

CASE STUDY

A LEADING HIGH STREET LIFESTYLE RETAILER LAUNCHES ON EBAY UK AND GENERATES 18:1 RETURN

THE CHALLENGE:

A leading lifestyle retailer who generates more than 1/3rd of its business via wholesale required a strategy to launch on ebay UK via a managed service.

There were a large number of key wholesale accounts already selling their products with a combined annual turnover of £1.7m with many offering significant discounts off new-season ranges

The brand required a strategy that delivered incremental revenues, margin, new customers and better presented their brand, but also balanced the potential impact on their wholesale market.

THE SOLUTION:

Rich Insight conducted a competitor and feasibility analysis, identified where the lifestyle brand had key products that encapsulated its brand essence which would sell easily on marketplaces alongside an 'outlet' offering with strategically manufactured units (SMU's) and clearance product.

Rich Insight also provided a longer-term plan for international expansion where British fashion brands were able to capitalise on their desirability and perception of quality.

RESULTS ACHIEVED:

- 70% of original stockist sales migrated into the brand's own channel within the first 12 months
- Stockists shifted their focus to clearance lines and lower discounts on new-season lines
- Overall branded sales (brand + stockists) in the channel increased 3-fold over a 24 month period
- Large percentage of sales came from customers new to the brand, many of whom either placed repeat orders through the marketplace or on the brands own website
- Through the use of tactical 'deals' and price adjustments, sell-through on clearance product was improved vs. more traditional methods.



ROI:
18:1

NEW
REVENUE
GENERATED:
£1.2m annual
revenues

PERCENTAGE
NEW
CUSTOMERS:
70%

MARKETS
LAUNCHED:
UK

MARKETPLACE
LAUNCHED
INTO:
ebay

NO. SKUS
OPTIMISED:
c.900