

STREAMLINING E-COMMERCE CONTENT MANAGEMENT AND SUPPORT THROUGH OUTSOURCING

As an authority in e-commerce, IVG Stores owns a chain of more than 350 e-commerce sites that host several thousand quality products from its partners, manufacturers, and suppliers. Each product has an individual page with its name, images, description, price, and specifications. IVG's network constantly grows as new products are introduced regularly to its virtual shelves. However, this steady growth created a problem. With tens of thousands of products in its current database and thousands more are being added each month, IVG wanted to ensure that the growth in its data bank didn't require a parallel increase in employee headcount.

Most online retailers with just hundreds of products already find maintenance tedious. IVG, on the other hand, already had tens of thousands of product pages to maintain and thousands more to create each month. Having product pages at that volume makes maintenance nearly impossible with a limited workforce. Maintaining existing product pages, as well as creating pages for new products require considerable investments in time and manpower.

Like most small and medium enterprises (SMEs), IVG had two options to deal with the problem: Distribute the work to its existing staff, which wasn't exactly focused on the task; or hire new employees to build and maintain its numerous site and product pages. Instead of taking either of the conventional routes, IVG opted to take an alternative solution to get the results it wanted without depleting its resources.

AN ALTERNATIVE SOLUTION: OUTSOURCING DATA MANAGEMENT NEEDS

Initially, IVG took its business to one provider, but it wasn't able to deliver consistent results that were essential to IVG's business model. IVG depends on stock-keeping unit (SKU) production to market its products and the service provider's inconsistent SKU production had a direct effect on projected sales as there were fewer SKUs to sell. To solve this problem, IVG turned to business process outsourcing provider [Open Access BPO](#) to support its product page production needs.



OUTSOURCING: PROVIDING A SOLUTION THAT WORKS

Open Access took IVG's dilemma as a challenge to deliver high quality work while meeting the client's high production expectations. During the first month of the collaboration, Open Access studied IVG's business model to gain better understanding of its existing processes. Using this knowledge, the BPO firm developed a customized strategy that enabled it to respond effectively to IVG's quality and quantity standards. This approach allowed Open Access to formulate a solid plan tailored specifically for IVG's needs and gave the BPO provider guidelines on how to best meet both short- and long-term goals.

IVG and Open Access' partnership started in February 2009. It started out with five agents and a team leader as the online retailer only needed a small team to act as a buffer to its then primary provider's team. IVG sends marketing materials in bulk (such as product brochures and manuals, pricelists, and image CDs), and the Open Access-IVG team consolidates the information gleaned from the materials into a template to create standardize product pages. The team incorporates links to similar products to make comparison shopping available to consumers. Similarly, the links to compatible accessories or available add-ons are also integrated within IVG's network. The team then uploads the finished pages onto IVG's database. With the process Open Access crafted, it takes about 15 to 20 minutes to complete a SKU listing depending on build complexity.

Along with SKU Building, the team is also in charge of updating and maintaining product pages. The Open Access-IVG team ensures that its output is at par with the client's standards and is meeting the client's expectations in both quantity and quality.

ENHANCE QUALITY AND BOOST PRODUCTION

IVG needed at least 8,000 SKUs in a month. This is typically achieved by allotting a significant workforce to the project. However, getting 8,000 SKUs that are ready to be sold in the Internet is a different matter. With that, Open Access built another team whose sole purpose is to conduct quality assurance checks to ensure that the product pages are built to the exact specifications of IVG. Yet with that team in place, IVG still had a team in Florida that performed quality assurance checks. Nevertheless, IVG was so pleased with Open Access' output that it abolished its local quality assurance team eight months into the campaign. The online retailer still performs random spot checks instead of getting additional staff to check the individual product pages.

The exemplary quality and astounding quantity produced by the Open Access-IVG team proved to be pivotal in IVG's further expansion because of the cost and value benefits the client gained from the service provider. Open Access, on the other hand, gained from the partnership as it eventually became the first BPO Company in the Philippines to serve as the primary data management provider for IVG.

OUTSOURCING: PROVIDING TOPNOTCH QUALITY, COST-EFFECTIVE SOLUTIONS

Some online retailers may recede from the prospect of outsourcing their data management needs as most of these processes are homegrown and have never been tested outside their offices. This apprehension prevents these retailers from maximizing their business potential, as what IVG currently enjoys with its outsourcing partner. If IVG's successful collaboration with Open Access is any indication, then it proves that outsourcing is a cost-effective alternative to increasing manpower and improving production.

These benefits are made possible by three important points that played significant roles in the IVG-Open Access collaboration: A strong leadership, an effective process and a reliable team.

Open Access promoted a team leader who coordinates directly with IVG's representatives on a daily basis. Acting as a liaison between the company and the client and as the team's direct supervisor, the team leader has hands-on understanding of IVG's processes. Most importantly, the team leader's expertise converts client expectations into actual results.

Furthermore, Open Access developed a business process that was tailor-made to IVG's needs. This process is regularly checked for its efficiency and attuned accordingly to provide better solutions that correspond to the client's changing needs.

OUTSOURCING FOR RESULTS

Online retailers have to stay aggressive in a market that is both saturated and highly competitive. Most online retailers are small, family-owned businesses that have limited manpower and resources to use on activities that don't directly generate revenue. The survival of such businesses relies on mastering a profitable niche and continuing to enhance their potency on the particular market shares.

To achieve this goal it is imperative for online retailers to focus on their core competencies, such as their unique brands and business practices. This also includes site optimization and marketing efforts. Site optimization and marketing efforts normally take 5% of an online retailer's time and efforts while 95% goes to site maintenance and data management.

Spending a disproportionate amount of time on site maintenance and data management can cause the online retailer to lag behind its competitors. To remain at the front, it is important for online retailers to constantly look for options that reduce maintenance costs, increase sales, and produce more output as what has been demonstrated by the Open Access-IVG partnership.

Outsourcing to the Philippines: A viable alternative to a business' ballooning overhead expenses and business processing needs.