

PRESS RELEASE

## **Successful with Open Commerce: Collins makes double-digit million sales**

**The Otto Group's fashion startup Collins draws up a positive balance and already lists half a million active customers.**

**For one year now, Collins has successfully demonstrated how inspiring and personalized shopping works for the digital generation. The Otto Group's fashion-startup, founded by Benjamin Otto and Tarek Mueller, demonstrates a more than pleasing balance after the first short fiscal year (28<sup>th</sup> of February). Collins generates a double-digit million turnover, just 10 months after its launch and wins over half a million active users. This makes Collins the fastest-growing e-commerce startup in Germany in 2014/15.**

The speed with which Collins' economical success grows is unprecedented. "I don't know of any other e-commerce startup in the European area, that made a comparable turnover in its first fiscal year." says entrepreneur and CEO Benjamin Otto. The various targets, that we have set for ourselves were more than achieved, the corporation lies ahead of its plans in all relevant KPIs. And this is just the beginning. Benjamin Otto set a clear course for the future: A triple-digit million revenue-figure and strong growth whilst maintaining intelligent capital efficiency – these are the targets for the next five years. Up until now, along with ABOUT YOU and EDITED, Collins has focused on the German market. The first promising tests in Austria, to lead to us planning to expand our activities there and further into the German-speaking part of Switzerland.

The new business model works. Collins democratizes the e-commerce in Germany with the ABOUT YOU and Edited online shops and brings movement into the market. The corporation, along with its 200 employees at the time being, relies on Open Commerce. Creative minds, content suppliers, developers, brand suppliers and retailers from the outside, bring in their own ideas and thereby generate an innovative power that reaches far beyond the borders of one single corporation.

### **Inspiration mission: half a million active users**

The effect of open and dynamic structures becomes clearly obvious to our customers: constant and tailored inspiration create a clear contrast, when compared to ordinary online-shopping and signal a paradigm shift. The demanding young target group now finds an address that matches their digitally influenced lifestyle whilst shopping. The ones who step into the shopping-worlds of Collins, let themselves be inspired and entertained, get settled in and take delight in coming back again. "Our customers stay true to us as for example, the above-average repurchasing rate shows." says Otto. "The inspiration mission pays off." Collins reaches more than half a million active customers in their first year, 80 percent of whom are women, 20 percent – men, in our envisaged core target group who are between 20 and 40 years old.

The brand recognition of ABOUT YOU already lies at 12 percent. "We grow organically and thereby increasingly emancipate ourselves from paid-channels" Tarek Mueller, founder and Managing Director of Collins says. Contemporary brand studies certify an above-average customer satisfaction with ABOUT YOU. A

glance at the conversion rate, the long times spent on the site and an remarkable return-rate impressively underline this fact. The result: high credibility due to an increasing number of viral customer-recommendations.

Besides the customer-approval, our team is also thrilled about the appreciation coming from the expert community. And so, the Industry Media Exciting Commerce voted ABOUT YOU “Startup of the Year 2014” and was presented the “German Customer-Innovation Prize 2014” as well as “Business Shop-Award 2015” by the Internet World Business in the categories “Best Online-Pureplayer” and “Best of Show”. “These honors are a wonderful approval for our work. However, at the end of the day, our customers opinion is the one that counts most.” says Tarek Mueller.

### **Individually inspired: The customers shape their personal feed themselves**

The key success factor of our business model is having the option of individual personalization. How and whether the customers use the personal feed for their shopping experience is up to them. “We believe in the self-determined customer, who appreciates the benefits of customized offers and increasingly searches for personal inspiration himself.” Mueller adds. The Collins founders constantly keep working on the personal feed – an individualized fashion-newsfeed similar to the principle that social networks use. Favorite brands, colors, stars, apps and other individual subscriptions made by the customer all flow into their personal feed. Under “Inspiration”, customers can view all inspirational suggestions made by ABOUT YOU, independent of their personal feed, which only shows individually tailored contents. There you will find apps alongside editorial content, on the grounds that customers equally use these as sources of inspiration. Thanks to this approach, the gap that has existed in e-commerce until now between purchasing items that are needed and purchasing items that inspire closes. Currently over 60 apps and content feeds lead the way through, at this point in time, around 60,000 articles in the vast ABOUT YOU assortment. External developers and content suppliers, besides the Collins team, have helped ensure the success of the first Open Commerce business model in the German e-commerce: in the ABOUT YOU Developer Center over 600 creative minds are registered at the present time.

### **Strong brands and high fashion-competence**

Besides the greatly individualized online marketing measures, Collins relies on classical brand development. After the success of the first TV-campaign that carried the claim “Your style in every item” ABOUT YOU has already sent off a sequel with four new TV-ads to the races. At the beginning of the year, EDITED too has gone off into a TV-tackle in order to present the brand to a greater audience. The success of EDITED the label, also underlines and brings the fashion know-how of the Collins Group to light. The in-house brand is already the strongest label on edited.de and generates more than ten percent of the total revenue the shop makes.