

Sirius Satellite Radio

Getting Sirius About Online Retailing

Customer Details

Sirius Satellite Radio
www.sirius.com

Country or Region

North America

Industry

Broadcasting/Telecommunications

Customer Profile

Sirius Satellite Radio broadcasts over 120 digital-quality channels, and its content, including music, sports, news, and talk, is available to more than 10 million DISH network satellite TV users and Sirius Satellite Radio subscribers.

Business Situation

In 2005, faced with a fast-approaching holiday season and intense competition, Sirius went to market looking for an eCommerce platform that provided greater scalability and was easier to operate and maintain than its existing solution.

Solution

Sirius selected a feature-rich and fully customizable online storefront powered by CDC eCommerce, a robust on-demand eCommerce platform from CDC Software.

Benefits

- Delivered a robust, tailored eCommerce solution in just 60 days—well below the aggressive initial 90-day timeline
- Supported tremendous sales growth during the holiday season, with conversion rates more than doubling and accessories making up a considerable percent of total sales
- Enabled Sirius to quickly add new product lines during November and December to take advantage of distribution opportunities and shifting holiday demand
- Produced cost savings by outsourcing eCommerce operations that allowed Sirius to focus its resources on growing awareness and improving direct marketing, lead generation, and conversion efforts

Satellite radio provider increases holiday sales and doubles conversion rates with support from online storefront powered by CDC eCommerce from CDC Software

In Need of a Long-Term Solution

In today's hyper-competitive marketplace, online success demands a feature-rich, intuitive, and user-friendly shopping experience that not only closes the sale, but also builds a long-lasting customer relationship. That is easier said than done, and it is not uncommon for retailers to take a short-term approach to eCommerce and cobble together a platform simply to get a storefront up and running.

What these organizations eventually realize is that faced with intense competition online and an increasingly savvy customer base, they need more than just a website. While a short-term approach makes their merchandise available to consumers on the web, it can create limitations in terms of scalability to meet demand and ability to create a rich shopping experience that satisfies long-term customer needs.

In 2005, faced with a fast-approaching holiday season and intense competition from its rival satellite radio provider, Sirius Satellite Radio went to market looking for an eCommerce platform that provided greater scalability and was easier to operate and maintain than its existing solution.

Sirius had a basic eCommerce platform that lacked the feature-rich experience customers expect from a brand like Sirius. Also, the platform did not allow for growth in terms of merchandizing features, order volume management, or customer acquisition strategies such as affiliate program management and third-party online sales channels.

"It was not a robust solution," recalls Matt Downing, Senior Director of Direct Sales and Marketing for Sirius.

New Opportunities in eCommerce

"We saw a lot of opportunity in developing a unique Sirius shopping experience that provides visitors with an end-to-end solution when it comes to shopping for satellite radio equipment, accessories, and service," says Downing. "Upgrades to our initial eCommerce

platform were not easy to make and it could not support our online merchandising strategy across all sales channels."

What Sirius required was an eCommerce platform that would allow it to manage a complicated product catalog and sell consumers its specialized hardware packages and accessories. The latter was seen as a valuable sales opportunity for Sirius, since subscribers often purchase a basic package through various channels, only to decide later they want to add plug-and-play radios and accessories to bring satellite radio into their home, office, or second vehicle.

"We've had a tremendous response to the radios introduced under the Sirius brand, so we believe Sirius-branded accessories should be a big part of our direct sales efforts," says Downing. "Accessories are something subscribers often want after the fact. So we should be able to quickly and easily satisfy subscriber needs and boost sales of these items through our online store, as many of our subscribers visit sirius.com daily to stream music or check schedules for their favorite channels or sports teams."

At the same time, Sirius sought an eCommerce solution that would allow for affiliate marketing and campaign management, as Sirius has relationships with and markets through the websites of its programming partners and personalities, such as Howard Stern, the NFL, *Maxim*, *Martha Stewart*, and *Cosmopolitan*. "Many of our programming partners have loyal followings and sophisticated marketing teams that we are developing into valuable affiliate sales partnerships," adds Downing.

The Obvious Choice

Sirius considered more than 10 leading eCommerce platform vendors prior to selecting CDC eCommerce. For Sirius, this decision was a critical one, as the wrong choice could have led to lost holiday sales—or even worse, damage to the Sirius brand.

In the end, the clear choice for Sirius was CDC eCommerce. No other vendor could develop such a robust, flexible eCommerce solution while meeting its time-to-market requirements.

The challenge facing the CDC eCommerce team was to customize and implement the site within 90 days in order for it to be ready for the holiday shopping season. The experienced CDC eCommerce engineering and professional services teams not only met the challenge, but exceeded it by delivering the new site within 60 days.



“The flexibility of the CDC eCommerce platform helps us better manage the entire online shopping experience.”

Matt Downing

Senior Director of Direct Sales and Marketing
Sirius Satellite Radio

The CDC eCommerce platform gives Sirius a complete inventory management system across all sales channels, enabling Sirius to accurately track sales, fulfillment, and inventory in real time and adjust merchandising strategies across each sales channel as needed. The CDC eCommerce Commerce Management System (CMS), which runs as an on-demand solution, dramatically improved inventory management—allowing Sirius to add three separate product lines it had not budgeted for prior to the holiday season, supporting increased demand.

Sirius Results

Overall Sirius saw tremendous sales growth during the holiday season, with conversion rates more than doubling and accessories making up a considerable percent of total sales.

“With inventory selling quickly during the holidays, CDC eCommerce’s flexibility made it possible for us to quickly add new product lines during November and December to take advantage of distribution opportunities and shifting holiday demand,” explains Downing. “The CDC eCommerce platform

put a low strain on our IT department and allowed them to focus on delivering service to our subscribers, rather than maintaining our eCommerce systems.”

Able to focus its attention on sales and customer service, rather than IT issues, Sirius set its sights on improving its acquisition efforts. The cost savings experienced by outsourcing eCommerce operations to CDC Software allowed Sirius to focus its resources on growing awareness and improving direct marketing, lead generation, and conversion efforts.

“A lot of retailers have spent millions of dollars to get people to their web stores through search and banner ads, but haven’t invested as much in their commerce platform to create a satisfying customer experience,” says Gary Black, General Manager for the CDC eCommerce product line at CDC Software. “eCommerce platforms must deliver retailers the data they need to refine their merchandising strategies and give customers the best shopping experience possible.”

A Tailored Approach

Satellite radio is one of the fastest-growing and most dynamic consumer electronic categories, and the CDC eCommerce platform helps Sirius stay ahead of the competition by allowing them to adjust and implement discounts and promotions in real time.

“Changes to the site can be implemented quickly, and because of our flexible presentation layer, Sirius does not need a software engineer to do it,” says Black. “Sirius can also create custom business rules unique to their operational and marketing needs, allowing for a tailored approach to retailing based on customer behavior patterns.”

“Our goal is to make the Sirius Store the most convenient way to purchase and subscribe to satellite radio, while catering to the specialized needs of our shoppers,” adds Downing. “The flexibility of the CDC eCommerce platform helps us better manage the entire online shopping experience.”

A key benefit of the CDC eCommerce on-demand solution is that Sirius pays only for the capacity and functionality it uses, while benefiting from general upgrades made to the application in new releases.

“CDC Software is focused on constant innovation, refining and further developing our CDC eCommerce technology to meet growing market demands. Unlike typical software release cycles that can be as long as 12-18 months, CDC eCommerce provides updates on a regular quarterly cycle,” says Black. “This ensures CDC eCommerce clients are always at the leading edge of eCommerce technology, without incurring capital costs internally.”

“Our work with CDC eCommerce has made it possible to build a customized eCommerce solution that meets the needs of our subscribers and our brand objectives in ways that other solutions could not,” says Downing.

The flexibility afforded to Sirius has not only given their online store a point of differentiation over that of their rival satellite radio provider, but also made it possible to build a deep, lasting relationship with customers, which all retailers know is the key to long-term success.

Learn More about CDC eCommerce

To learn more about how CDC eCommerce from CDC Software can support your online business success, call us today at +1 866-840-8134 or visit us at www.CDCeCommerce.com.