

ShipEarly Whitepaper

Building the Case for Retail Integrated eCommerce



shipearly

www.shipearly.com

Introduction

eCommerce is one of the fastest growing sales channels. Yet many manufacturers are locked out of participating in the eCommerce channel as they are concerned about upsetting their existing dealer network. Often as soon as brands begin offering eCommerce their dealers who once thought of your company as a partner now consider you a competitor, and with so many brand options available, including private labeling, many dealers are seeking alternative solutions to replace your brand in store. Simply by introducing eCommerce your dealers may consider looking elsewhere and drop your product. Yet, every day 15,000 new companies are started and there is a good chance once a month a potential competitor that can disrupt your business is born. More than likely to fund their operations this new company is prying your customers away by utilizing eCommerce to collect sales.

eCommerce is Growing, Are You Part of it?

It is a confusing time for brands as eCommerce is growing at an alarming rate, yet no tool exists to harness eCommerce and strengthen dealer relationships. In 2014, online retail sales in the US alone will be nearly \$304 Billion, up from \$195 Billion in 2009. Manufacturers cannot continue to ignore this channel or else they risk losing sales and customers. Not to mention, by allowing transactions to occur online on a brands website it assists raise search engine rankings on platforms such as Google and Yahoo where more customers will find your products. Currently 80% of customers do their research online before buying, the vast majority of those do their research on a manufacturers web page. Your company has invested a significant amount of time and money developing content, video, blogs, a social media presence, and has the most accurate information about your products. Yet dealers want you to send customers elsewhere to transact, such as to a physical or online

store, where a customer can easily buy a competitors product. Sales is a transfer of emotion and your website evokes emotion with customers to the point where they are ready to buy. After doing all the hard work of winning a prospective

customer over many brands then send a customer to store where they may be greeted by a sales associate on a sales incentive plan or SPIFF that is compensated more to sell a customer your competitors product. Your customer who once knew what they wanted and narrowed their search down to your product now has their options expanded again and may result in no sale or even worse, a sale to your competitor.

Online retail sales in US will be \$304 billion in 2014.

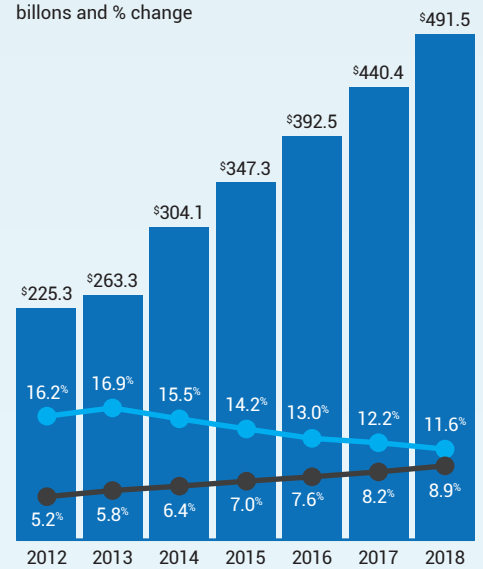
15,000 Businesses Startup Every Day

62%

Of consumers say they shop online once per month

US Retail eCommerce Sales, 2012-2018

billions and % change



■ Retail eCommerce Sales
■ % Change
■ % of Total Retail Sales

Source: eMarketer

80%

of customers perform research online before buying.

Source: Forrester Research

ShipEarly eCommerce Solution

With ShipEarly.com's patented retail integrated eCommerce manufacturers can now offer eCommerce on their website and strengthen dealer relationships. ShipEarly plugs into any eCommerce platform with minimal effort and allows online customers to transact on your website without losing a sale. At checkout customers can select their dealer of choice from your network for ship-from-store or in-store pickup where customers get the added benefit of completely eliminating their shipping costs. Often during the eCommerce process customers evaluate whether to buy online or in-store. ShipEarly makes your customers decision making easy with no training required to your online customers. ShipEarly simply adds more convenient shipping methods at checkout making for a seamless process that includes your dealers to help them turnover more inventory. By introducing ShipEarly's retail integrated eCommerce platform, you are actually growing the revenue pie with your dealer network as you will be able to obtain more customers in new channels and offer customers more convenient options to buy from your company. In addition, by helping dealers sell through your product your company is creating a more loyal B2B customer base and your product's merchandising spot in-store is more secure. This means your product maintains it's merchandising position where it can continue to be found in store to be experienced by new customers you never would have reached on your own.

Customers are Seeking Better Experiences online and in-store, are you Prepared?

Customers are becoming more demanding of the companies they want to interact with and that means more convenient options for them to buy beyond what is available in today's eCommerce platforms. Buying in the comfort of their own home and at anytime of day is obviously a benefit to eCommerce. Once you have your eCommerce platform chosen, other added benefits that ShipEarly allows your company to promote to obtain a competitive advantage include the top online eCommerce drivers such as Free Shipping, 1-Day Shipping, and Free Returns & Exchanges that by using ShipEarly you can now offer to your customers at no cost to your company be leveraging your dealer network. In fact, a recent poll by over 1,000 customers in the US by Walker Sands indicates Free Shipping by 80% of respondents to be the number one driver to press the buy button. Brands have invested millions of dollars building robust brand sites and on digital marketing campaigns – all in the interest of engaging loyal buyers. However many brands are not prepared to deal with the issues of online order fulfillment and shipping.

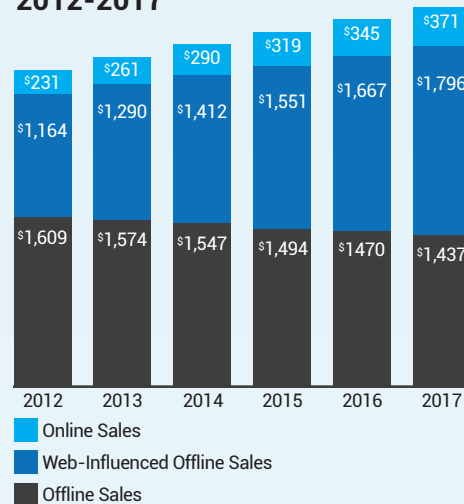
52%

of all US retail sales will either be influenced by, or occur online.

67%

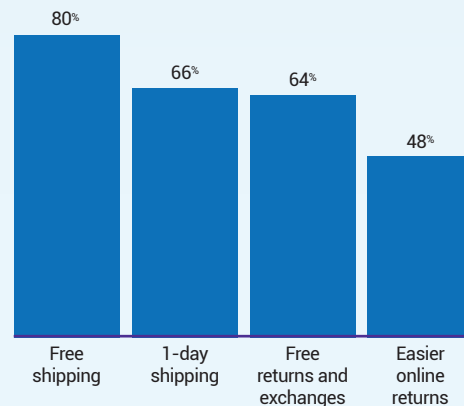
of online shoppers made multi-channel purchases in the past six months.

US Cross-Channel Retail Sales, 2012-2017



Source: Forrester Research Web-influenced Retail Sales Forecast, 2012-2017

Top eCommerce Drivers for 2014



Source: Walker Sands' 2014 Future of Retail Study

Leverage Your Dealer Network to Solve the Fulfillment and Shipping Online Orders Problem

With ShipEarly, we enhance your dealer network to become an even stronger asset to your company by turning dealers into fulfillment partners. Your dealers can get incremental online sales they otherwise would not have been able to obtain by handling the fulfillment and shipping for you – Problem Solved! To avoid conflict with your dealers and increase convenience with customers, at checkout customers select the store of their choice to fulfill the order with ship-from-store or in-

In addition, your customers can get FREE shipping at no cost to you

store pickup. Customers can select the most convenient location or the retailer they trust. With access to real-time inventory customers can rest assured that when they arrive in store that their product will be set aside and become non-saleable to customers who are currently in-store. Unlike Amazon who

has distribution centers all over the World, at ShipEarly we firmly believe products are meant to be in stores, not in warehouses! By having your product merchandised in more stores, customers may stumble upon or experience your product with your dealers and make incremental purchases your online eCommerce site wouldn't have made. In addition, your customers can get FREE shipping at no cost to you. ShipEarly capitalizes on this trend by steering online retail sales away from Amazon and back to specialty retail where they belong without the hassle of fulfillment and shipping.

What Customers Want

It's not just brands and retailers that want these solutions. According to Forrester research 71% of customers rate viewing in-store inventory of your dealers products as important. 74% of customers indicate that they would like to buy online and pick up in store and finally 94% of customers would like to have a clear indication of when items will arrive. With ShipEarly's built in Shipment Tracker that works with over 137 couriers around the world with real-time tracking this is all possible.

Conclusion

eCommerce is growing quickly and it is providing your customers new options at checkout to save time and money. eCommerce can no longer be ignored, but by offering eCommerce many brands may offend their dealer network. With ShipEarly.com brands can offer eCommerce and strengthen dealer relationships by helping them sell through more product to keep your place in-store secure.

SPIFFS Increase customer options At checkout

Importance of Services When Shopping Online According to Multichannel Buyers in Select Countries*, December 2013

% of respondents

	Important	Neutral	Not Important
Have a clear indication when items will arrive	83%	11%	4%
View the in-store inventory of products	71%	16%	11%
Buy online and have order shipped to a store for pickup	54%	22%	22%
Buy online and pick up in store	50%	24%	23%

Source: Forrester Consulting, "Customer Desires vs. Retailer Capabilities; Minding The Omni-Channel Commerce Gap", Jan 20, 2014

56%

of retailers support a vision for a consistent cross-channel experience yet only

23%

Believe they have the ability to provide that experience

Source: Forrester Research



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ShipEarly is the world's most innovative provider of cloud-based, eCommerce Order Management.

Powered by our patented platform, ShipEarly allows manufacturers to break free and offer eCommerce as a sales channel without upsetting current or prospective dealers. ShipEarly makes it easy and affordable to deploy advanced capabilities like in-store pickup, ship-from-store, inventory lookup, and more from your eCommerce initiatives. Grow your sales, strengthen dealer relationships, and make your customers happier with **ShipEarly.com**

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