

Case Study – Phase 2

ArgoMetrix helps a **brick and mortar retailer to re-invent their revenue model** and become one of the **top sellers** on Amazon Marketplace.

CATEGORY

Skiing & Outdoors - Brick & Mortar Retail

CHALLENGES

Lack of systems or the capability to handle pick/pack/ship operations or customer service. **Identifying the items** that can be profitably and competitively sold on Amazon was a near impossibility.

ACTIONS

Developed the strategy to start a scalable e-commerce operation without having to handle fulfillment or customer service. Our strategy avoided new systems and focused on the integration of essential data.

RESULTS

Full implementation of the e-commerce strategy integrated into the Company's existing operation. Identified the high yield items, which generated sales of over 2,200+ units within three months of launch.



641 Lexington Avenue
Suite 1333
New York, NY 1022



844.396.6300



info@argometrix.com
www.argometrix.com

Challenges

While our analysis of the Company's historical sales data proved to be valuable in identifying what were the winning items to sell on Amazon, Alpin Haus had another challenge, as their business was seasonal, and major brands released new skiing and sports clothing products every season. In addition, some brands had restrictions on selling their items on Amazon Marketplace. This had an impact on the number of items Alpin Haus could sell on Amazon Marketplace. This would impact the sales volume the Company expected to generate.

The next factor to consider was the timing of the launch. The category of products Alpin Haus carried attracted many buyers during the shopping season. Such high activity shortly after starting an Amazon business would present challenges as it would not leave much time to deal with the learning curve. In addition, new sellers aren't usually allowed to capture the Amazon Buy Box until the new seller establishes itself with seller ratings acceptable to Amazon's requirements over a period of no less than six (6) to eight (8) weeks. The "Winning the Amazon Buy Box" concept

had to be learned thoroughly as it required interpretation of the data on the Product Detail Page of every item sold on Amazon Marketplace.

Having limited storage was one of the determining factors that defined the overall strategy to start an Amazon business and use their fulfillment services (Amazon FBA). Nonetheless Alpin Haus still needed space to process their shipments to prepare them for FBA. Amazon refers to such process as FBA Prep and it includes affixing stickers with identifying data on individual items and packing them in materials based on the item type and its category. In addition, the space allocated by the company to run the Amazon operations needed optimum configuration to manage the FBA Shipments.

Finally, another important factor that had to be resolved was the capability to process Amazon Settlement Reports. These are issued bi-weekly with every Amazon deposit for the selling activity during the two week-settlement period. This report included not only the SKU sales but also the Amazon commissions, FBA fees, refunds and any other fees that would be deducted from the Company's payment.

Case Study – Phase 2

Actions

The first order of business was to select the timing of the launch due to the upcoming shopping season. This was essential to ensure that the Company had enough time to adjust their internal operations, specifically with inventory shipments. We selected the launch to take place in late September or no later than early October. We also arranged with the category manager at Amazon to enable the company to be Buy Box eligible immediately after launch, thus eliminating the need for the eight-week qualifying period ordinarily applied to new Amazon Sellers.

We applied our analytical processes to reverse match the high demand Amazon listings to the Company's catalog items that were available in the current season and were not subject to any restrictions by any of the major brands they worked with.

We then took on the optimization of the layout of the space allocated by the Company for Amazon FBA Operations. We created an optimum configuration allowing the appropriate flow for incoming inventory, FBA Prepping and outgoing shipments.

Finally, we used our proprietary reporting system to process the raw settlement report data with every Amazon Settlement Report. Our system rendered a concise summary of the settlement with an output which listed the total qty sold and refunded per SKU, with a selling price and a complete breakdown of the fees paid to Amazon for their services with Alpin Haus own general ledger codes for posting to the accounting system.

We provided close oversight as Alpin Haus rapidly ramped up its revenues during the shopping season and beyond.

Within three (3) months from launch, revenues of over \$100,000 with more than 2,200 units sold. In addition, the new e-commerce operation was integrated into the Company's existing operations and accounting.

Results

Our actions ultimately resulted in:

- Full implementation of the Ecommerce strategy integrated into Alpin Haus processes and strategy
- Revenues of over \$100,000 and 2,200+ pieces sold within the first three (3) months of the operation
- Integration of the new Ecommerce Channel into the company's Operations and Accounting

Get your free evaluation
www.argometrix.com/evaluation