ZOOVY
Success Driven eCommerce Technology

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» ZOOVY CUSTOMER CASE STUDY - 2012.02.03

Zoovy Utilized Services

- ▸ Syndication
- ▸ Multi-stores
- ▸ Order Manager
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- ▸ CRM
- ▸ Newsletter
- ▸ Marketing Services
- ▸ Graphic Design

"*Zoovy has empowered us with very effective techniques for improving our position on marketplaces. We have a better understanding of what is important to marketplace rankings and can make adjustments as we go to maintain a strong position.*"

~ Dave Maddoch, Director of Web Development, Toynk

About Zoovy

After more than 10 years in this industry, Zoovy understands that all customers' needs are unique. With more than 750 merchant accounts and 5,000 stores using its platform, Zoovy has built a loyal following of customers that rely on its single platform solution to keep their business thriving. The company's customer base is comprised of mid-size retailers with annual revenue between $1 and $20 million. Zoovy's Web-based Software-as-a-Service (SaaS) platform offers cross-channel integration, cutting-edge features and a unique approach to problem solving — all at a fraction of the cost of alternative solutions.

Toynk's Marketplace Optimization™ Success

/// Sales up 359% Halloween 2011

The Client

Toynk Toys was founded in 2001 as a home-based business selling non-mass market toys and costumes on eBay. As their business expanded, the company launched their own online Web site. Today, Toynk has about 40 full-time employees year-round with a large increase in staff during the fourth quarter. The company now occupies a 33,000 square foot warehouse with offices, a brick and mortar retail store and product inventory. Toynk has grown into one of the top independent retailers for collectible toys and costumes in the country.

The Challenge
Closing the Sale on Marketplaces

An ever-increasing number of consumers are flocking to marketplaces to make purchases due to factors such as trust, reliability, user feedback and seller rankings. To take advantage of this trend, sellers must not only have a strong presence on marketplaces but also find ways to effectively compete with other sellers who sell similar products. On marketplaces like Amazon, landing the coveted "buy box" can make all the difference in a retailer's success, as sales are typically much higher for a product in the box versus a product that isn't. In fact, merchants have seen six times the amount sales when winning the buy box. As Toynk expanded their online presence to marketplaces, they quickly realized that the key to marketplace success is to figure out how to get their products to rank higher than their competition – so they began to employ certain strategies to increase their odds of landing the buy box and thus win the sale.

The Zoovy Solution

Marketplace Optimization™

To maximize their position on a number of marketplaces, Toynk implemented several key tenets from a strategy called "marketplace optimization." Coined by Zoovy, Marketplace Optimization™ is a methodology for studying and adjusting data to best match the ranking algorithms used by marketplaces to select preferred vendors. By using Marketplace Optimization™ techniques to identify and improve signal performance, Toynk received preference in the buy box, resulting in increased exposure and higher sales. Toynk focused on the following:

Increasing Inventory Availability Across Multiple Marketplaces

One of the signals marketplaces use for determining which seller to display for a particular product is the amount of inventory available for purchase. In previous years, Toynk carried a limited amount of inventory across a few marketplaces. For the 2011 Halloween season, they altered their approach to carry more inventory (about 25,000 SKUs) and a larger variety of items across numerous marketplaces including Amazon, eBay, Buy.com, Sears and Newegg. Zoovy's seamless marketplace integration allowed Toynk to add marketplaces with real-time inventory tracking to eliminate errors and overselling. By spreading their increased inventory across multiple marketplaces, Toynk was one of the last retailers with available inventory during the busy Halloween costume season, thus increasing their time in the buy box.

Positive Customer Feedback & Dynamic Repricing

Two key Marketplace Optimization™ components, customer feedback and dynamic repricing, played critical roles for Toynk. It's vital for a seller to receive positive feedback from its customers. Toynk closely monitors their feedback so that any potential negative issues can be rectified immediately. They also used a new feature from Zoovy that automatically sends out e-mails requesting feedback seven days after the order has shipped.

Repricing is also an important differentiating feature that leads to increased time in the buy box, since price is frequently the largest competitive advantage sellers have. Repricing involves keeping tabs on what other sellers are offering for the same item and either matching or beating the sale price, the shipping costs, or both. During Toynk's successful 2011 Halloween season, the company performed repricing of up to 1,000 items a day, depending upon the rate each item was selling.

Results

By implementing several Marketplace Optimization™ components, Toynk experienced their best year ever in 2011. Comparing October of 2010 to October of 2011, Toynk:

- $ Increased their number of orders by 391%
- $ Increased their sales by 359%