

Interview with our Managing Director

Excerpt from an interview that was conducted with Mr Rainer Gramke, Managing Director of Schirm Oertel, with journalists present at the 2003 annual conference in Bremen of the Association of Umbrella Specialist Shops in Germany.

Question: How long has Schirm Oertel been online?

Rainer Gramke: We were already present on the Internet in 1998 with our domain "www.regenschirme.de". At first it was only an information page, but already in the following year we offered a small line of products which we have since continuously expanded upon.

Question: Is all the effort really worth it for a small retail shop?

Rainer Gramke: Besides us, there are perhaps only three other specialised umbrella shops in Germany. This means that the majority of the public has to be satisfied with standard department store articles, with practically no access to higher-quality designer products. This is our target group.

Question: How much did you earn last year on the Internet?

Rainer Gramke: (laughs) As a real Bremen merchant of course one doesn't talk about money, but I can give you a few reference points. In the general marketplace, the average share of Internet sales of total retail sales is around 1%. For us, this figure is currently 10%, and with the higher-priced products it's even higher at 30%. At this time the numbers for 2003 lead us to believe that already in October we will have reached the total Internet sales for 2002. We record on average around 100 visitors per day on our website. Important to note is that our Internet customers are not local here in our region. The Internet therefore is not a competitor for our shop in Bremen. We're now a globally active, yet small and traditional retail shop based in Bremen, Germany.

Question: Where are your customers located, if you're "globally" active?

Rainer Gramke: With the Internet you become involved in global trade in a real sense. It's a great feeling when the orders come in from Singapore and Australia, although it's still a mystery to me how our customers make do with our German webpages. The number of international customers is already considerable, and can't be dismissed as an exotic sideline. The core business, though, is clearly the German-speaking world. We get many orders from companies, such as hotels for example, or requests for high-quality umbrellas for receptions or other events. The German President is even a customer of ours. If you see a rainy state event, then you'll see our umbrellas.

Question: In your experience, what is the most important thing for achieving success on the Internet?

Rainer Gramke: You need a bit of patience, and staying power. And of course we were not successful during the first year, so it was good that our core business was still our shop in downtown Bremen. On the other hand, we saw early on the potential and could read it in the number of online visitors we were getting. Next, though, the priority became the optimal orientation of our product offerings. If you have so-and-so-many visitors at your site, but only 0.1% of them are actually buying a product, then something's not going right. The visitors are there because they're interested in umbrellas, but you simply don't have what they're looking for. We also had to go

through this experience during our first two years. Then we updated our product offering, changed the layout of our site, and now it seems that we've come up with the right formula.

Question: How does an optimal website have to look?

Rainer Gramke: It's not about having a high-tech website, and it's not about implementing the newest technology for its own sake. The visitor has a goal, which is information or a product, which he or she wants to reach quickly and without a lot of bother. This means no flash intro-pages, no complicated menus – our goal in developing the site was this: allow visitors to get to their goal in two clicks, and on top of that part we wanted our design to reflect our 113 years of umbrella experience – this alone precludes a showy high-tech presentation. In the background of course we're using all available technologies which help to optimise the functionality and presentation of our website. And naturally you also have to have a product which lends itself to being sold via the Internet, and the necessary experience. It's not enough to simply present the products. You have to offer an extra benefit, and give the customer an "A-ha!" experience, even when he or she may not buy an umbrella right away during the first visit. For example, we've introduced an area of our website called "All about the umbrella". Here you can learn about the history of the umbrella, see movie clips about how umbrellas are manufactured and about their proper care and maintenance, and get general tips about umbrella use.

Question: Can every company follow your example?

Rainer Gramke: The technical hurdle is the smallest problem because you can go buy yourself an iMac, register a domain, and then you're off. What you shouldn't do is underestimate the necessary time and effort needed for maintaining and improving your Internet product line. You have to understand the technology of search engines, produce targeted advertising, and optimise continuously. Recently, though, yet another problem has arisen. We're increasingly dealing with copyright infringements. In other words, others are using our images and texts for their own business activities. New challenges are always arising.

Question: How does your planning look for the coming year?

Rainer Gramke: We want to develop our site in the same tempo as our customers are increasing their access capabilities. The faster the Internet access, the larger and better the types of images we can present without our customers having to spend a lot of time in front of an empty monitor. We're also going to move in the direction of presenting 3-D and panorama views of our umbrellas. At the present time we're working on expanding our line of raincoats. Here, too, we're offering products that aren't so easy to get a hold of in Germany. For a year now we've been doing test sales, and in the autumn we'll have the line ready. Oh, and another thing, next year the English language version of our website will be ready – as I said, it's somewhat unclear how our international customers are able to understand the information we provide on our German site. Overall, we want to grow carefully, and we definitely won't make any sudden and major investments. Steady improvement in our product offerings and satisfied customers are our goals.