

Batteries Plus Bulbs

Enabling Omni-Channel Sales to Support Franchisees and Improve the Customer Experience



CHALLENGE

Offering access to more than 60,000 types of batteries, light bulbs, and accessories, Batteries Plus Bulbs has spent nearly 30 years helping its customers keep countless electronic devices running. Today, the company has over 680 stores across the country. This includes 635 franchise locations as well as 48 company-owned stores.

The company's focus on franchisees as well as end consumers presents unique challenges for Batteries Plus Bulbs. "We succeed when we drive traffic to our stores," says Dan Dugan, director of application services at Batteries Plus Bulbs. "Our website needs to maximize revenue by connecting consumers with products they need, while at the same time allowing our franchisees to manage their business. That presents a significant business challenge."

As Batteries Plus Bulbs sought to optimize the omni-channel experience for customers and franchisees, it became difficult to scale website sales and manage the process of assigning sales to local stores. "We were using a single merchant ID to collect all funds for orders placed online, and then manually redistributing funds—which created extra work for the accounting team and delayed payments to franchisees," explains Dugan. "We needed a solution that allowed each franchisee to have its own merchant account, gave us the ability to attribute revenue to each store, and routed online orders to the right store based on available inventory and customer preference."

SOLUTION

Batteries Plus Bulbs chose the CyberSource Payment Management Platform, allowing the immediate onboarding of all stores, each with its own merchant ID. The CyberSource Universal Management Portal connects these stores to a centrally managed payments platform that includes security, fraud management, and reporting capabilities. "Changes, edits, the way that the actual payment page was designed—we needed to be able to manage all facets of eCommerce and fraud management centrally so that, from a consumer standpoint, we minimized any chance of error," says Dugan.

RESULTS

90% OF ONLINE CUSTOMERS OPTING FOR CONVENIENT IN-STORE PICK UP

Reduced PCI scope and Visa-backed security infrastructure

Central fraud management and reporting for nearly 700 stores

Faster reimbursements for franchisees:

from

30 DAYS
to
SAME-DAY

"Omni-channel has made a big difference in merging online with brick-and-mortar, creating a more holistic experience for our customers. Over 90% of our online customers choose to buy online and pick up in store."

Dan Dugan, Director of Application Services at Batteries Plus Bulbs

With CyberSource Secure Acceptance Web/Mobile, Batteries Plus Bulbs can take a franchisee-friendly approach to eCommerce, inventory, and reimbursement. After making a selection, customers choose a pickup location from a drop-down menu and securely enter payment credentials. CyberSource directly receives customer payment data, tokenizes it, and then shares the token with Batteries Plus Bulbs and the franchisee. The entire operation takes place without storing payment data in the system. Stores are credited for online sales that occur within their service radius, and they get customer contact information for the sales so they can continue building relationships with their customers over time. “Previously, we had separate retail and commercial websites, and our commercial website didn’t support credit card transactions,” explains Dugan. “With CyberSource, we could centralize those two websites, add the ability to manage commercial credit card transactions in much larger dollar amounts, and eliminate the redistribution model to expedite the delivery of funds to franchisees for inventory they have sold.”

SUPPORT FOR UNIQUE BUY ONLINE/PICK UP IN STORE BUSINESS

Batteries Plus Bulbs aims to grow revenue through cross-sell and upsell opportunities once a customer is in a physical store, making its omni-channel approach key for growth. “Omni-channel has made a big difference in merging online with brick-and-mortar, creating a more holistic experience for our customers,” says Dugan. “Over 90 percent of our online customers choose to buy online/pick up in store, a proportion that is much higher than the industry average. We need to make sure our solution operates seamlessly, so when customers walk through a store door, our employees can pursue cross-sell and upsell opportunities.”

OMNI-CHANNEL POWERED BY TOKEN MANAGEMENT

By better understanding customer activity, Batteries Plus Bulbs can gain important information about how its customers shop as well as improve the customer experience. Dugan and his team are exploring CyberSource’s upcoming Token Management Solution, which makes eCommerce tokens interoperable with point-of-sale (POS) tokens. This allows Batteries Plus Bulbs to identify customers, as well as track their in-store and eCommerce purchases. The company can set up a single ID for customers and enable them to make returns across franchisee locations.

“As a retail organization, PCI compliance is paramount for Batteries Plus Bulbs. Knowing that CyberSource has a very clear understanding of PCI compliance as a Visa-owned company reassures us that we’re keeping up with overall compliance. Plus, we can take advantage of template tools to unify the security and payment experience across many merchant accounts, easily supporting new stores or merchant accounts as necessary.”

Dan Dugan, Director of Application Services at Batteries Plus Bulbs

“While buy online/pick up in store is key for our eCommerce model, we needed to make sure our payment solution had the ability to expand on that over time,” says Dugan. “If customers get more product when they’re in store, we want to have that token passed onto the POS environment as well. With close to 4,000 associates around the country, anything we can do to make the sales process more intuitive for them is critical for us.”

CENTRALIZED FRAUD MANAGEMENT

Managing fraud for a complex network of franchisees is an important focus for Batteries Plus Bulbs with regard to its omni-channel business. The CyberSource Payment Management Platform allows the company to accept payments and credit franchisees with their revenue share, while maintaining central control of security and fraud prevention. “We’ve had a great experience with getting our fraud protection set up and centrally managed with CyberSource,” says Dugan. “If we were to try to have nearly 700 merchant accounts or to have each franchise ownership group manage their own fraud activity using their own rules, we would have no consistency whatsoever in the system as a whole. With CyberSource Decision Manager, there is no need to have transactions go through multiple layers of approval, so transactions clear faster and customer experience does not suffer.”

PCI-COMPLIANT SECURITY ONLINE AND IN STORE

As Batteries Plus Bulbs manages transactions online and in store, it needs to maintain a secure environment for transactions. “As a retail organization, Payment Card Industry (PCI) compliance is paramount for Batteries Plus Bulbs,” says Dugan. “Knowing that CyberSource has a very clear understanding of PCI compliance as a Visa-owned company reassures us that we’re keeping up with overall compliance. Plus, we can take advantage of template tools to unify the security and payment experience across many merchant accounts, easily supporting new stores or merchant accounts as necessary.”

ABOUT CYBERSOURCE

CyberSource Corporation, a wholly owned subsidiary of Visa Inc., is a payment management company. More than 400,000 businesses worldwide use CyberSource and Authorize.Net brand solutions to process online payments, streamline fraud management and simplify payment security. The company is headquartered in Foster City, California. CyberSource operates in Europe under agreement with Visa Europe. For more information, please visit www.cybersource.com.