

Introducing Dorel Europe



It is the undisputable leader in high quality, safe and fashionable juvenile products. Its well-known, strong brands - Maxi-Cosi, Bébé Confort, Quinny, Safety 1st, Hoppop and Baby Art - can be found in no less than 80 countries around the world. All of its employees are fully committed to the businesses objective - 'to care for precious life'.

INTRODUCTION

Eugene Crijns, E-Commerce Specialist at Dorel Netherlands, was hired in April 2010 to integrate E-Commerce systems and solutions into Dorel's operations in the Netherlands. Eugene had previously been the manager of four retail fashion stores and had founded several luxury product E-Commerce sites in the Benelux region and Germany. His experience of ten years in retail and five years in E-Commerce made him the ideal person to take on this new challenge with Dorel.

Dorel Europe, part of Dorel Industries Inc. (TSX: DILB, DILA), is a world class juvenile products company, with operations in 11 countries and 1300 employees across Europe.

One of the focus points of 2010/2011 was setting up E-Commerce functionality in the business, how did it go?

The first E-Commerce project was to create a channel to sell the old collections and models that were used in trade fairs and showrooms on the non-branded site, BabyValue.nl. Until then, these products were sold to resellers who placed these items in the market at low prices. Our solution was to sell these models directly to consumers, for acceptable prices. The trade fair and showroom models were sold as 'refurbished'. Companies such as Tom Tom and Philips also use this strategy for their refurbished products. We integrated this project successfully in the local market and achieved our objectives.

The latest E-Commerce project which we have recently launched is a service concept. We created the E-Commerce website <http://service.quinny.nl> - here we sell spare parts for our Quinny strollers,

allowing customers to order new covers, tires or adapters and renew their old Quinny strollers. Service is one of the focus points for Dorel over the next few years and this E-Commerce site is an integral part of that.

What changed internally?

The E-Commerce department for development, online marketing, graphic design, maintenance and customer service was created in 2010. The integration of B2C processes into a B2B minded organisation, however, isn't easy. For E-Commerce to be a success you need every department of the business on board. You are relying on logistics for warehouse and delivery, finance for payments and refunds, sales for order entry and pricing, service and repair for warranty and supply chain for stock levels. These departments need to collaborate to make it a success. The real challenge is to get the B2B minded departments on board - they have to change their daily routines for the B2C processes to work.

We created a new E-Commerce warehouse and planned new routes for customer deliveries. Dorel has a commitment for its shipments to consumers to be processed within a day, therefore we partnered with a carrier that specialises in shipments to consumers. The payments and refunds at the finance department must also be processed on a daily basis; therefore we added new payment methods. Last but not least, a special return process and warranty route for consumers was installed.

Can you tell us more about the problems you face when implementing E-Commerce systems? How do you cooperate and work with retailers?

When you integrate B2C E-Commerce systems, as a manufacturer, into your organisation, you have to anticipate potential channel conflict. There are lots of possibilities, however, to cooperate with retailers on E-Commerce projects to overcome conflict. We worked together with retailers on a temporary E-Commerce project for our Quinny Design products in 2011.

Quinny Design was a partnership solution with retailers and it was only available on a special E-Commerce website. When a customer bought a Quinny Design product online, they then chose the pickup location. We shipped the product to the retailer and

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they received compensation for the handover. In this way the customer is visiting the retailer's store and providing cross selling opportunities for the retailer. This is one E-Commerce solution that can be used to support retailers and it opens up the possibilities for future collaboration.

Can you tell us more about what the key factors are for making E-Commerce a success?

You must build a customer friendly online shop, use the right communication and payment methods and make it clear to visitors what they can find in your shop, within seconds of them visiting the site. It is always important to conduct research to discover how your customers interact online - how do they access the internet? Where do they access the internet? What are they looking for? Using this research, you can then target your potential customers and use the right tools to lead them to your site. *"You can build a beautiful house, but when you don't have a decent road to it, no one will reach it."*

How have your customers reacted?

We receive a lot of positive feedback from our customers concerning fast delivery times and good service and communication via our non-branded website. The reactions of the Quinny Service website are very positive too - the customers are pleased that they can order spare parts online and receive them within two working days. Customers appreciate this level of service.

Tips and tricks

Setting up E-Commerce for a B2B company

- Good internal communications
- Get each department on board
- Good communication with dealers
- Create a new process for E-Commerce
- Compose a dedicated team