

## Blue Bay Electronics

## Stays Ahead of the Pack on Razor-Thin Margins

### Company Overview

With consumers spending more and more of their disposable income on technology, Blue Bay Electronics decided a few years ago to cash in on the frenzy. But despite consumer electronics sales reaching record levels, slim margins remain a serious challenge for retailers. Blue Bay Electronics is one of the few online consumer electronics retailers that has managed to strike a fine balance -- offering the latest technical refinements at the most attractive prices and staying a step ahead of the game. Selling new, used and reconditioned electronics such as Apple iPod, iPod Video, Ipod Nano, Ipod Mini, Microsoft Xbox 360, Sony PSP, and Playstation 2, it also stocks products from major brands such as Motorola, HP, Dell and more.



**URL:** [www.bluebayelectronics.com](http://www.bluebayelectronics.com)

**Industry:** New, used and reconditioned electronics

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- Daren Thompson  
President, Blue Bay Electronics

### ChannelAdvisor Solutions:

**Product:** Premium Marketplaces, Stores

ChannelAdvisor combines on-demand software, integrated technology and best practices to help retailers manage the complexities of selling across multiple e-commerce channels – more efficiently and more profitably – all through a single interface.

A powerful part of the ChannelAdvisor Complete platform, Premium Marketplaces helps retailers sell more and spend less on sites like Amazon, Buy.com, eBay, Pixmania and Trading Post. By allowing online retailers to focus on growing their business, Premium Marketplaces automates the tedious tasks of e-commerce from product distribution to post-sale. Get more products in the right places and reach over 140 million buyers with ease.

Stores make it easy for single channel retailers to up sell products from eBay stores to their own websites and cross promote products over multiple marketplaces by merging across-the-board efficiencies with the ability to extend their brand to a broader audience. Best of all, it's free to Premium Marketplaces customers.

# Situation

Blue Bay Electronics' debut on eBay just a few short years ago was astounding. With its large quantities and attractive prices, it was poised and ready to capitalise on the double-digit rise in consumer electronics sales. Daren Thompson, President of Blue Bay Electronics, figured out early that to grasp this constantly evolving medium, he needed the advice of an experienced e-commerce solution provider.

The challenge for Blue Bay Electronics was finding the right solution. In fact, the company went through three different software solutions before learning that none of them could handle Blue Bay Electronics' sheer volume or manage multiple online presences. Nor could they cure regular glitches in the data feed pipeline.

"We needed a solution that was dependable and available 24/7 with no bottlenecks," said Thompson. "We were looking for more than technology, we needed a business partner that could show us the ins and outs of online retailing and help us take our brand to a wider audience beyond eBay. We saw ChannelAdvisor as a pioneer in the industry."

# Solution

Using ChannelAdvisor's Premium Marketplaces solution, Blue Bay Electronics was able to take advantage of the software's reliability and multi-channel capabilities to manage their mushrooming growth. Premium Marketplaces's management console allowed Thompson to consolidate inventory management, order fulfilment and back office integration all on one platform. Suddenly, just like many of ChannelAdvisor's larger customers, Blue Bay was able to handle hundreds of transactions within seconds with virtually no downtime.

ChannelAdvisor's Strategy and Support Center provided Thompson's team with answers to business questions and 365/24/7 access to a searchable knowledge base of "how-to" video clips and tutorials. Classroom-based ChannelAdvisor Academy classes and live and recorded webinars enabled them to stay informed of the latest industry tips and strategies and develop tactics to turn priceminded, one-time customers into brand loyalists.

According to Thompson, ChannelAdvisor's major impact was the ease with which Blue Bay was able to expand to the Overstock.com marketplace. Their deep inventory and aggressive pricing made Blue Bay's products prime candidates for showcasing on Overstock.com. Soon, the company was able to cash in on higher conversion rates, reduced listing fees, increased fraud protection and guaranteed profits.

"Because Overstock.com had a solid track record of understanding its target market and vigorously promoting its products, we were anxious to sell our products on the site," said Thompson. "ChannelAdvisor's role as a co-developer of Overstock APIs gave us the confidence that their dedicated account management team could prepare us to succeed in this highly competitive marketplace."

# Results

In less than four months, from July – October, 2007, Blue Bay Electronics was able to capture over \$500,000 in Overstock.com sales. Despite traditionally flat consumer electronic sales during this period, the company's new revenue stream helped them show sustained, incremental growth. Thompson was pleased and looks forward to a windfall of new Christmas sales.

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FOR MORE INFORMATION

0203 014 2700

| [www.channeladvisor.co.uk](http://www.channeladvisor.co.uk)

| [ukteam@channeladvisor.com](mailto:ukteam@channeladvisor.com)



Kean House, 6 Kean Street  
London WC2B 4AS

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**ABOUT CHANNELADVISOR** ChannelAdvisor helps the world sell online with applications that enable retailers to efficiently distribute their products across multiple online channels, drive shoppers to those products and then convert those shoppers into customers. The ChannelAdvisor platform empowers retailers to distribute their products across multiple online marketplaces, comparison shopping sites and search engines. With application features such as keyword generation, to in-depth reporting, to our merchandising engine, retailers gain the tools they need to easily fine tune and analyse their marketing efforts to drive more shoppers to their products. Rich media offerings and storefront applications enable retailers to provide an engaging online shopping experience that represents their brand and is optimised to convert shoppers into customers. In 2008, ChannelAdvisor managed over \$2.6 billion in gross merchandise value (GMV) on behalf of leading retailers around the world including Vodafone, Brother, HP, B&Q, and Schuh. [www.channeladvisor.co.uk](http://www.channeladvisor.co.uk)