

# the buySAFE Impact Test

## UNLIMITED CELLULAR

### overview



As the company name suggests, Unlimited Cellular focuses on cellular phones and related equipment. Originally, Unlimited Cellular sold only cell phones, but today—in addition to phones from Verizon, Cingular, and Sprint/Nextel—the company also offers a wide range of accessories, including Bluetooth car kits, mounting devices, headsets, batteries, and carrying cases. If it's related to cell phones, Unlimited Cellular's got it. And if it hasn't even been released yet, you can be sure that they will have it when it is.

### the challenges

Unlimited Cellular was looking for a way to increase customer satisfaction and decrease the kind of customer anxiety about a transaction that can lead to a credit card chargeback. In addition, the company was looking for a way to improve their bottom line. The challenges: to convince customers that they could buy with complete confidence and to enhance profits.

### the solution

When they learned about buySAFE, Unlimited Cellular's principals decided to put bonding to the test, so they signed up for buySAFE's Impact Test. The results convinced them. Unlimited Cellular became a Bonded Seller on April 22nd of 2005. Following buySAFE's Bonded Seller Best Practices, Unlimited Cellular now:

- uses text and the Bonded Seller Badge on their About Me page to highlight their Bonded Seller status and make sure shoppers know that they are the place to buy "everything cellular" online
- includes text and imagery in item listings to make it clear that buying from a Bonded Seller is the safest way to shop
- uses buySAFE as a keyword in item titles when space allows

**A**s Unlimited Cellular's eBay business grew, so did its leadership's desire to make customers feel secure buying online. While buySAFE's bonding solution seemed like a great way to increase buyer confidence, they wanted solid proof that it would be worth the investment.

Initially, Unlimited Cellular's owners didn't see a place for their wholesale business in ecommerce. "When we got stuck with some items that we couldn't sell, we changed our minds," an owner recalls. In January of 2001, they found themselves looking for a way to move their overstock regardless of what the price was, so they put a few items up on eBay. They sold more items and at higher dollar amounts than they expected. That was the beginning of their presence on eBay.

Unlimited Cellular expanded as their eBay business continued to grow. They started marketing accessories as well as cell phones, and have continued to expand from there. Currently, about a thousand orders a day ship from Unlimited Cellular's ten-thousand-square-foot warehouse.

### delivering customer satisfaction

Unlimited Cellular was eager to find a way to make customers happy and secure—and to reduce the number of chargebacks.

"Customer service is our number one priority," a principal says. "We try in every possible way to make the customer happy." In addition to their fully trained customer service staff, they are continually looking for ways to make the customer feel good about the transaction—and to avoid the dreaded chargeback. (A chargeback is the reversal of a sale. It can be initiated by a customer who "bails out" of a transaction because of a feeling of insecurity.)

### improving the bottom line

Unlimited Cellular's principals were skeptical about buySAFE at first. "Our research into what the return would be didn't yield much in the way of hard data," one of them recalls. "Other sellers said that it was good, but they didn't know what numbers had increased." The linkage seemed right, and one percent seemed a reasonable price—if the results were there.

### why buySAFE?

Unlimited Cellular's principals met the buySAFE team at the 2005 PeSA convention in Atlanta. Although bonding seemed like a way to deliver customer satisfaction and improve the bottom line, they were not certain that it would give them the results they

sought. They debated trying buySAFE, and a few months later they decided to put buySAFE on trial for six months. Toward the end of that time, they ran the buySAFE Impact Test.

The buySAFE Impact Test is an automated test designed to quantitatively demonstrate the impact that bonding with buySAFE has on a business. It typically lasts 30 days. The test uses the A/B methodology in which the business allows buySAFE to randomly bond approximately half of the company's items for sale while leaving the other half unbonded. After a statistically valid sample of transactions is reached for both the bonded and unbonded groups, buySAFE shares with the seller a series of quantitative analyses that compares the two groups on key business metrics.

Unlimited Cellular recognized that this was the opportunity to get the hard data they were seeking.

### the results

Before the Impact Test, Unlimited Cellular had had a difficult time seeing the results of various marketing strategies. "When you run the number of auctions that we run, it's very hard to do direct comparisons, even if you have the software to do it. We were looking for solid information that would prove buySAFE was worth it. buySAFE's Impact Test proved it to us. We ran the test, and we saw that the figures jumped right away."

In addition, "We actually saw a decrease in chargebacks because of buySAFE," exults one of Unlimited Cellular's owners.

### buySAFE Impact Results for Unlimited Cellular

**5.99%**

Net profit increase

**6.4%**

Sell-through rate increase

**4.5%**

Net revenue increase

**294%**

Gross Profit ROI on buySAFE Fees