

PRESS RELEASE

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Shopping centers as omnichannel hubs: ECE tests product delivery from the center

- **Pilot project for further enhancement of the Digital Mall**
- **Delivery test from Alstertal-Einkaufszentrum with Hermes as logistics partner**

ECE is pushing forward with the digitization of its shopping centers and testing the online order of products with same-day delivery from the stores at one of its shopping centers in Hamburg. In doing so, ECE is taking the next step in the ongoing enhancement of its Digital Mall concept beyond simply displaying the products available in stores. The goal of the recently launched delivery test is to assess the logistical processes involved in shipping orders directly from a shopping center's stores ("ship from store") and to gather basic experience for future omnichannel solutions and the further expansion of the Digital Mall.

"Through this same-day delivery project, we're taking the next step on our way to developing the shopping center of the future," said Alexander Otto, CEO of ECE. "By offering customers the ability to place orders online and then have the products delivered directly from the shopping center, we are responding to their needs for an omnichannel shopping experience and strengthening the brick-and-mortar retail sector through innovative cross-channel solutions."

As part of the pilot project, a defined group of test users has recently been given the ability to purchase products online from the shopping center via the [Alstertal-Einkaufszentrum's Digital Mall](#) and have the orders delivered on the same day. The predefined test group during the pilot stage initially consisted of ECE employees and will now be extended to include employees of sister companies Hermes and OTTO in Hamburg. Expanding the test to include other customer groups at a later date is conceivable.

From the customer's point of view concepts like this that link online and offline channels offer considerable value, as a [study published by IFH](#) in December 2019 on the benefits and acceptance of Connected Commerce concepts in the retail sector shows. According to the study, more than two thirds of those surveyed find such concepts appealing.

Partnership with Hermes Germany for the logistics process

During the pilot project, the logistics process will be implemented and tested in collaboration with Hermes Germany. To handle the delivery processes, Hermes set up a pop-up parcel shop at Alstertal-Einkaufszentrum which, in addition to providing the standard services, also collects, packages, and delivers the Digital Mall orders from the shops at the center. In addition to same-day delivery, Hermes also offers both standard shipping services and the ability to pick up packages from the parcel shop ("Click & Collect"). During the pilot stage, the project participants will be able to quickly and easily gain initial insights into the required logistics processes.

“As a parcel logistics company, we act as the bridge between the online and offline worlds. Delivering the package is the final touch to the customer’s online shopping experience. And that includes being able to receive shipments in a way that fits into their own daily routine,” explained Nicola Perl, Division Manager Customer Experience & E-Commerce at Hermes Germany. “That’s why we’re continually expanding our nationwide network of currently 16,000 parcel shops and participating in the Digital Mall pilot project – in order to even better integrate logistics and retail to the benefit of our customers.”

Delivering orders directly from a shopping center’s stores would make it possible to set new standards when it comes to the delivery times of online orders in the future. Due to ECE’s extensive network of shopping centers in Germany, the company possesses a one-of-a-kind proximity to its customers. Almost 60 percent of the country’s residents live less than 30 minutes away from an ECE shopping center, which means that in the future, deliveries from the Digital Mall could be made not only on the same day via same-day delivery, but even within one hour via “same-hour delivery.” The tests during the pilot stage already demonstrate that with the knowledge of locally available inventory and a center’s own logistics facilities, deliveries can successfully be made within a few hours.

The Digital Mall was designed by ECE as an online product search tool that displays the availability of products from participating retailers at ECE shopping centers online, allowing customers to check whether a desired product is available at the center via the center’s website or app. ECE has continuously improved and expanded the Digital Mall over the past two years, and now over 40 ECE shopping centers offer a Digital Mall. With over 400 connected stores and 2.2 million available products, the range is constantly growing. Participating retailers include Thalia, Görtz, Christ, Jack Wolfskin, Gant, Appellrath-Cüpper, and Saturn.

About ECE

ECE develops major real estate projects such as shopping centers, corporate headquarters, office buildings, industrial buildings, logistics centers, hotels, and urban districts. With approximately 195 shopping centers under management (including approximately 40 shopping centers in international markets and more than 55 specialty shopping centers managed by MEC METRO-ECE Centermanagement) and activities in twelve countries, ECE is the European leader in the shopping center segment. The shopping centers operated by ECE on behalf of their respective owners have a total market value of around 32.3 billion euros. About 4.1 million customers visit ECE’s shopping centers each day, where approx. 20,000 retail partners generate total annual sales of around 22.3 billion euros on a total sales area measuring approximately 7 million square meters. Through investments in digitization, customer service, and the dining and entertainment options offered at the centers, ECE is continuously developing its shopping portfolio together with investors. Founded in 1965 by mail-order pioneer Professor Werner Otto (1909-2011), ECE is still owned by the Otto family and has been managed by Alexander Otto, the founder’s son, since the year 2000. As a family business with a long-term focus, ECE is known for its long-term partnerships, sustainable business practices, an employee-driven approach, and a broad range of social initiatives. For more information, please visit: www.ece.de

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