

3rd Power Outlet

Revamps ChannelAdvisor Store to Exponentially *Grow* Profits

3rd Power Outlet Company Overview

John Lawson left his job as a telecommunications consultant and founded 3rd Power Outlet in 2002. When a joint venture with another business went sour, Lawson looked to eBay profits to help pay off a large mortgage. Five years later, his online urban outfitter business is now a Platinum PowerSeller. Shipping over 100 packages a day and generating over 2,000 feedbacks a month, Lawson is an eBay Certified Education Specialist and he and his partner have left corporate America behind for good. Selling high quality hip hop gear at everyday low prices, 3rd Power Outlet offers an extensive collection of fashionable hip hop jewelry, beanie hats, an assortment of hip hop clothes, a selection of bandanas and CZ jewelry – just a few of his top sellers.

ChannelAdvisor Complete Solutions:

Products: MarketplaceAdvisor™ Premium, ChannelAdvisor Stores

ChannelAdvisor Complete® 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 solution, MarketplaceAdvisor Premium enables retailers to automate the labor intensive tasks of e-commerce from inventory management, to ad creation, to order fulfillment, so they can operate more strategically, sell more products and become more profitable across all channels, including eBay, Amazon.com and Overstock.com.

ChannelAdvisor 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 MarketplaceAdvisor Premium customers.



3rd Power Outlet

Location: Stone Mountain, GA

URL: www.3rdpoweroutlet.com

Industry: Urban wear and accessories

“Our business has grown tremendously year over year with ChannelAdvisor playing a large part in our success. The proper support to help grow our business, together with the right solution, really made all the difference.”

- John Lawson
President, 3rd Power Outlet

Situation

After becoming disenchanted with two other competitor's products, 3rd Power Outlet launched MarketplaceAdvisor Premium in 2005. Their eBay business saw immediate benefits and continues to grow year over year. But it wasn't until October 2007 -- just in time for the holidays -- that Lawson got serious about designing 3rd Power Outlet's ChannelAdvisor Store, a free product to MarketplaceAdvisor Premium customers.

"That's when, as ChannelAdvisor CEO Scot Wingo likes to say, we decided to 'take off the training wheels'," Lawson explained. First, he posted to an online merchant publication's forum to get some suggestions on improving his Store's design. Then Lawson set out to modify his Store by implementing the feedback, some good and some bad; but all of it well-received.

Solution

Many of the comments that Lawson collected about 3rd Power Outlet's Store actually complimented the old design. To him, this meant he didn't need to start from scratch, but could continue to build on a good foundation and make it better. Initially, he laid out two directives: Keep his current logo and branding colors; and, depart substantially from his previous design template.

The flexibility of the ChannelAdvisor Store allowed Lawson to make changes that improved search engine optimization (SEO) results and increased conversion rates from traffic generated with Google Adwords by more than 25 percent. Lawson can easily modify the home page and the header for promotions or holidays without having to do a lot of reformatting. The changes have infused a strong brand message on every page.

Not only have the new enhancements helped buyers quickly see and buy what they are looking for, but according to Lawson, they've made tracking ad performance less time-consuming. And the overall look and feel of a professionally designed Store has helped command higher prices and more buyers, helping him keep pace with the competition. "One thing is for sure, if you're not constantly moving forward, you are dying," said Lawson. "There is no such thing as floating in online retail, you have to be constantly changing and improving. I do not advocate chasing every new fad, but retailers do need to tweak their online presence at least twice a year to stay current."

Results

Sales increased by 30 percent even before any "new Store" emails were sent or any additional marketing. Prior to 3rd Power Outlet's Store redesign, Lawson said he saw only a handful of multiple item orders. Now, multiple item orders have climbed, increasing by more than four times. 3rd Power Outlet is now capturing customer information as well. This valuable information will be useful for growing their repeat buyer base. Additionally, Lawson's Store revenue per sale is five times higher than his average eBay sale.

"My guess is that customers who are browsing sites are less likely to buy from a 'mom-and-pop'-looking Web store, even if they see an item of interest," said Lawson. "The ChannelAdvisor Store allowed me to design a site that I am extremely proud of. It does not look like a cookie-cutter Web page that you can buy online, it's a professionally designed customer store unique to 3rd Power Outlet... mission accomplished."

FOR MORE INFORMATION

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ABOUT CHANNELADVISOR ChannelAdvisor Corporation provides technology and services that enable leading online retailers to maximize their profits across multiple e-commerce marketplaces such as eBay, Amazon.com and Overstock.com, comparison shopping engines such as Shopping.com, Shopzilla, Nextag and Google Product Search and search engines such as Google, Yahoo! and MSN. In 2006, ChannelAdvisor managed over \$1.6 billion in gross merchandise value (GMV) on behalf of its customers. ChannelAdvisor solutions combine best practices, on-demand software and integration technology to help retailers sell more products, faster, by automating labor-intensive, manual functions so they spend less time optimizing campaigns and more time solving marketing and business issues. ChannelAdvisor's customers include Nokia, GSI Commerce, Sears and Motorola. ChannelAdvisor Corporation is headquartered in Research Triangle Park, NC with offices in Seattle, the United Kingdom and Germany. For more information, visit www.channeladvisor.com.