCs

ACTION

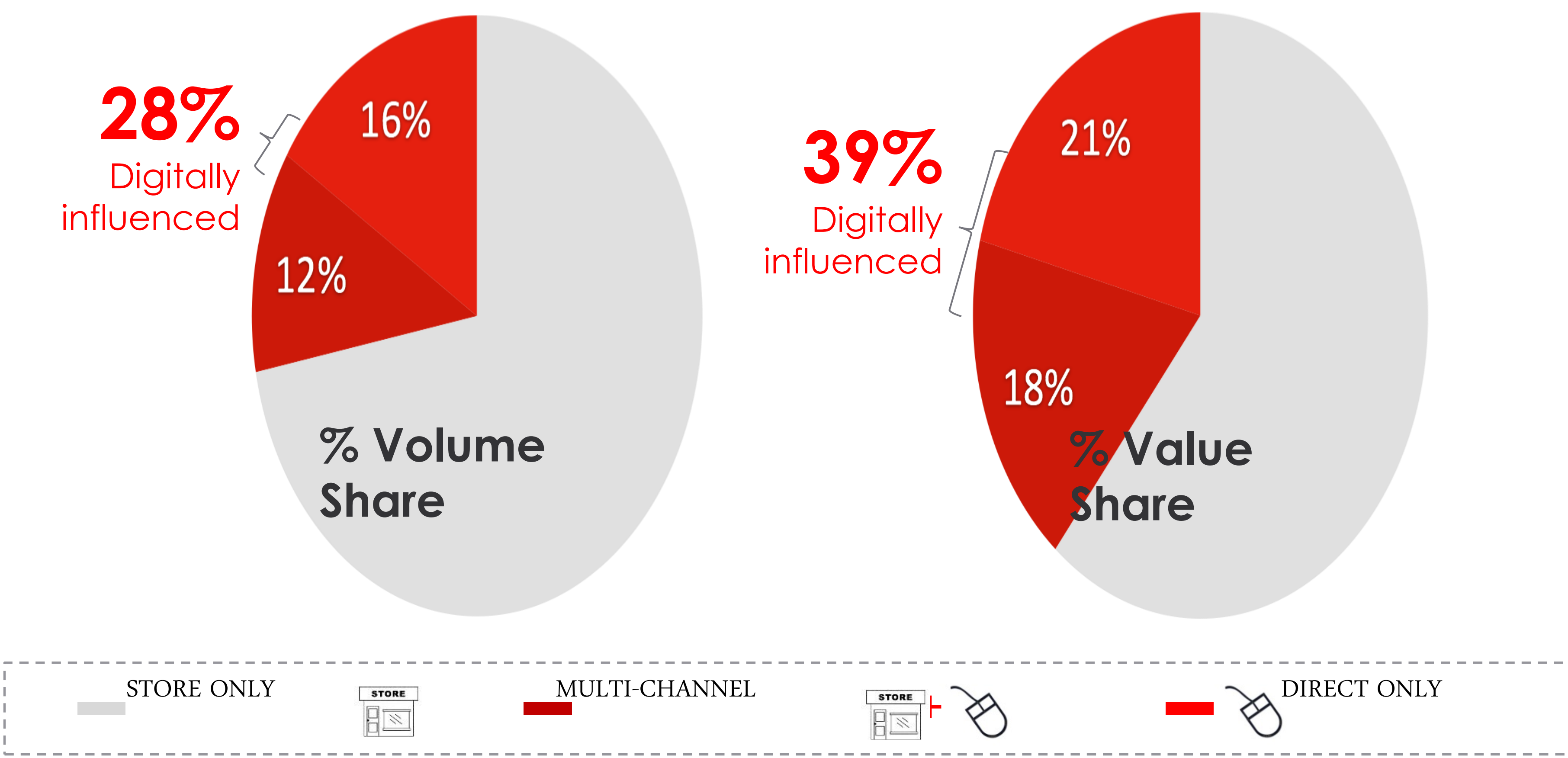
- A new Econometrics model built in France by MSP
- Incorporate 2 years of macro factors, offline and online media, online sales and store-level offline sales
- Model included proprietary Google Search query data

RESULTS

10% of store sales directly influenced by website visits

Multi-Channel Shoppers Most Valuable

UK Transactions (excl. Food) in the past 3 months by channel



Google

Quantifying in-store behaviou

GÖRTZ

CLIENT

Goertz is the leading multi-channel shoe retailer in Germany

OBJECTIVE

To understand how ROPO consumers behave versus their online peers in terms of spend

ACTION

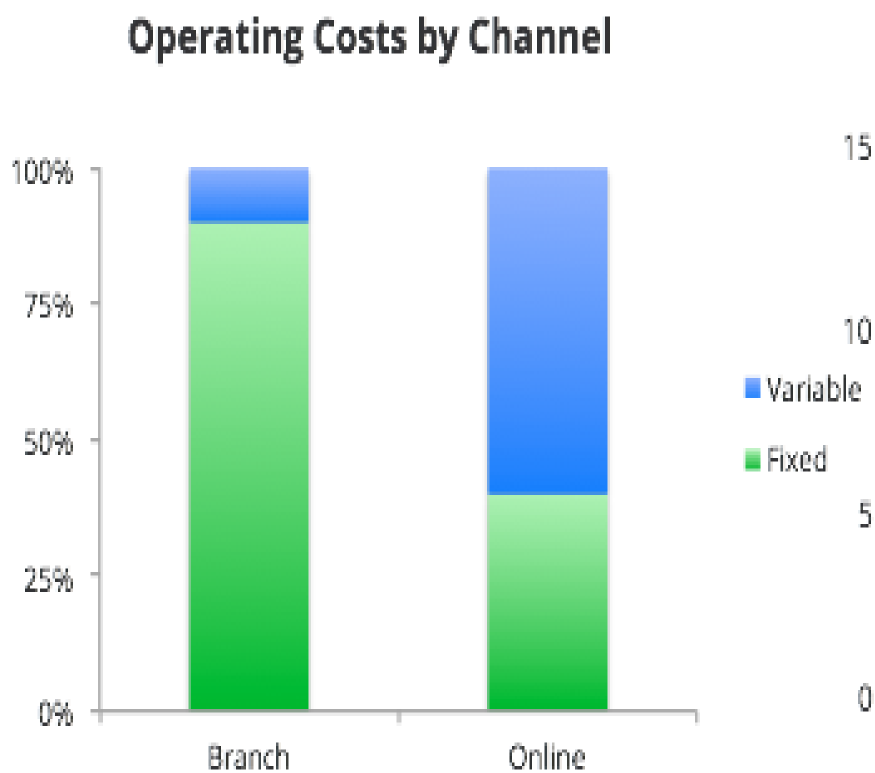
- A coupon-based test in cities with a strong store footprint
- Consumers discovered €10 off coupon on Goertz site following Paid Search click
- Coupon redeemable on- or offline

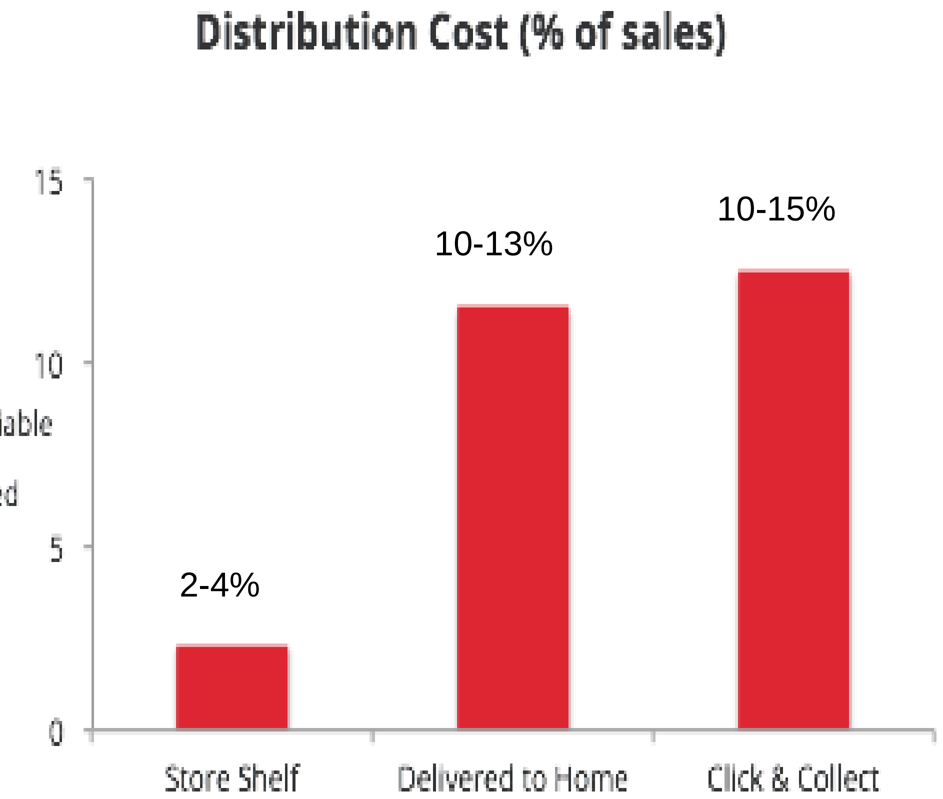
RESULTS

ROPO customers spend 2x more than online shoppers

Physical Virtual Stores

Mix shift presents challenge to economics





Delivery & Availability

Bigger but Smaller

HOUSE OF FRASER

Click and collect

Pureplays come offline

collect+

amazon.co.uk

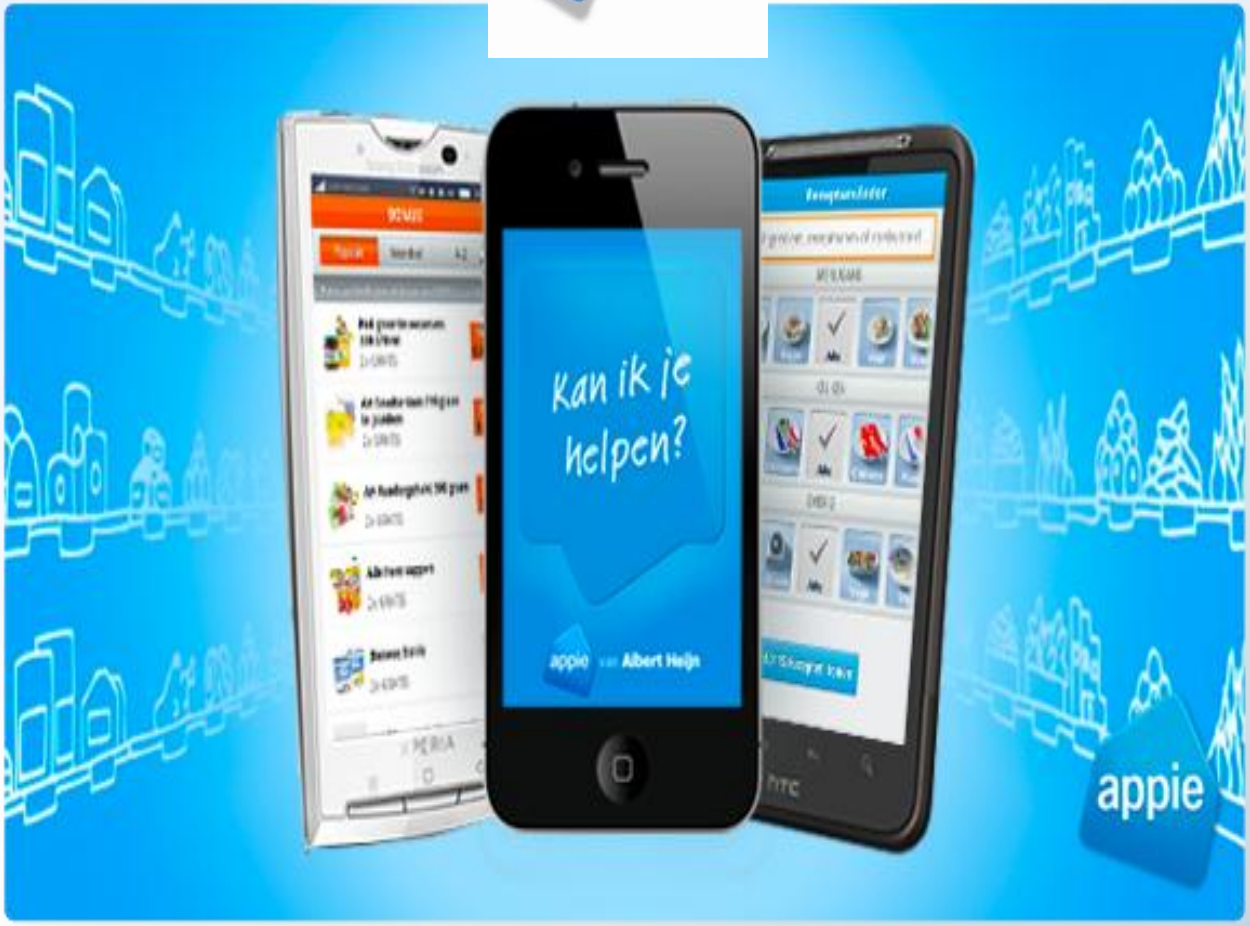
ebay.co.uk

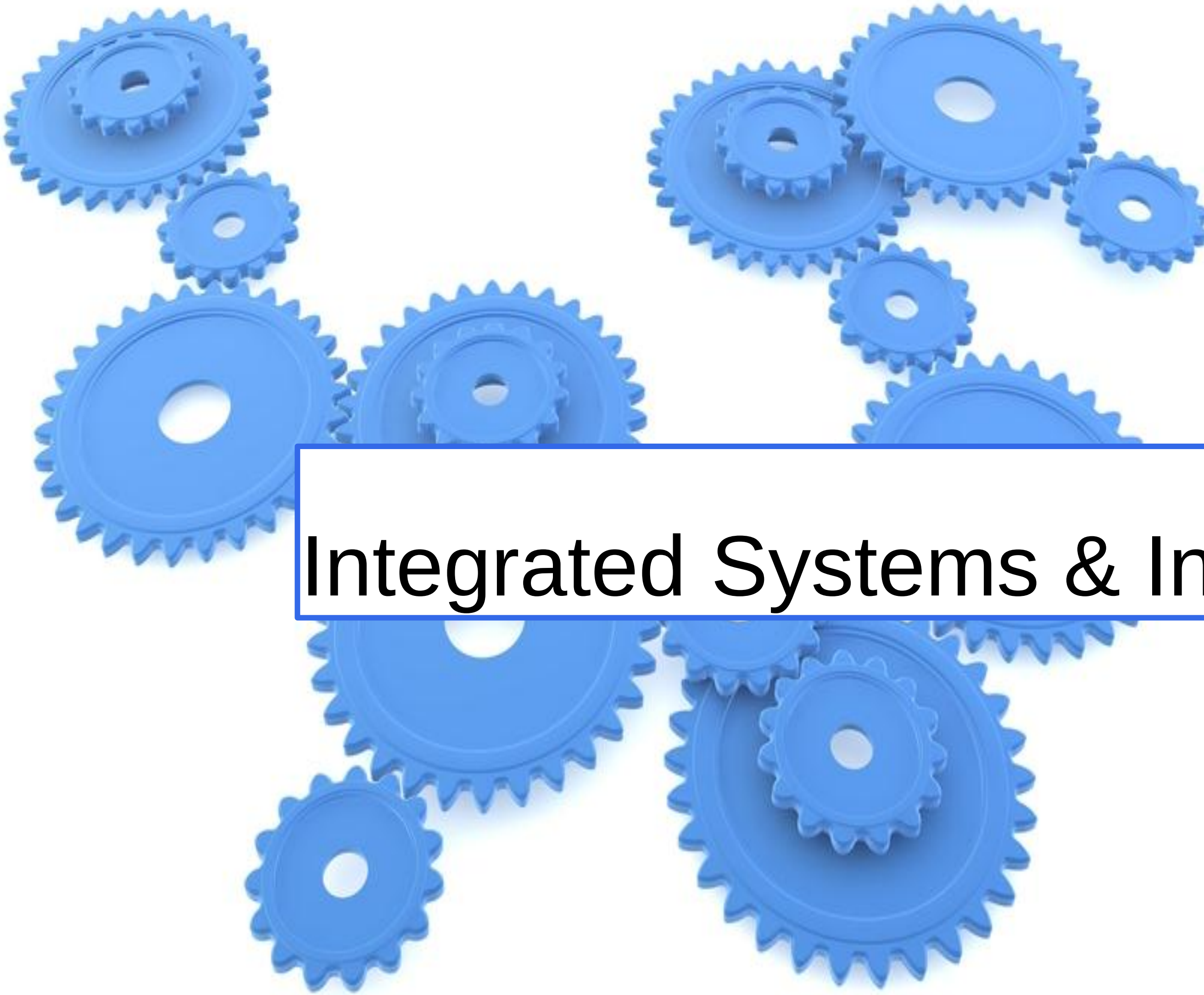
asos
discover fashion online

In Store Ecommerce at Burberry

Indoor maps

In store maps at the grocers





Integrated Systems & Incentives

Truly integrated operations

"What most people would be surprised about is that the organizational part is harder than the technology part"

NORDSTROM

Integrated fulfillment systems & incentives

AURORA

FASHIONS

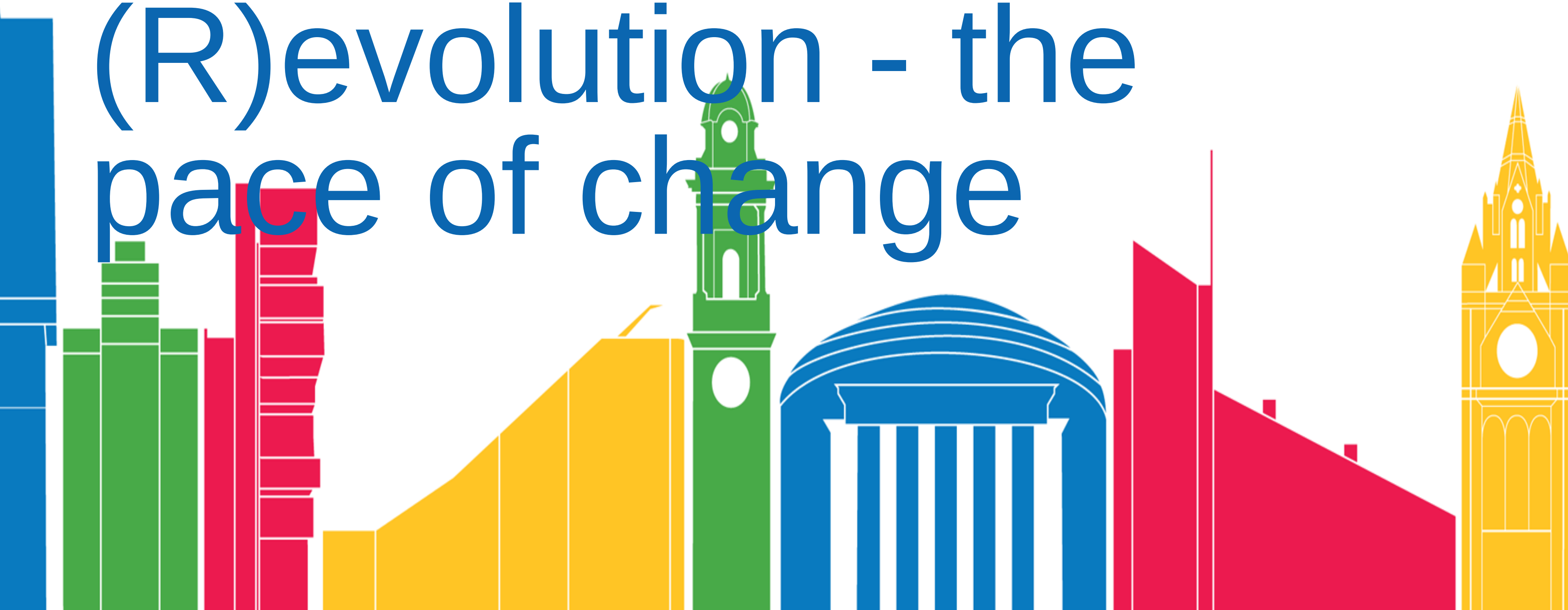
Test the model

Start Small	Don’t aim for perfection	Get improvements out there

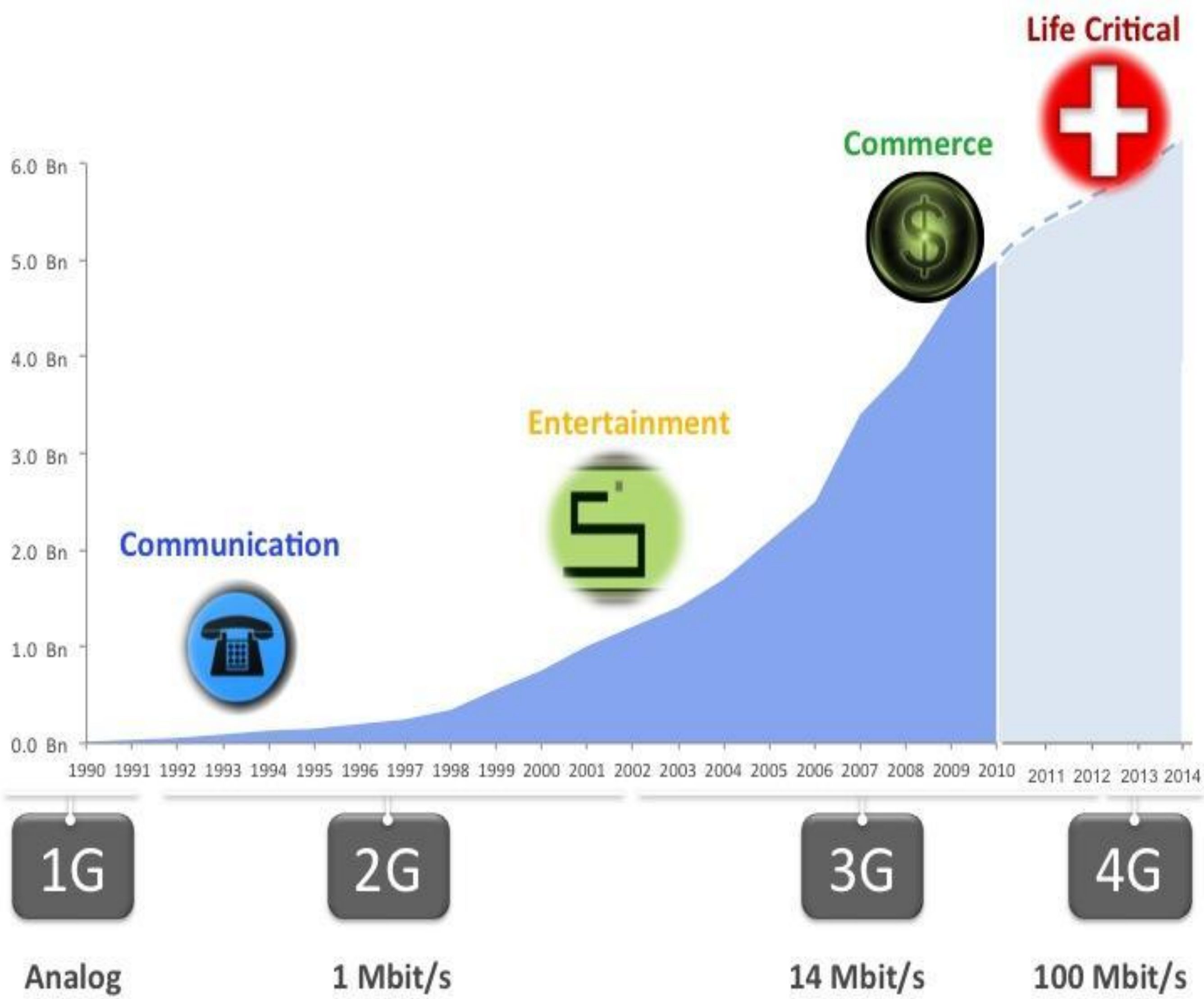
google@
Manchester

Ian Carrington
Mobile Advertising Sales Director, Google UK

The Mobile (R)evolution - the pace of change



Mobile has developed beyond a form of communication




GLOBAL MOBILE PENETRATION
2010
5B
2012
6B


MORE PEOPLE ON EARTH
OWN A **MOBILE PHONE**
THAN OWN A **TOOTHBRUSH**

UK SMARTPHONE PENETRATION

2010	2012
24%	**59%**

Source: Strategy Analytics, ComScore

APP DOWNLOADS

Apple

2010	2012
5B	**30B**

Android

2010	2012
1B	**25B**

YOUTUBE VIEWS ON MOBILE

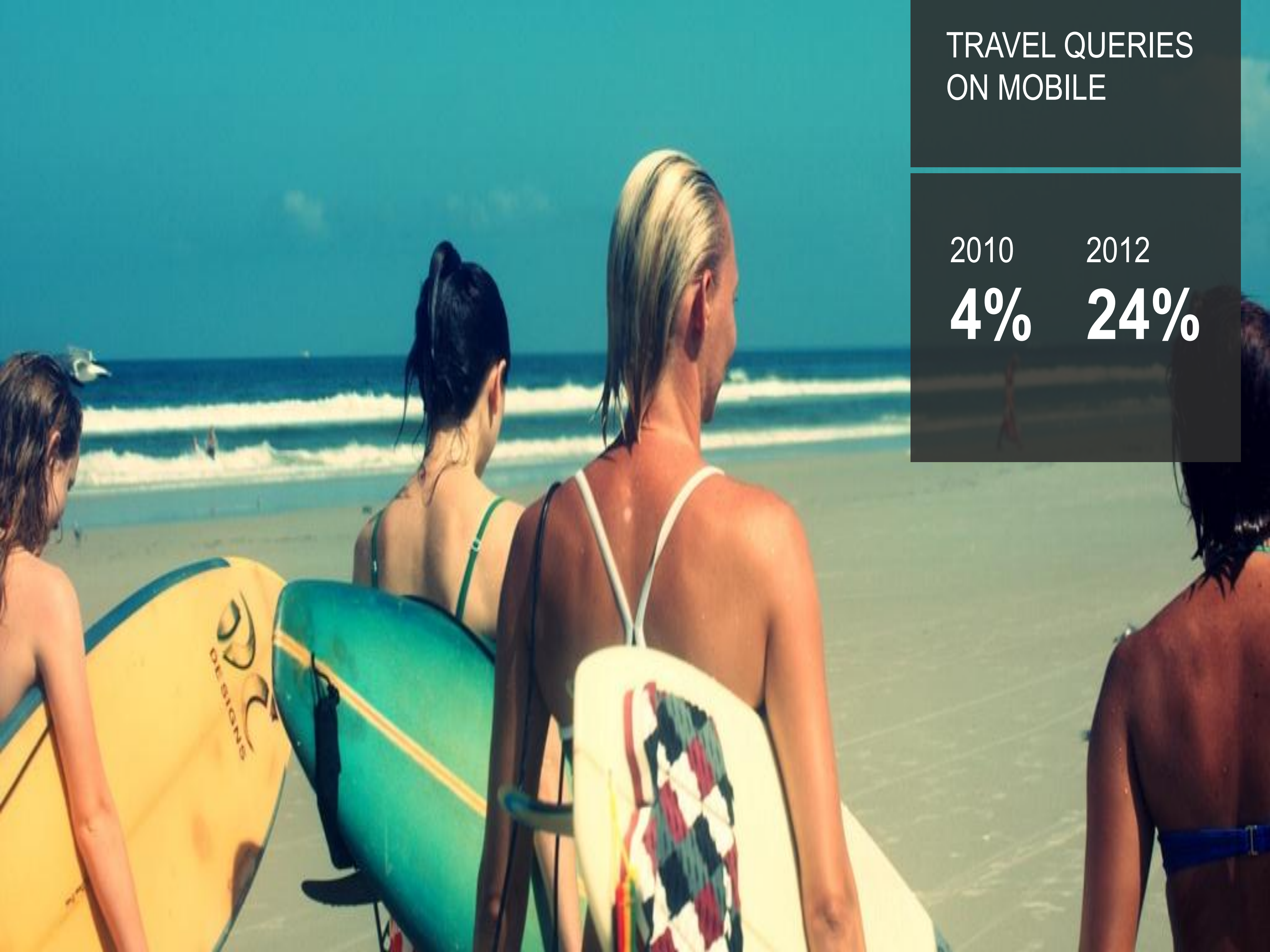
2010	2012
6%	**25%**

ENTERTAINMENT
QUERIES ON MOBILE

2010	2012
7%	**25%**

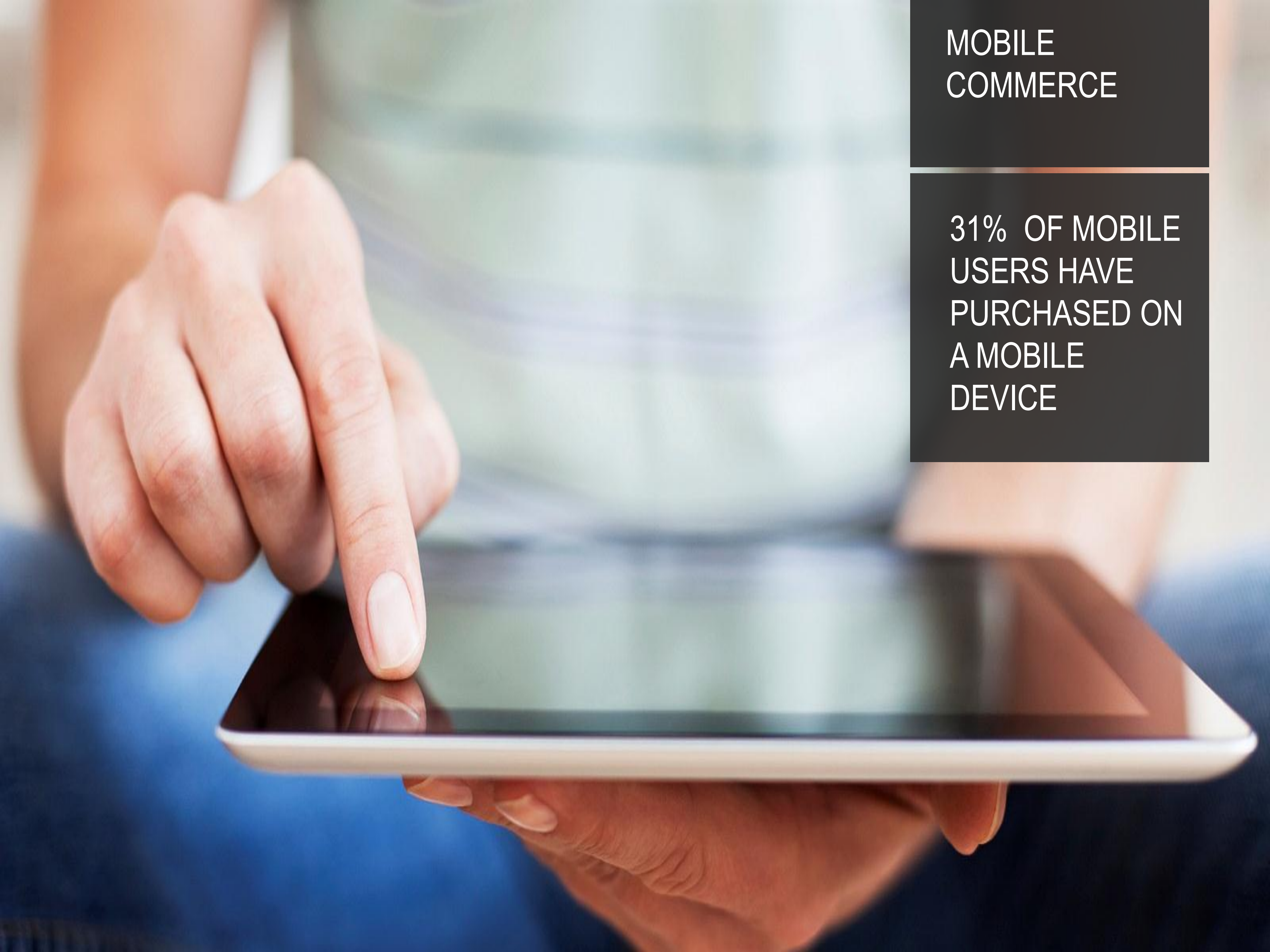
TRAVEL QUERIES ON MOBILE

2010	2012
4%	**24%**



RETAIL QUERIES
ON MOBILE

2010	2012
4%	**25%**


MOBILE COMMERCE
31% OF MOBILE USERS HAVE PURCHASED ON A MOBILE DEVICE

SHOW
ROOMING

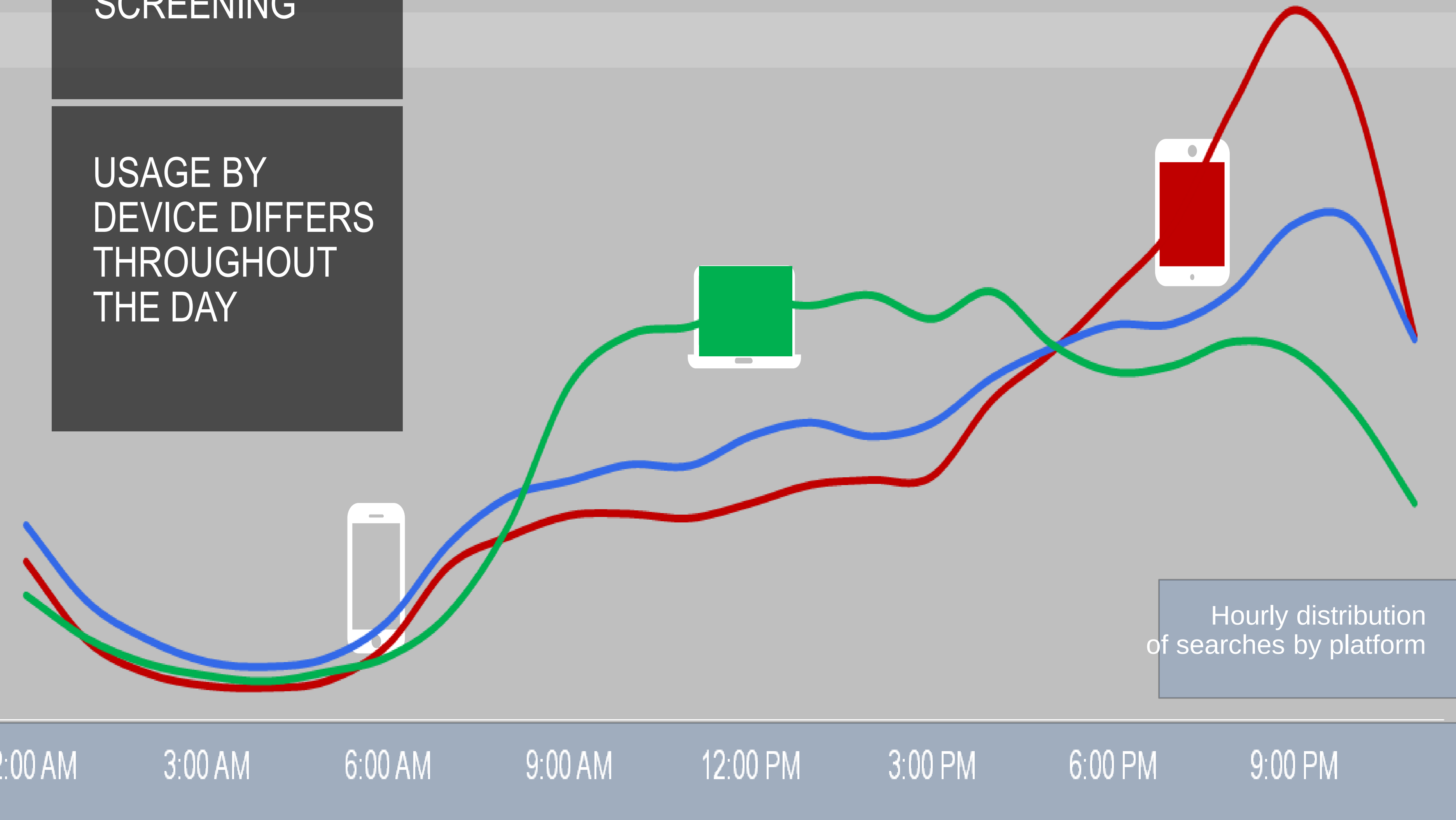
17% OF MOBILE
PHONE USERS
CHANGED THEIR
MIND IN STORE

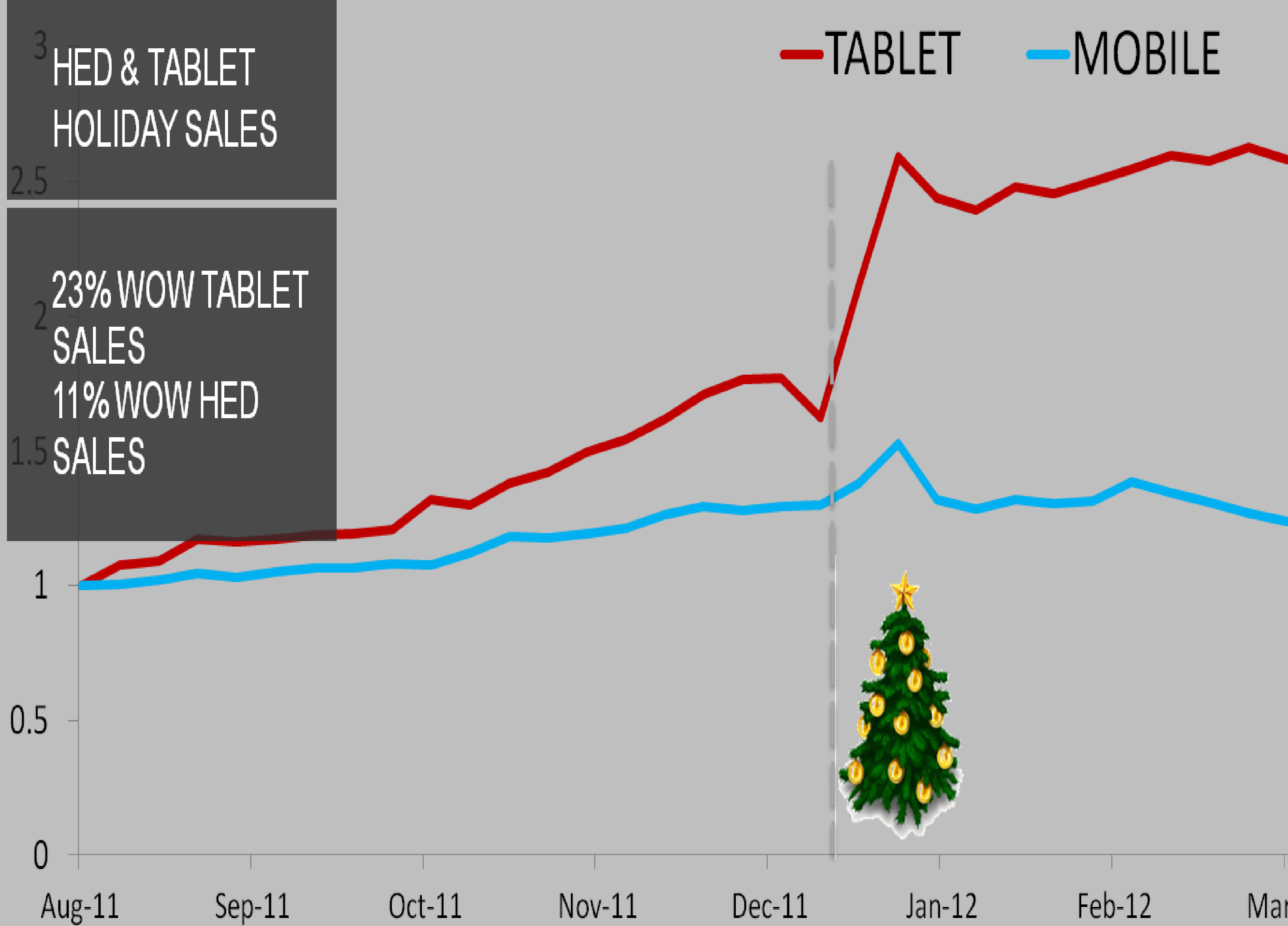
DUAL
SCREENING

90% OF ALL
MEDIA IS
SCREEN BASED

DUAL SCREENING

USAGE BY DEVICE DIFFERS THROUGHOUT THE DAY




HED & TABLET
HOLIDAY SALES
23% WOW TABLET
SALES
11% WOW HED
SALES
TABLET
MOBILE
3
2.5
2
1.5
1
0.5
0
Aug-11
Sep-11
Oct-11
Nov-11
Dec-11
Jan-12
Feb-12
Mar


THE MILLION POUND DROP
BETA
PLAY ALONG
PLAY NOW
Play along with the show live
on Channel 4 and see if
you can beat the dro

LOCAL LAYERS

40% OF MOBILE SEARCHES HAVE LOCAL INTENT

1. Build a Mobile Site & Attribute ALL your mobile
conversions

2. Develop & integrate your multi-screen strategy

3. Localise your marketing for better results

4. Optimise your Google advertising for mobile
and get the benefits