

ANALYSIS



Although Amazon is at the forefront of ecommerce, multichannel retailers dominate the list of online leaders

TOP 10 ONLINE RETAILERS

***** There may be no surprise in who the biggest online retailer in the UK is, but this ranking serves as a useful reminder that it is not all about the pure-plays.

According to *Retail Week* business intelligence service Prospect, just three of the top 10 biggest retailers online by revenue are pure-plays. The rest on this list share one thing in common – they all have a sophisticated bricks-and-clicks strategy that joins the two channels rather than treating them as distinct operations.

A good example is John Lewis, which has a far-reaching click-and-collect strategy that includes stablemate Waitrose's stores as well as Collect+ shops.

Similarly Argos' hub-and-spoke strategy enables the retailer to quickly distribute products between stores so it is better able to fulfil click-and-collect orders.

Another point is that for all Tesco's troubles in recent years, its online business is considerably bigger than its supermarket rivals', and in fact all other retailers, excluding Amazon.

Tesco has historically led the way in online retail among the supermarkets, not just for grocery but non-food too, and going by these figures it continues to hold its own against its rivals.

There are notable absences from the list – Marks & Spencer just missed out on a place in the top 10, clocking up £627m in 2014/15.

And the fact Morrisons is the only one of the big four not in the list – it ranks number 21 with £200m of online sales – is a reminder of how far behind it lags the rest of the grocery sector in this critical channel.

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Online revenue (£bn)

