In 2011, HSE24 achieves again the best fiscal year in its company history

- Sales and profit record: Earnings of the multi-channel retailer increases by 7 per cent to 470 million Euros
- Internet and mobile apps become more and more important as smart shopping distribution channels

The success story of HSE24, the homeshopping expert, continues: In the past year, Home Shopping Europe GmbH, which airs its first foreign language channel also in Italy since June 2011, achieved another record sales and earnings. Net sales increased by 7 per cent to 470 million Euros (2010: 441 million Euros) and even the earnings before taxes increases significantly. Looking back at the past five years, the Munich Company can show for an average annual growth in sales of 10 per cent.

"We have again the best fiscal year since the company was established. In 2011, we have gained significant market shares and we have ambitious growth and expansion plans for 2012. An important engine of this positive development is our consequent multi-channel strategy", says HSE24 CEO Richard Reitzner. E- and M-commerce contribute already today 93 million Euros in sales which is 20 per cent. In addition to the traditional teleshopping, the largest gain is generated by the online shop, which grew disproportionately fast (+11 per cent). "These new technology and platforms are significant pillars in our growth strategy. We will use the resulting sales opportunities effectively and we will increase our share of sales with these supplemental sales channels to 30 per cent in the medium-term", says Reitzner. In addition, the channel diversification shows noticeable successes. For example, the channel HSE24 EXTRA shows an increase in sales by 17 per cent and it therefore contributes already significantly to the overall revenue.

Successful internationalization
In June 2011, the first foreign language channel aired. At its market launch, HSE24 S.p.A. benefited from the technical and structural synergies with the German parent company. This ensured a cost efficient launch into the Italian market. Six months after its start, the channel has gained 70 per cent of the approximate 22 million households and 50,000 satisfied customers. This summer, 100 per cent of the households will receive HSE24 because of the successive transition process to digital terrestrial transmission. The breakeven point is forecast for the fiscal year 2013.

In light of these facts, HSE24 will continue its internationalization strategy in 2012. "Based on our positive experiences in Italy, we can well imagine the model of centralized and decentralized units during the starting phase of a new shopping channel in other countries", explains Reitzner. The company evaluates currently market launch options in South and Eastern Europe.

Multi-channel offensive
During the past year, the homeshopping specialist continued expanding its multi-channel strategy by investing specifically into the expansion of existing and the creation of new sales channels. With now three channels, an e-commerce offer with excellent coverage, mobile shopping applications and an Hybrid TV solution, the multi-channel retailer has continued to expand its distribution channels. Since May 2011, interactive TV is possible: For the first time, customers can shop during the live program directly using their remote control. Since the end of 2011 the HSE24 iPad application is available and as a result the access through mobile consumer devices have with more than 500,000 visits nearly quadrupled compared to the previous year. Nevertheless, the television will remain the most important medium. However, the new mobile distribution channels open up additional opportunities. Richard Reitzner explains: "Our multi-channel offensive creates new distribution channels, the utilization of which becomes more and more a part of the customers’ lives. With the consequent adaptation of new e- and m-commerce shopping offers and their tighter ling to our key business on TV, we will take a clear pioneer position in smart shopping".

Customer-oriented service and winning assortment policy
More than 2,500 internal and external staff members, 620 employees and more than 1,900 persons at logistics and call centre service providers contribute to the company success and to a customer service that has received multiple awards. The resulting customer satisfaction is reflected by the various awards. In 2011, the homeshopping specialist was rated "excellent" for the second time in a row by certification of TÜV Saarland. Over 8 million people have purchased from HSE24 this equates to more than 10 per cent of German consumers over the age of 18. In 2011, approximately 1.4 million customers purchased at least once at HSE24. During the past year, more than 10 million packages with nearly 20 million individual products were shipped. This is an average of 33,000 packages daily.

Specifically, the varied selection featuring always new products convince the customers. The target group is largely female. It requests especially products from the segments fashion (33 per cent) and jewellery (23 per cent). Additional segments are beauty & wellness (21 per cent), home & living / household (15 per cent) and home / garden / hobby / home electronics (8 per cent) (floor sales).