

See How eCOST.com Attracted New High-Value Web Buyers Who Spent 3x More Than Customers Using Credit Cards

Anyone in the market for quality electronics or household goods at affordable prices will want to bookmark eCOST.com (www.ecost.com) high up among their favorites. This discount online electronics retailer boasts more than 100,000 products, ranging from computer gear and software to DVD players, watches, appliances, and other housewares. Indeed, eCOST.com customers even can book flights, hotel rooms, and rental cars at this site.

Yet, even this mega-site, until very recently, was missing an important choice for its customers: an alternative payment option that delivers a way to attract and retain new customers, increase average order values, and lower transaction costs — while shoppers also get what they seek: a more convenient and secure way to pay at checkout.

Since its founding in 1999, eCOST.com has offered the traditional selection of payment options: American Express, MasterCard, Visa, and its own private financing option for corporate customers. Until recently, when eCOST.com began investigating potential alternative payment solutions in an effort to reach new customers.

Introducing Bill Me Later

It wasn't long before eCOST learned of Bill Me Later®, the rapidly growing alternative payment solution. Bill Me Later makes it possible for merchants to reach shoppers who demand both convenience and security. With Bill Me Later, customers need only provide the most basic information to buy: their date of birth and the last four digits of their Social Security number. By requiring only such top-of-mind information, Bill Me Later makes it as convenient as possible for shoppers to complete checkout — even for impulse purchases when credit cards aren't handy. In addition, Bill Me Later reaches the growing segment of consumers who, because of security concerns, refuse to provide their credit card information online or over the phone. All Bill Me Later transactions are qualified and authorized in seconds. Bill Me Later also significantly

“Bill Me Later has been a great source of new customer acquisition. More than 60 percent of the customers that use Bill Me Later are new to eCOST.com. Overall, Bill Me Later has been a great partner.”

Brian Blackburn
Director of Consumer Business
eCOST.com

lowers merchant transaction costs, considerably improves conversion rates, average order values, and overall customer satisfaction at checkout.

eCOST Wins New Customers and Average Order Value Soars

Immediately after Bill Me Later became available on its Web site, eCOST's average order value through the new payment method rocketed upward by 60 percent. **Not only were sales higher with Bill Me Later, but 60 percent of these customers were completely new to eCOST — and they proved to be the most loyal of buyers. “We've found that 34 percent of Bill Me Later customers return to eCOST to purchase again and again,” says Brian Blackburn, director of consumer business at eCOST.com.**

On the heels of that success, eCOST.com decided to leverage its relationship with Bill Me Later even further. The retailer began to offer customers promotional financing backed by Bill Me Later — no payments for six months on purchases of \$500 or more. Once this promotion was put into place, **eCOST.com once again saw its average order values soar: this time by 250 percent.**

Bill Me Later: Instant Success

- * Customers using Bill Me Later who are new buyers at eCOST: 60 percent.
- * Immediate 60 percent increase in average order value.
- * Bill Me Later and Promotional Financing: 250 percent increase in average order value.
- * Percentage of returning Bill Me Later buyers: 34 percent.

Category:

Multichannel electronics retailer

Challenges:

- * Attract and acquire new customers
- * Increase sales
- * Lower processing fees

Solution:

- * Provide Bill Me Later on its web site and catalog
- * Offer promotional financing with Bill Me Later

More Than a Convenient and Secure Way to Pay: Bill Me Later Is a Strategic Partner

As powerful as those results are, Bill Me Later has proven itself to be more than a provider of a convenient and secure payment alternative. Bill Me Later also has established itself as a powerful marketing partner that can consistently deliver new customers to eCOST.com's web site.

This is possible through Bill Me Later's high-impact, integrated marketing services that consistently drive results. Bill Me Later offers a range of expert services designed to promote merchant sales channels, products, and promotions throughout its ever-growing network of collaborative merchants and high-value buyers.

"We consulted with Bill Me Later about the most effective ways for eCOST.com to promote and market Bill Me Later for maximum results," says Blackburn. While also promoting eCOST's offerings to the existing base of millions of eager Bill Me Later buyers, the retailer also touted Bill Me Later within its own campaigns, such as e-mail newsletters and by offering a giveaway product sweepstakes to reward initial Bill Me Later users. And eCOST.com added Bill Me Later as a payment option within its print catalog.

While eCOST held high expectations when it put Bill Me Later into action, Blackburn says, Bill Me Later exceeded those expectations. **"The eCOST customer who chooses Bill Me Later has proven to be very valuable, both in terms of higher average order value and a higher retention rate," he says.**

As if new customer acquisition, higher average order value, increased customer retention, and strategic marketing services weren't enough, the orders processed through Bill Me Later cost considerably less than credit card processing fees — approximately 40 percent lower — and that has proven to be an additional "great advantage for eCOST," adds Blackburn.

With results like these, it's no wonder that Bill Me Later has so firmly established itself as the preeminent alternative payment solution. Not since the credit card has a new payment method been so widely available. **"We see Bill Me Later Inc. as a trusted partner," says Blackburn. "The results have been great. The business relationship has been wonderful. We would highly recommend that other merchants consider Bill Me Later as an essential alternative."**

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. The Company'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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