

## Improvement Direct Keeps the Growth Going!

*How one online merchant turned to Bill Me Later, Inc. to increase sales and average order values — and keep buyers returning again and again.*

**A**t the height of the dot.com bubble, the two founders of online retailer Improvement Direct, Inc., saw an opportunity in the home improvement market and immediately set out to capitalize on it. While working at a local plumbing distributor, they noticed that none of the local hardware stores or even the “big box” home improvement stores stocked an adequate array of faucet supplies. At the same time, the Internet was changing the consumer paradigm and the market was shifting under the feet of traditional retailers: consumers were quickly becoming accustomed to getting *exactly* what they wanted, how they wanted it, and retailers weren’t keeping up with consumer demand, while Improvement Direct was.

Fast-forward a few years. The company is solid and growing, but the dot.com bubble had burst, and enthusiasm for online retail stores had leveled. Being able to shop online became passé for consumers: “Of course I can get what I want. What else can you do for me?”

Improvement Direct had to answer that question in order to keep its growth going and turned to Bill Me Later, Inc.’s Preferred Account Program and Bill Me Later payment method. The results?

**Improvement Direct’s sales reports show that 54 percent of its Preferred Account shoppers are buying again within six months, with a significant boost in their average order values. Moreover, an online promotional financing offer is successfully attracting—and retaining—new (and more loyal) buyers.**

### The Answer to “What else can you do for me?”

*Now that you have a better selection, how about better terms?*

Early on, many traditional retail locations offered only one color or finish, and anything else required a special order. So, in the year 2000, the partners launched

Offering the Improvement Direct Preferred Account allows us to extend our award winning service and convenience to the payment process by offering our customers an alternative way of paying that is simple, flexible and secure.

**Christian Friedland**  
President, Improvement Direct

### The Winning Combination: Bill Me Later, Inc.’s Preferred Account and Bill Me Later

While Bill Me Later attracts security- and convenience-conscious shoppers to merchant sites, the Preferred Account extends these benefits by allowing merchants to add branding, loyalty programs, and dedicated lines of credit. Together, these tools enable merchants to attract and retain loyal buyers.

The Preferred Account program provides:

- A powerful way to reward your best customers.
- A dedicated credit line to help build brand-loyal customers.
- Tools to quickly reactivate inactive customers.
- Targeted offers for your best customers that reward loyalty, stimulate sales, and boost average order values.

FaucetDirect.com, an online retail venture designed to meet the need for more options, found more easily. Since then, Improvement Direct has grown into a network of more than 15 web sites dedicated to home improvement, including [www.faucetsdirect.com](http://www.faucetsdirect.com), [www.lightingdirect.com](http://www.lightingdirect.com), and [www.morehome.com](http://www.morehome.com).

Recently, the company sought a way to strategically leverage each of its sites to offer homeowners a convenient way to shop across their entire network. They realized that payment was a vital factor. Though Improvement Direct accepts major credit cards, PayPal and Google Checkout, nothing was driving loyalty in the way the needed, to succeed.

### **Bill Me Later, Inc.'s Preferred Account Program and Bill Me Later Build Loyalty, Increase Sales, and Lift Average Order Values**

While Improvement Direct was successful at acquiring new customers, it lacked a cohesive strategy that compelled shoppers to come back to the online sites.

Improvement Direct decided to leverage payment to help build buyer loyalty across its network of sites, as well as foster overall brand awareness.

The Bill Me Later, Inc. product suite enables merchants to utilize innovative payment options to capture lost sales, build customer loyalty, and increase profits. The platform includes Bill Me Later, Preferred Account, Bill Me Later® Business, promotional financing programs, and co-branded credit.

The Preferred Account is an innovative private label credit program that combines dedicated credit lines with a full spectrum of rewards and loyalty programs, branded billing statements, and servicing features. Bill Me Later addresses buyers' security concerns by providing a safe and convenient way for them to make online purchases.

At checkout, buyers enter only the last four digits of their social security number and date of birth, instead of confidential credit card information.

**Improvement Direct opted to use Bill Me Later, the Preferred Account program, and six-months same as cash flexible financing. Deployable within a few short weeks, the platform went to work nearly immediately.**

### **Bill Me Later, Inc.'s Seamless Integration**

Ease of deployment was a vital factor in Improvement Direct's decision to partner with Bill Me Later. As a technology savvy company, it had endured difficult payment system integrations in the past, and wouldn't tolerate that experience again. Bill Me Later, Inc.'s integration was seamless, smoothly assimilating into the company's internal systems, business workflow, and web site properties.

Additionally, Improvement Direct says that it appreciates the dedicated team of experts Bill Me Later, Inc. provided to make sure the Preferred Account strategy was executed in a way that met the company's goals. The level of service provided by Bill Me Later, Inc. far exceeded the "cookie cutter" approach taken by so many other private label payment providers.

### **The Results: Increased Customer Loyalty, Retention and New Business**

The Preferred Account produced strong customer loyalty and repeat usage within the first six months of use. Plus, **Improvement Direct's use of the Bill Me Later payment method is also delivering significant results, including a 50 percent increase in average order values—higher than any other payment option the merchant offers.** And [www.billmelater.com](http://www.billmelater.com) is consistently among Improvement Direct's top 10 referral sites, with 31 percent of all of Improvement Direct's sales now sourced through Bill Me Later. The customers making those purchases have a 49 percent repeat usage rate.

**"Offering the Improvement Direct Preferred Account allows us to extend our award-winning service and convenience to the payment process by offering our customers an alternative way of paying that is simple, flexible and secure,"** says Christian Friedland, President, Improvement Direct.



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