# LIVEPERSON SUCCESS STORY

Online retailer dramatically improves conversion rates and reinforces prominent reputation with LivePerson's online engagement platform

## **Company Overview**

Founded in 1996 with a \$2,000 investment, Backcountry is a pure online retailer focused on outdoor gear. After reaching profitability in 1997, the company's first full calendar year, Backcountry experienced triple digit growth for six consecutive years—culminating in 134 percent year-over-year gains in 2003. During 2004, the retailer reported \$27.5 million in sales, up 84 percent from \$14.7 million in 2003; sales for the company rose 89 percent in 2005 to \$52 million.

In addition to earning a prominent reputation for offering specialized performance outdoor gear and skiing expertise on Backcountry.com, the company developed niche sites that cater to distinct consumer segments and address the specific needs of target groups: hard-core skiers (Tramdock. com); snowboarders (DogFunk.com); bargain-seekers (Backcountryoutlet.com and SteepandCheap.com); and middle-market, price-sensitive outdoor athletes (Explore64.com).

# The Challenge

After implementing LivePerson's flagship click-to-chat technology as a customer service solution in 2002, Backcountry discovered that numerous chat interactions resulted in sales and improved customer satisfaction ratings. An established industry innovator and early adopter of live chat, the online retailer recognized that chat could also serve as a valuable tool to improve conversion rates; however, the existing solution was designed to satisfy customer service requirements and lacked the capabilities to serve as a major sales catalyst.

To maximize revenue and leverage the unique expertise of its employees, Backcountry turned to LivePerson to transform the chat deployment on the organization's family of websites from a pure customer service application to a proactive sales solution impacting bottom line results.

# The Solution

Before deploying LivePerson's online engagement platform across Backcountry's websites, Liveperson's Professional Services team evaluated the retailer's primary competitive differentiators: its knowledgeable staff and niche strategy. During the infrastructure discovery and analysis phase, LivePerson identified the three greatest areas of opportunity to maximize ROI. They're described below.

#### Reach out to visitors demonstrating purchase intent.

To replicate an in-store experience, Backcountry employed LivePerson's permission-based technology to automatically monitor site traffic, identify top prospects and proactively reach out to them in real time. Based on domain expertise and best practices refined over prior client engagements, LivePerson's PS team developed a series of rules and behavioral events that subsequently triggered proactive chat invitations.

For example, industry research and LivePerson's benchmark data reveal a direct correlation between visitors who use comparison tools and purchase intent. Therefore, when Backcountry customers use the site's product comparison features, they are greeted with friendly invitations offering immediate assistance from live gear experts.

#### Match gearhead product expertise to corresponding

**consumer interests.** From the company's inception, Backcountry.com has employed knowledgeable product experts, drawing staff—referred to as gearheads within the company—from specialized backgrounds, including backcountry skiers, climbers, snowboarders, and hikers.

Skills-based routing features allow the retailer to match visitors with representatives based on product interest. If agents from one site are overloaded, the product's centralized infrastructure automatically routes incoming inquiries to gearheads on another site.

In addition, co-browse functionality in the agent console reveals current page views, enabling representatives to accurately greet and respond to customers according to inquiry origination points.



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**Elevate skills of customer service representatives dedicated to the online channel.** In addition to equipping Backcountry with intelligent technology to proactively engage and consult with qualified customers online, LivePerson supplied comprehensive training to ensure that gearheads assigned to the chat channel would take full advantage of their new online engagement and interaction tools.

Delivering depth and breadth into relevant topics—including eSales techniques, product functionality, productivity tools, online communication etiquette, and administrator resources the training workshop guaranteed staff readiness and ongoing self-sufficiency.

### **Tangible Results**

By investing in system upgrades and staff expansion earlier in the year, Backcountry achieved record sales during the 2005 holiday season. The company racked up a record \$860,000 in orders on December 12, fulfilling the company's prediction that it would be the biggest day of the season. In addition, the innovative retailer exceeded its December 2005 revenue goal by 20 percent. The conversion rate for chatters grew to 10x greater than selfservice channel conversions.

By supplying product expertise via live chat, Backcountry gearheads increased average order value (AOV) by more than 50 percent versus orders placed via self-service.

And last, but certainly not least, post-chat exit surveys supplied valuable insight into the customer experience. More than 80 percent of customers were satisfied with their experience; they also indicated that chatting with Backcountry's gearheads increased their likelihood to purchase from the site.

## Contacts

LivePerson, Inc.	T: 212.609.4200
462 Seventh Avenue	F: 212.609.4233
3rd Floor	info@liveperson.com
New York, NY 10018	solutions.liveperson.com



To leverage the direct correlation between shoppers who use online comparison tools and purchase intent, Backcountry employs LivePerson's intelligent technology on product comparison pages. Skills-based routing capabilities enable the retailer to match visitors with customer representatives according to product interests.

