



ORESA
EXECUTIVE SEARCH

Today's Ecommerce Talent

The changing nature of the ecommerce and
multichannel talent pool in the UK



Multichannel is now a way of life for many retail businesses. With that shift in the business model, talent requirements have also changed. Here we share our knowledge of the different types of ecommerce and multichannel leaders available in the market.

Background

“What kind of ecommerce director can I get for my money?” and “How much will I have to pay an ecommerce director who is experienced in...?” are two questions we are asked a lot by clients. In the past year we have found ourselves having similar conversations with many people about the direction the ecommerce talent market is moving in, and the changing structures of multichannel and ecommerce functions within larger retail businesses.

In this paper we’ve set out to segment the market; providing simple profiles of the type of talent that is out there, how much these people cost, what you get for your money and the career development you need to offer to retain them.

Methodology

The paper is based on conversations with more than 100 candidates that we have engaged with in the past 12 months while working on ecommerce and multichannel roles at a variety of levels for several different clients.

Key findings

Our research shows that within businesses where ecommerce is yet to be strategically significant, a Head of Ecommerce earning well under £90,000 may well suffice. But as multichannel, ecommerce and increasingly mobile revenues begin to drive the sales growth of a company then this function needs representation at a more senior strategic level.

For the largest tier one retailers, the multichannel and ecommerce function is often split, with trading, content and demand generation being looked after by a director from a marketing or commercial background, while the technical aspects of the site, the development of the proposition and user experience are handled by a director with a more technical skillset.

This has the benefit of allowing day-to-day trading to continue without slowing down the speed of progression – a vital factor in today’s commercial environment where there are rapid developments in multichannel services and mobile commerce.

Then, depending on the size of the business, a Multichannel Director, ‘Multichannel Director Plus’, or an MD may top the hierarchy of the function.

While the job titles may vary from one organisation to another the actual roles are similar. Our pen portraits show the typical roles of multichannel leaders in retail today.

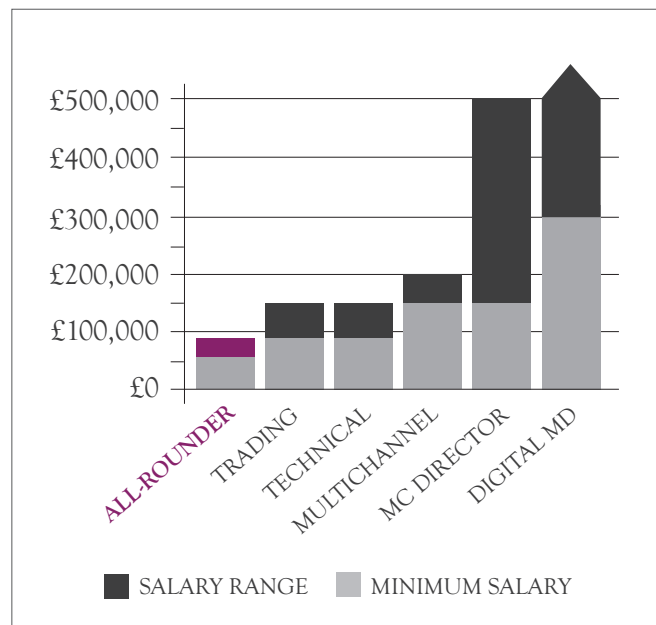
The results of our research also demonstrate that there is a world of possibilities when it comes to building and developing your multichannel teams. We hope you find this summary of the market in 2013 useful.

The Head Of All-rounder

Responsibilities:

In a smaller company where they are reporting in to a Marketing, Commercial or Finance Director, the Head of Ecommerce may have full P&L responsibility for the site and a very broad range of responsibilities. In larger companies a Head of Ecommerce will report into an Ecommerce Director, in which case their role and responsibilities will be more tightly defined.

Salary range: £60,000 - £90,000

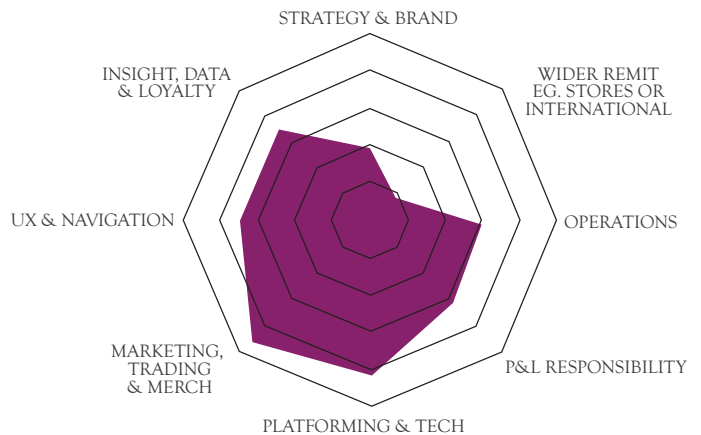


Skillsets:

Heads of Ecommerce in smaller businesses tend to be Jacks-of-all-trades, so a mixture of technical and trading experience is the norm. Online trading, merchandising, SEO, user experience, technical and logistics will all fall under their remit. They may have platform selection and re-platforming experience but are unlikely to have been the final decision-maker on such a project.

What's often lacking in candidates at this level is a high-level strategic view of where ecommerce fits in

Skillsets:



the business and the skills and experience to work alongside board-level executives.

Background:

They may have come from either a technical or marketing/trading type ecommerce background. Five to 10 years ago heads of ecommerce often came into the role fairly light on direct experience but with knowledge of retail operations, marketing and/or product.

Today, new candidates coming into this role are far more likely to have more substantial digital experience, and to have come up the career ladder through ecommerce teams and digital agencies.

How to retain them:

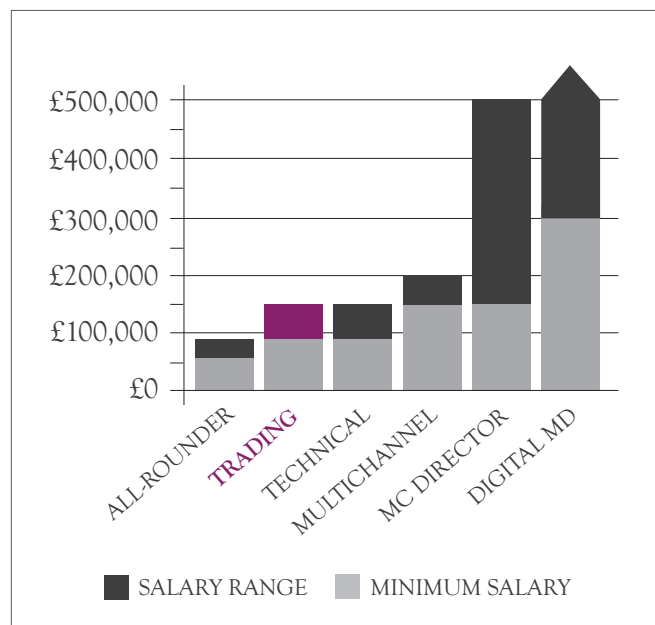
Depending on their background, candidates in this bracket will probably look to progress to one of the two types of ecommerce director roles outlined below. In order to make this transition successfully you should give them opportunities to begin to think and act like a director so that they become able to discuss topline strategy, engage and influence other parts of the business.

The Trading Ecommerce Director

Responsibilities:

Increasingly this type of Ecommerce Director is being deployed in larger retailers alongside a more technical peer. The benefit of splitting responsibilities in this way is that the Trading Ecommerce Director can focus on optimising day-to-day trading of the site, own the P&L, and drive customer and sales growth. They may or may not have more technical experience, such as ecommerce platform selection and re-platforming.

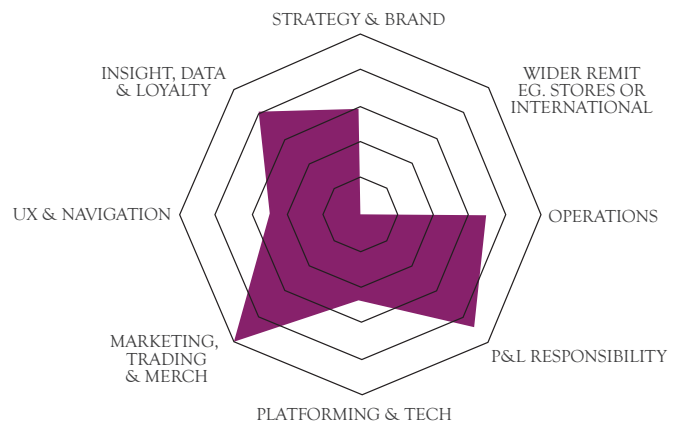
Salary range: £90,000 - £150,000



Skillsets:

These types of director are normally strong on the strategy for digital trading and marketing – covering customer relationship management, search engine marketing, digital content and merchandising. Often they will have had previous experience in a home shopping or catalogue retailer and have successfully translated these skills for the digital age.

Skillsets:



Background:

Likely to have come up through a traditional marketing or commercial function before making the jump to ecommerce.

How to retain them:

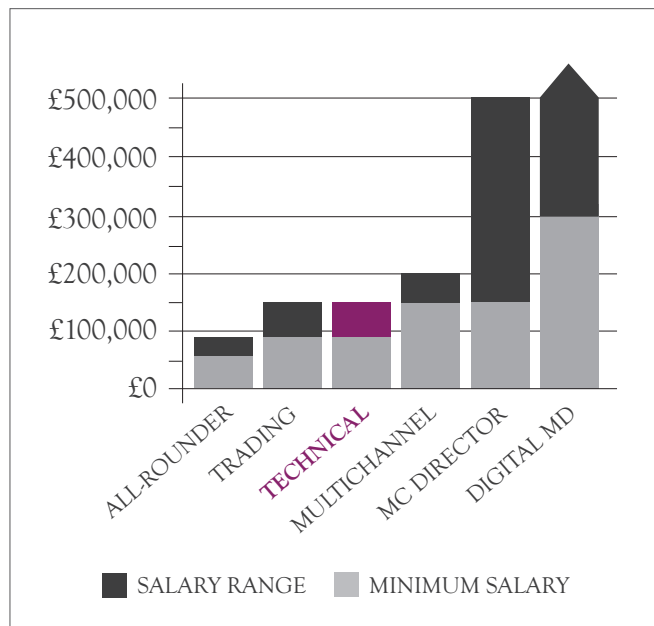
Candidates in this bracket are normally looking to make the jump to Multichannel Director where they can add to their technical skillset and have a more influential role over the stores side of the multichannel customer experience.

The Technical Ecommerce Director

Responsibilities:

With the pace of change taking place in multichannel retailing and the increasing complexity of the back-end systems, this role is becoming more crucial within larger retailers. The Technical Ecommerce Director tends to focus on the development of the web/mobile channel, working alongside a more commercially-focused ecommerce director. As such they are able to focus on the future of the ecommerce platform and ensure that day-to-day online trading does not slow-down the pace of development.

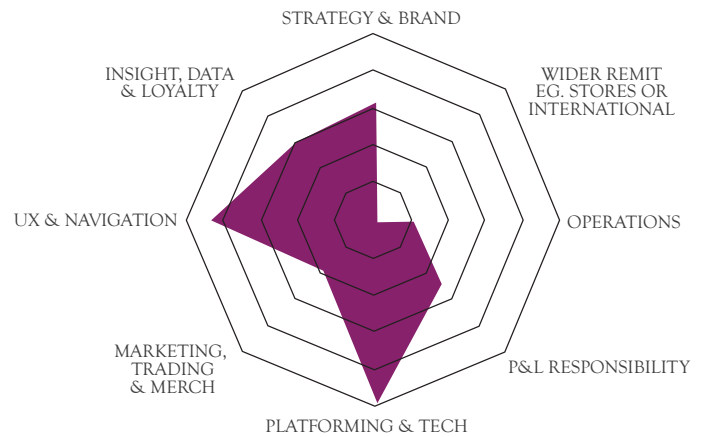
Salary range: £90,000 - £150,000



Skillssets:

Will almost certainly have web re-platforming experience, and will also be comfortable managing the most technical members of the web team. Whether they are highly technical themselves or not, they will have bridged the gap between the technical

Skillssets:



ecommerce function and the rest of the business. Strong on strategy, translating the requirements of the business for technical staff and suppliers, they will also likely be highly analytical and data-driven.

Background:

May have come from a systems or user experience background.

How to retain them:

If the Trading Ecommerce Director is the person in the business who champions the digital consumer of today, then the Technical Ecommerce Director will be most likely to champion the digital customer of two years' time.

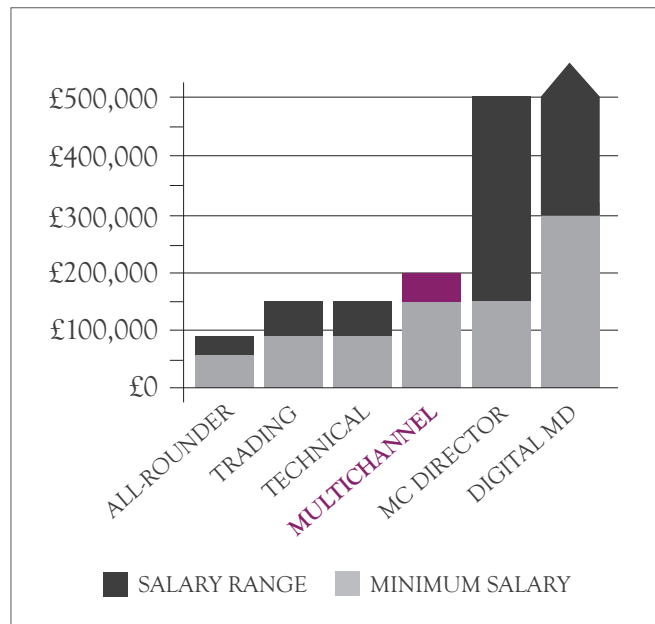
The next step for these candidates may be a move to a role with a greater trading focus so they can gain more P&L experience. Others may wish to make the jump to a multichannel director role with a focus on strategy and development.

The Multichannel Director

Responsibilities:

Will almost certainly have a strategic role and oversee both the trading and technical development of digital channels such as ecommerce and mobile. In addition, multichannel directors normally have much more input and even control over multichannel services involving stores. Whether or not they have P&L responsibility or direct control of the customer experience for the multichannel customer while in store, they will work closely with other parts of the business to land their initiatives.

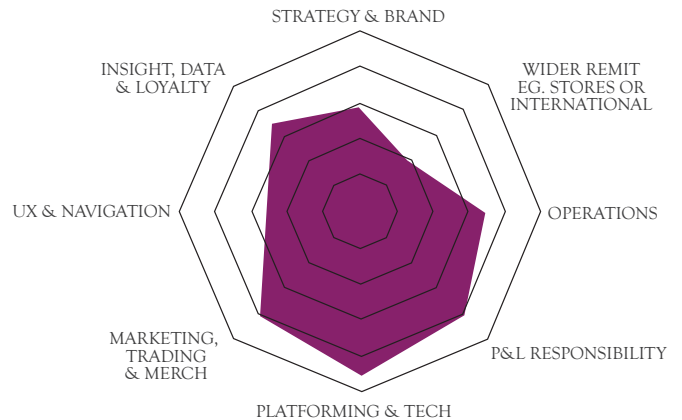
Salary range: £150,000 - £200,000



Skillssets:

A strategic focus matched by commerciality are key skills that Multichannel Directors must master in order to be taken seriously by the various different stakeholders they must seek to influence.

Skillssets:



Background:

Will almost certainly have been either a Trading or Technical-type Ecommerce Director previously, and are likely to have more than a decade of digital experience.

How to retain them:

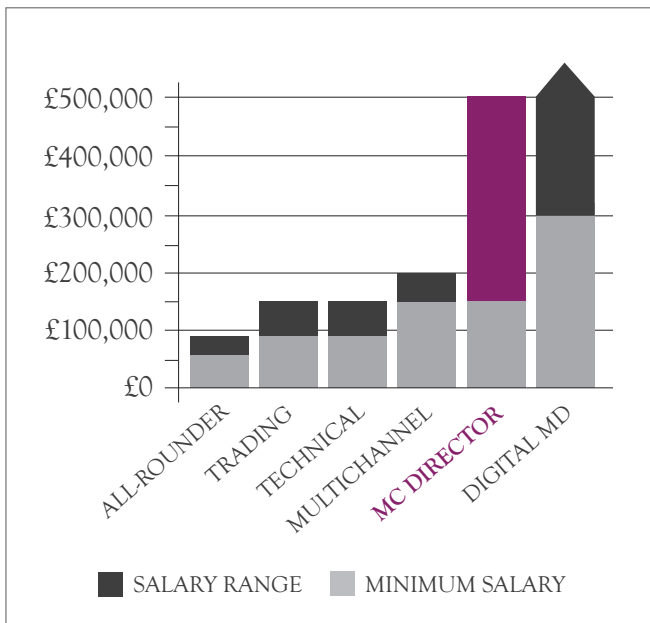
The Multichannel Director Plus-type role is the obvious next step for those who already have substantial experience in an aligned function such as marketing or customer insight. Others will step off the natural ecommerce and multichannel career ladder into a COO role or similar. Occasionally Multichannel Directors are able to make the jump straight to Digital MD positions within smaller businesses.

The Multichannel Director Plus

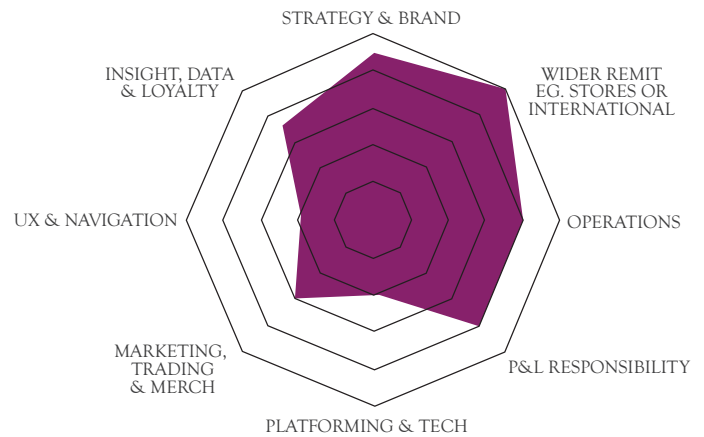
Responsibilities:

We've noticed a trend for Multichannel Directors to be given an aligned function as part of their remit – marketing, customer analytics or loyalty, responsibility for store operations or more broadly “the customer” for example. The emergence of the Multichannel Director Plus role shows how increasingly crucial digital channels are becoming to a retailer's overall success. It often makes sense to have one director responsible for more than one function where there has been a real blurring of responsibilities. For instance, marketing is often aligned with multichannel in businesses where much of the marketing is digital, and where the website and mobile channels are being used to help drive customers into stores.

Salary range: £150,000 - £500,000



Skillssets:



Skillssets:

These candidates are skilled at building relationships with other board-level directors and should be able to effectively communicate the multichannel strategy at the highest levels, as well as ensure it is disseminated and understood throughout the business.

Background:

Typically has previous experience as an Ecommerce Director/Multichannel Director. This role is a step up with additional responsibilities. At this level candidates will normally also have experience of other functions at some point in their career such as marketing, IT or stores. Many will have also done consultancy or a fulfilled a strategy role in the past.

How to retain them:

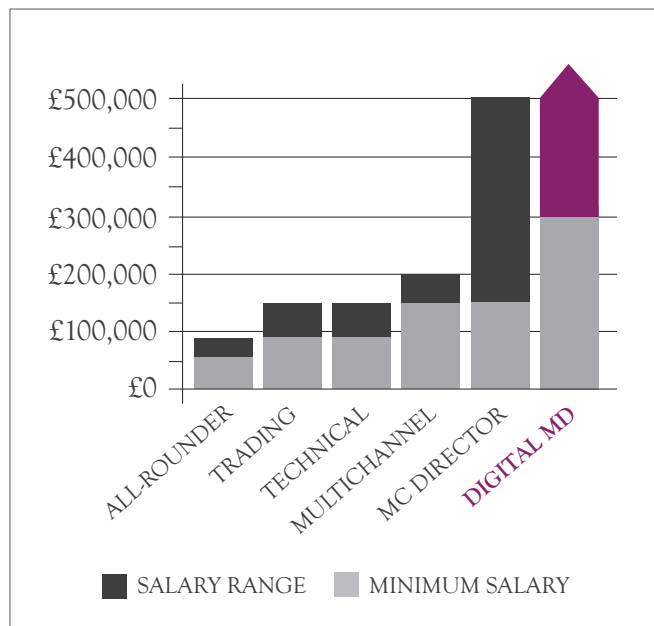
Most executives in Multichannel Director Plus roles have ambitions to step-up to a Digital MD role – either as the CEO or MD of an online-only retailer, or as an executive board-level director within a large listed business.

The Digital MD

Responsibilities:

Likely to be running an online-only business or in a top executive board position with a major retailer, Digital MDs are increasingly important within the retail industry. It's easier to name people who could be said to sit within this category as they are likely to be directors of major listed companies. Laura Wade-Gery, Executive Director Multi-channel Ecommerce firmly sits in this box, as does Amazon's UK chief Chris North.

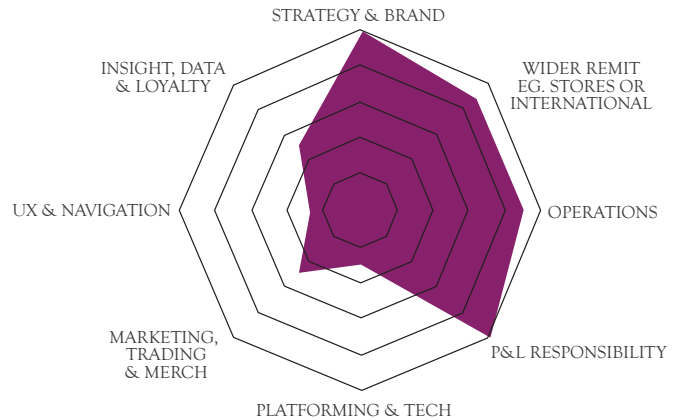
Salary range: £300,000+



Skillsets:

Operating at the highest level, these candidates have a full strategic understanding of the business as well as a competent grasp of the technical issues. Within online-only retailers their willingness to embrace change is useful as these businesses seek to stay one step ahead of their increasingly competitive bricks-and-clicks peers.

Skillsets:



Background:

It is harder to define the typical experience of these executives as it differs greatly from person to person. However, they are likely to have been early into ecommerce, seen the potential and delivered substantial results, making the retail old-guard sit up and take notice. Unafraid to challenge the status quo, such executives are now proactively sought out to help bricks-and-mortar retailers put multichannel retailing and a customer focus at the heart of their business.

How to retain them:

Within the next few years we are likely to witness more Digital MDs being poached to take up CEO positions with multichannel retailers where the focus is on realigning the business for the reality of the digital age. John Walden's appointment as the MD of Argos, and Simon Calver's appointment as the Chief Executive of Mothercare (he was previously CEO of Lovefilm) are indicative of this trend.

As such the high salaries commanded by these rare individuals are often complemented with significant performance-related bonuses and Long Term Incentive Plans (LTIP).



About ORESA

Founded five years ago, ORESA Executive Search specialises in building boards and leadership teams. Working across the consumer sector from luxury to FMCG and beyond, we work with brands, retailers, consumer businesses and suppliers, and have particular expertise in multichannel, customer insight and creative roles.

Our deep market knowledge is matched by a genuine passion for the sectors we serve. We take the time to get 'under the skin' of people and businesses – their challenges, aspirations and cultures – to help them achieve their goals.

We are not simply looking for people to fill a role, but to fulfil the expectations of our clients and candidates beyond what they believe is possible.

Our Products and Services

- Executive Search
- Board & Management
- Non-Executive Directors
- Projects
- Interim
- Talent Streaming

Contact us

For a more in-depth discussion about the topic of this report, or for more details of our research and search capabilities, do not hesitate to get in touch with ORESA's MD Orlando Martins by calling **+44 (0)203 675 1459** or emailing **orlando@oresa.co.uk**

Recent Placements have included:

- Full Board Build – Online Fashion Retailer
- Chairman – Lifestyle Retailer
- Managing Director – Lifestyle Retailer
- Interim Customer Director – European Retailer
- Multichannel Director – Private & Confidential
- Group Supply Chain, Logistics & Change Director – Multichannel Retailer
- Buying & Merchandising Director – Specialist Premium Fashion Retailer

Why Choose ORESA?

- You will be introduced to people who fit seamlessly into your culture and deliver commercial success.
- Your brand is safeguarded within the market at all times, as we act as brand ambassadors.
- We listen, coach and challenge to ensure we deliver results above and beyond your expectations.