

CASE STUDY: SCARPA NORTH AMERICA ADDING A DIRECT-TO-CONSUMER CHANNEL



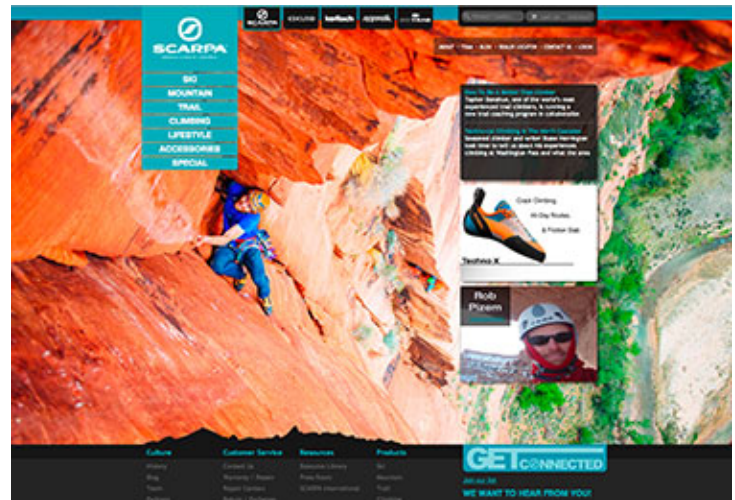
The retail landscape is quickly evolving. Ecommerce continues to snowball year-over-year and new technologies are shifting how and where consumers are making purchases. To keep up with this evolution, many brand manufacturers are building their own direct-to-consumer online channels, despite years of worrying about channel conflicts. The successful brands have implemented strategies that are beneficial to themselves as well as their partners.

Direct-to-consumer channels make sense for a number of reasons. New revenue streams and higher margins are just the obvious benefits. A strong online presence brings the brand closer to customers and help them better promote their values and their products. Customers do not distinguish between channels. They simply want an easy-to-use purchasing and fulfillment experience. The direct-to-consumer model is extremely different from the wholesale model, however, and without the right plan it can be frustrating, expensive, and alienating for customers.

HotWax Media delivers software solutions that connect brand manufacturers directly with their consumers. Our digital commerce systems manage the complete order lifecycle, from omni-channel sales, order management, and customer service to inventory, warehouse, and fulfillment. We understand the pitfalls and know how to avoid them, bringing brand manufacturers together with their consumers smoothly, quickly, and affordably.

SCARPA North America

SCARPA is one of the most recognizable names in the climbing, mountaineering and skiing world. Started in 1938 in northern Italy, the brand epitomizes the quality and innovation demanded by top athletes and discerning sportsmen. In 2005 SCARPA opened its North American headquarters in Boulder, Colorado where they handle North American distribution and contribute to product development with an eye towards the preferences of the North American market. In 2009, SCARPA North America partnered with HotWax Media to build a commerce system establishing direct-to-consumer sales along with pro and employee purchase programs. The site launched a few months later and has continued to evolve, adding dealer feeds, multiple currencies, multiple storefronts for additional brands, and customized product information and content management.



Benefits to SCARPA

- According to PwC, 52% of online shoppers go directly to brand sites when starting the purchase process.¹ The ability to purchase direct from the manufacturer's website has become an expectation for customers.
- Selling direct allows the brand to take advantage of cross-sell and up-sell opportunities that are not available at third party retailers.
- Engaging directly with the consumer allows the company to tightly control their brand and how it is presented. It also allows them to provide consumers with accurate and up-to-date product information. In today's competitive marketplace, where information is readily available yet loosely controlled, it is imperative that manufacturers provide shoppers with easy access to



accurate information, whether they are researching at home prior to making a purchase or standing in a store checking information on their phone / tablet.

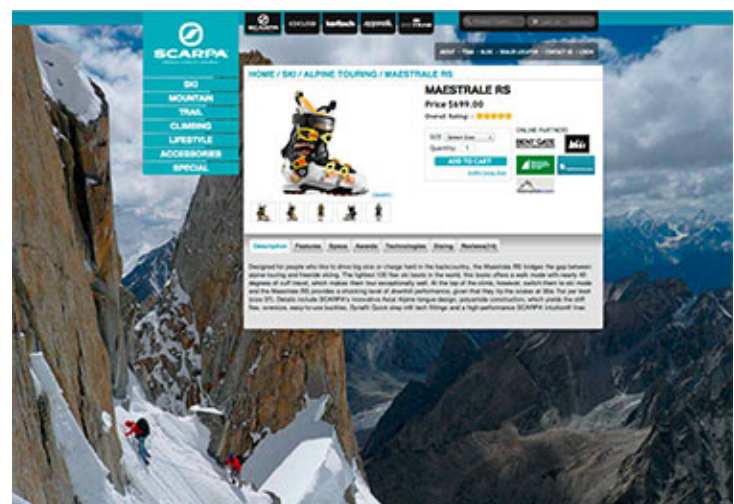
**“The opportunity for direct relationships with consumers is pushing consumer goods manufacturers to shift focus to social, mobile and e-commerce.”
-Gartner²**

Challenges for SCARPA

- Switching from wholesaler to retailer is not as simple as it may sound. Online giants such as Amazon have trained customers to anticipate a simple and smooth shopping experience where goods are ordered and fulfilled seamlessly and without delay. Returns are handled in the same manner.
- Customers expect up-to-date information, clear and regular communication, and on-time delivery. If the backend and customer service infrastructure are not equipped to handle end-consumers, customers will go to a third party or a competitor. SCARPA was able to successfully amplify their high level of service and client satisfaction through their B2C commerce platform.
- SCARPA uses a dealer locator as well as links to online retailers from their product pages to continue to drive business to their online and physical partners,.
- One of the greatest challenges to companies as they grow quickly and look to add a direct-to-consumer sales channel is to integrate multiple systems. HotWax Media was integrates with SCARPA’s existing systems to seamlessly transfer order, financial, and inventory data between systems.

Key Features of SCARPA’s Ecommerce Store

- Custom front-end design highlighting brand messaging and values.
- Multi-brand web store, allowing for custom branding and imagery for each brand underneath the SCARPA North America umbrella.
- Ability to handle an industry specific pro and employee purchase program, fully integrated with their online store.
- Powerful multi-channel order management capabilities.
- UPS and FedEx shipping integrations to provide real-time shipping costs.
- Full-featured promotion engine allowing for customized promotions based on products, categories, and customers.
- Integrated dealer locator, as well as links back to dealers who stock specific products to give consumers the option to buy at local retail locations or on other ecommerce sites.
- Brand Athlete portal to highlight SCARPA North America’s athletes and their accomplishments.
- Easy to use content management system, which allows for product lines to be added or updated without the need for an in-house IT staff.





Summary

HotWax Media knows how to connect brand manufacturers directly with their consumers quickly and affordably. We help manufacturers implement a direct-to-consumer solution that allows them to focus on their customers and their products. An ecommerce system from HotWax Media makes it as easy for you to sell and fulfill products as it is for your customers to make online purchases. Our solutions manage the entire order lifecycle, from sales and merchandizing to inventory and fulfillment, in one affordable system, delivering a compelling user experience for both the seller and their customers.

¹ PwC: Demystifying the Online Shopper

² Gartner: Survey Shows Consumer Goods Manufacturers
Must Embrace Digital Marketing to Maximize
Impact

HotWax Media
10 Exchange Pl. #610
Salt Lake City, UT 84111
www.hotwaxmedia.com
877-736-4080
info@hotwaxmedia.com

Headquartered in Salt Lake City, Utah, USA, HotWax Media is the leading implementer of Apache OFBiz™ digital commerce systems. We specialize in providing dedicated teams led by OFBiz™ experts for custom ERP and software platform development projects. Our staff includes numerous Apache OFBiz™ open source project committers.