



asknet | case study

asknet Preps mba.com for Global Commerce

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1 Introduction

Leading brands are no longer asking if - or when - they should globalize. Instead they are exploring how best to seize the opportunity. Increasingly, a key part of the answer lies within the digital realm. The radiant growth of eCommerce in established and emerging global markets is capturing the attention of companies whose commitment to eCommerce to date has been predominantly US-centric. Global sales opportunities are compelling brands to expand the scope of their digital strategies and embrace cross-border eCommerce. In turn, this quest for the next generation of sales growth is compelling companies to scrutinize the technical capabilities of their commerce platforms as well as the value-add provided by their solution providers and go-to-market partners.

This case study details how one category-leading US-based brand, the Graduate Management Admission Council® (“GMAC®”), owner of the Graduate Management Admission Test® (GMAT®) exam is invigorating both its domestic and global test preparation material sales by partnering with asknet, a provider of global eCommerce solutions. The re-platforming initiative has quickly enabled GMAC and its online brand, mba.com, to provide a vastly improved shopping experience for its diverse global customer base. At the same time, the flexibility and ease of use of asknet’s global commerce platform is empowering its eCommerce team to innovate and stretch the limits of its own creativity.

2 Rich Customer Insights Help mba.com Focus on a World of New Opportunities

GMAC is owner of the Graduate Management Admission Test (GMAT®) exam, used by almost 5,000 graduate business and management programs worldwide as part of their admissions process and serves a global online customer base via mba.com, its online store and an ever more attractive way for consumers to purchase the popular GMAT test prep materials. GMAC partners with John Wiley and Sons to sell test prep materials via traditional retail channels (e.g., bookstores and college bookstores) and online channels. In addition to prep books, GMAC also offers tools to help students prepare for business school that are exclusively available at mba.com.

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*Betsy McIntyre
Director Product Management
GMAC*

Before launching with asknet, GMAC had limited data and analytical capabilities. asknet’s platform now provides the team with richer data that provides them with key market insights and helps drive their global sales strategies and email outreach programs.

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This data coupled with business intelligence from GMAC’s own internal databases and data storage systems has highlighted the strong growth in test taker volume in emerging global markets. “With GMAT testing volume, we know that growth is coming from India and Asia. Within Asia, China and SE Asia are experiencing the most rapid growth” commented McIntyre.

3 Enhancing the Online Experience (and the Bottom Line) with Local Payment Options

Prior to launching the mba.com store on asknet's platform, mba.com purchasers were only able to pay with major US payment options. GMAC's inability to process popular international payment methods had been a challenge facing the online team in recent years. Many of their prospective online international customers have had to endure the hassle of being unable to pay with the currency or payment option of their choice. This was an especially trying experience for international buyers who did not have easy access to brick-and-mortar stores or other viable offline purchase options.

"asknet offers more payment options than any other vendor we considered," added McIntyre. "In fact, we've just now added Alipay to mba.com and we're continuing to investigate other payment options." Offering international customers a diverse selection of payment options not only enhances the online shopping experience, but also can positively impact the top line. asknet currently offers 31 shop languages, 40 billing currencies, 37 payment options and 12 customer service languages. Additionally, billing is displayed in the e-shop so there are never exchange rate charges.

Providing a choice of preferred local payment methods in local currencies makes it easier for students everywhere to access GMAT prep materials, which supports GMAC's core value of creating access to management education to people throughout the world. It also generates additional revenue by increasing online conversion rates and lowering shopping cart abandonment rates (e.g., fewer sales are lost due to time-outs or declines).

4 asknet's Flexible Platform Unleashes MBA.com's Online Merchandising Creativity

mba.com faces a unique constraint in that their customer lifecycle is short, especially when compared to most other online sellers. Prospective business school students often initially register on mba.com for free testing materials and then purchase a range of materials to prepare for the GMAT exam. However, after they take the exam, they do not have much reason to return to the site.

Although some students take the GMAT test more than once, the window of opportunity for providing prep materials is somewhat limited - or as McIntyre puts it, "every 18 months our customer base is brand new." This limited window means that mba.com needs access to powerful yet easy-to-use online marketing and merchandising tools.

Prior to re-launching mba.com on the asknet eCommerce platform, the mba.com team had little or no ability to cross-sell or up-sell their products. Bundling products required a time-consuming process that created a separate SKU for each bundle, regardless of whether or not the team had previously created a similar bundle (and another separate SKU).

"With asknet we are able to experiment and try new things. I worked with the old platform and it was an extremely burdensome and tedious process, the new platform is far better"

*Cindy Jalkian,
student products manager
GMAC*

"With asknet, we are able to experiment and try new things," explained Cindy Jalkian, the student products manager at GMAC. "I worked on the old platform and it was an extremely burdensome and tedious process, the new platform is far better."

The revamped mba.com launched on the asknet platform in December 2009. The flexibility and ease of use of asknet's online merchandising capabilities has unleashed the mba.com team's creativity. The results to date have been an eye-opener.

"Now we can wake up in the morning and say 'Hey what if we did this?'" added Jalkian. The team's first merchandising campaign was designed around an up-sell offer featuring The Official Guide for GMAT® Review, Verbal Supplement, an increasingly popular test prep product. The mba.com team targeted the up-sell offer to customers intending to purchase the top selling test prep book, *The Official Guide for GMAT® Review*.

The results of the offer - **a 50% increase in sales in the first month with no discount offered** - quickly caught the attention of both the team running the online store and GMAC's senior management.

The immediate ROI generated from the switch to the asknet platform coupled with the promise of significant and increasing returns in the near future has focused the entire mba.com store organization, and especially its leadership, on the potential of the online channel to be the engine of growth both domestically and globally.

"We had to show them what we could do online," commented Betsy McIntyre, "The sales results have been very empowering in that they have helped all of us make smarter, more aggressive decisions about selling our products."

The first campaign bundled the three most popular prep test books into a single offer with no discount, and GMAC saw a 40% increase in online sales. GMAC followed that offer with several others and saw a 95% increase in store sales in 2010 over 2009.

Other online merchandising programs launched since the first up-sell campaign have had equally compelling results. The first campaign bundled the three most popular prep test books into a single offer with no discount, and GMAC saw a 40% increase in online sales. GMAC followed that offer with several others and saw a 95% increase in store sales in 2010 over 2009.

The team's newfound success in designing and deploying the successful online merchandising campaigns has been bolstered by the data analytics embedded into the asknet platform as well as its flexibility. Both McIntyre and Jalkian mentioned the value of the reassurance they gain at the end of the day by being able to look at the data and know what is working and what is not.

Not a bad way to set the stage for waking up the next day with new ideas to test and deploy.

5 Fulfilling the Foundation of Today's Success and the Promise of a Global Brand

When GMAC decided to switch from their old mba.com commerce platform the team sought a “soup-to-nuts platform including fulfillment.” Being a small organization, GMAC also needed a commerce platform partner that could also provide global fulfillment services without having the expense and hassles of integrating a third party fulfillment and logistics provider.

Although digital products are growing in popularity at mba.com, the top selling products are still hard copy test prep books. In fact, the prep books are as important as ever to mba.com's product strategy because they serve as the foundation upon which the company is able to successfully sell a growing number of smaller, more targeted test prep materials.

The team also needed more operational flexibility than they received from their previous fulfillment partner. One reason the team had not practiced online merchandising best practices or experimented with other merchandising ideas was that their old fulfillment provider offered very limited capabilities.

“The other piece of the fulfillment requirement was the ability to pick, pack and bundle on the fly – the old vendor couldn't do this,” added Betsy McIntyre , “So it was a lot more costly before asknet came along to bundle products.”

asknet's global fulfillment footprint was equally important to MBA.com. GMAC can leverage asknet's distribution center in Germany to cut the costs of delivering products to many international markets it serves. These fulfillment efficiencies in turn decrease cost for mba.com's customers.

GMAC's globalization strategy to date has included the opening of a London office in 2008 and more recently offices in New Delhi and Hong Kong. Yet the company's market research indicates that people around the world still view the GMAT exam as a “US test” and GMAC as a very American brand. To grow their global business, they needed **a partner with both an existing global fulfillment footprint and a deep understanding of how business gets done in markets around the globe.**

“Being able to say our eCommerce vendor is based in Germany is huge for us – it sounds funny, but it really gives us more global credibility,” pointed out McIntyre, “ and asknet's currencies and international payment options are great selling points for our globalization push.”

6 Conclusion: Graduating to Global Commerce Requires Good Teachers

In many ways, what started out as a case study about the platform capabilities of one of newer commerce solution brands on the market has also become a story about the increasingly important role that eCommerce plays in the globalization of a historically U.S. brand.

But let's not lose sight of the key point of the case study, which is that switching to the asknet platform generated significant and quick returns for mba.com in large part by empowering its eCommerce team to unleash its vision and creativity.

Since launching with asknet, store sales at MBA.com are up 60% to 75% at the same time that GMAC's brick and mortar store sales are somewhat flat. The flexibility and ease of use of the platform has helped the MBA.com team ring up some quick wins and has helped the online team win over executive leadership.

This summer The Research Trust and J.C. Williams Group completed a re-platforming study among both leading online retailers and consumer brand manufacturers. A key requirement that emerged from the interviews with executives from these leading eCommerce brands was the need for more accessible and more flexible commerce platforms.

They spoke of the need for new commerce platforms that enabled their eCommerce teams to respond quickly to opportunities by launching targeted online campaigns; merchandising and marketing campaigns whose success could be quickly measured and whose offers could be quickly tweaked if and when necessary. These executives also spoke of the need for a true and committed partner in eCommerce. Bad communications, the lack of platform capabilities, limited flexibility and a lack of account management were several reasons that MBA.com decided to relaunch their online business on the asknet platform. We cannot under-emphasize the need for continuous dialogue and the exchange of both strategic and tactical best practices between online brands and their commerce platform providers. This need for a committed partnership is a common theme we have heard from a wide range of eCommerce executives that we have interviewed in the past 18 months.

The type of relationship that asknet has fostered with the GMAC team will be increasingly important as brands more actively explore opportunities beyond their boundaries.

MBA.com is pleased to have found a truly global partner by teaming with asknet. Look for this emerging commerce solution provider to start winning over more clients with its executive leadership's global vision, a flexible yet robust commerce platform and its dedicated strategic services team.

Accelerate your eSales in the Digital Marketplace.

About asknet

asknet, leading in Global eCommerce, accelerates eSales for publishers in the digital marketplace. Since 1995, the company has developed a robust eCommerce platform for customers around the world. As media is rapidly transitioning to digital formats, the marketing, sales, distribution, and services of these products are also moving online. The ever expanding reach from fixed and mobile customers all around the globe is pushing companies to perfect their eDistribution. asknet delivers an instant online distribution channel to its customers.

Some asknet Customers

ABBY | ArcSoft | Collabnet | CyberScrub | Dolphin Secure | F-Secure | GMAC | Gridiron | iS3 | Lexware | Nero | Norman | NetObjects | Steganos | Softwarehouse.biz | Steinberg | Susteen | SutiSoft | TechSmith | visionapp |

Learn more about Global Scalability

We would like to demonstrate our newest industry insights at our customer and industry events. Please have a look at our website and contact us to arrange a meeting.

www.asknet.com

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