

Implementing a Low-Cost Payment Alternative, Ross-Simons Makes Significant Gains in Customer Acquisition, Retention and Sales... while Lowering Processing Costs

Ross-Simons is a national multichannel retailer that sells products, including jewelry, home goods and collectibles, through three primary channels — catalog, web site, and retail stores.

Ross-Simons was founded 55 years ago with its first retail store selling jewelry in downtown Providence, Rhode Island. Today this multichannel retailer mails over 50 million catalogs, offers over 80,000 skus online and operates 13 retail stores. Larry Davis, VP of Marketing for Ross-Simons, explains what led this merchant to seek an alternative payment option.

“In today’s retail environment where sales have shifted dramatically to online and catalog purchases, alternative payments give the customer a benefit in the payment process. When you give customers benefits: security, extended payments and convenience, they buy more. As we began exploring alternative payment options, our primary business objective was increasing customer acquisitions.”

- The multichannel retailer sought a payment solutions partner that could deliver the following:
 - Increase customer acquisitions
 - Provide a turnkey solution
 - Smooth, rapid integration

Surprising Returns

After completing a thorough evaluation, Ross-Simons selected Bill Me Later, Inc. as a partner and implemented its flagship payment solution, Bill Me Later®. After launching Bill Me Later, Ross-Simons began to realize more benefits than they initially expected:

- They achieved their goal of attracting new customers with high lifetime value demographics
- Existing customers started buying more, more often
- They generated greater revenue both online and in catalogs

Organization: Ross-Simons

Category: Jewelry, home wares and collectibles

Challenges: Increase customer acquisition and sales

Solution: An improved payments strategy using the Bill Me Later® payment solution

Results:

- * 70% increase in average ticket amount over credit cards for web sales; and a 138% increase for catalog orders
- * 39% of customers using Bill Me Later® are new
- * Double-digit increase in sales across web and catalog channels
- * 30% repeat purchase rate within the first 60 days
- * 40% lower transaction costs versus credit cards

ROI: For little cost, Ross-Simons significantly increased customer acquisitions, retention and sales, while reducing transaction costs by 40%.

Powerful Results

Ross-Simons began offering Bill Me Later on its web site and call center in late Fall, 2003. Bill Me Later immediately delivered:

- **Higher Average Order Value:** Average ticket amount increased by an astounding 56% for all orders
- **New Customers:** 53% of customers using Bill Me Later were new
- **Incremental Sales:** Within only two months, Bill Me Later produced double-digit incremental sales across web and catalog channels
- **Higher Repeat Purchases:** 47% repeat purchase rate within the first 60 days
- **Lower Processing Costs:** Transaction costs on Bill Me Later payments were reduced by 40%

A Successful Approach to Integration

Ross-Simons heavily features the Bill Me Later payment option throughout their web site (e.g. home page, product page) to reinforce the security and convenience benefits of the payment service. By using specific Bill Me Later messaging and by emphasizing affordability, the Merchant removes purchasing barriers on expensive products like fine jewelry. The prominence of Bill Me Later on the web site translates to increased sales at the shopping cart since consumers are familiar with the features of the services before checking out.

"All in all," says Larry Davis, "You're giving your customers a great experience that will keep them coming back to your site. Using Bill Me Later gives Ross-Simons access to some of the most powerful credit tools on the market today."

ROI: Small Investment... Big Return

Ross-Simons realized an immediate return on investment when they implemented Bill Me Later. The service delivered increased customer acquisition and retention rates, generating incremental revenue. Furthermore, Ross-Simons emphasized speed-to-market to minimize financial and business risk. The turnaround time, from the merchant's initial meeting with Bill Me Later, to full production, was a mere six weeks.

About Bill Me Later, Inc.

Bill Me Later, Inc. is a rapidly growing technology company helping to connect leading merchants with high value customers by improving the purchase experience. Bill Me Later, Inc.'s payment and marketing technology solutions help establish and maintain trusted relationships between hundreds of top tier retailers and high value customers at the point-of-sale. Millions of consumers rely on the safety and convenience of Bill Me Later, Inc.'s payment solutions when shopping online, via phone and in-store. The solutions are the first new payment methods since credit cards to be so broadly available within the United States. For more information, visit www.billmelater.com.



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