

CASE STUDY:

HOW A CONSUMER GOOD MANUFACTURE CONTROLLED PRICING AND **INCREASED PROFITS**



Bushwacker is a company that makes world-class fender flares and other auto body components. A wide variety of online resellers, including local automotive aftermarket installers, tuner shops, and big-box chains, sold the company's products. As the products grew in popularity, unauthorized resellers entered the market. These resellers violated pricing standards, driving pricing into a downward spiral.

UPPmarket recognized the cause of this death spiral: Bushwacker lacked the means to authorize, vet, approve, and manage the sellers. UPPmarket provided Bushwacker with the tools and strategies to stabilize their prices and regain the loyalty and support of their sales partners.

THE ISSUES

In December 2013, Amazon displayed 175 ads for Bushwacker's products. Every single one undercut the company's UMAP price. Additionally, of the 754 Bushwacker ads on eBay, 603 advertised products sold below the UMAP price. This detrimental trend extended to all other online marketplaces. Over 81 percent of online advertising for Bushwacker products subverted their UMAP, forcing the company's prices toward extinction.

THE FIX

UPPmarket built a program that helped Bushwacker reauthorize, vet, and rebuild their online market presence. The next quarter, Bushwacker launched the program and successfully transformed their ecosystem of sellers.

Using the UPPmarket platform, Bushwacker filtered every reseller by their URL and market. Bushwhacker announced a 90-day lead to all sellers to give them time to register and apply for approval the next year.

Our robust reseller authorization program provided Bushwhacker with the tools to attack their problem on multiple fronts:

1. The authorization program
2. The compliance and enforcement suite
3. The marketing and communication tools to force compliance

THE RESULT

Bushwacker's new program proved immensely successful. The program transformed Amazon advertising from having 100 percent of Bushwacker products below UMAP to 0.23 percent of products below UMAP. Similarly, eBay decreased from 81 percent below UMAP ads to 0.61 percent. The following graphs demonstrate the program's impact.

By using UPPmarket, Bushwacker captured an incredible online presence, stabilized pricing, and nearly eliminated interaction with unauthorized resellers.. Online sales went from X to X. By the midway point in that period, Bushwacker's chosen resellers recognized the company's commitment to the curation of a stable marketplace, resulting in the continued support of the brand.