

We grew in revenue from \$2 million to \$9 million. We were able to get here only with Sellercloud and the team behind it.

- Solomon Neuwirth, Founder, Road Entertainment

A Sellercloud case study with Road Entertainment

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# How Sellercloud helped Road Entertainment sell on multiple channels and double their business in only 1 year





Industry Auto spare parts and car accessories



Founded

2003



Headquarters:

Monsey, NY



**Company Size** 2-10 employees





#### **Before Sellercloud**



Solomon Neuwirth founded Road Entertainment in 2003 as a side gig selling products mainly on <u>eBay</u>. In those early days, he didn't need much more than Excel and much of the work was manual.

However, Road Entertainment was destined to grow. "After a couple of years, my father helped me build a custom program," said Neuwirth. In 2006, Neuwirth's father taught himself Fax Pro and built the company a database. This program enabled Road Entertainment to pull PayPal payments, create a database to print labels, and create a file they



can upload to QuickBooks for invoicing, simplifying fulfillment and accounting processes.

Soon, Road Entertainment was a <u>multichannel</u> e-commerce business, selling on Amazon, Walmart, Sears, and <u>Newegg</u> marketplaces, and its own website.

#### The challenge

Road Entertainment was becoming more than just a side job for Neuwirth, and he started considering how to expand the business further. "I needed an inventory program and a listing program, an accounting program all in one," he said.

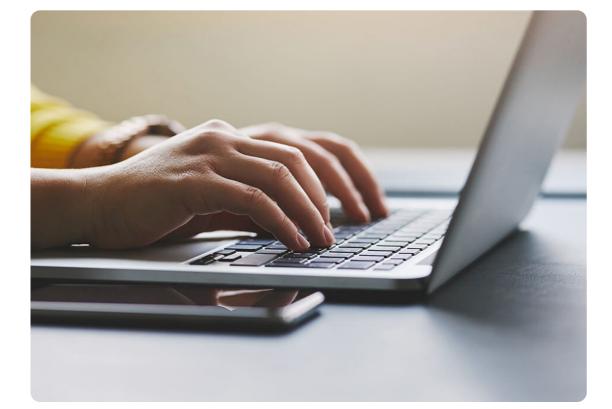
However, building everything themselves wasn't enough, and it was preventing Road Entertainment from growing. Neuwirth tells us that the program his father built was quite outdated and could only handle so much. He had invested



over \$100,000, and it still wasn't working as well as he had hoped.

Neuwirth needed a new solution to make managing and creating eBay listings easier. "eBay had all different kinds of fields or specific requirements categories," says Neuwirth. On top of that, the sheer number of listings they needed to manage had reached astronomical levels. "We have so many listings that it would be so hard to go into each e-commerce channel and go through their manage inventory page," says Content Manager Justin Hung, adding that they manage thousands of listings at Road Entertainment.

However, Road Entertainment's biggest challenge was building and managing <u>'kits'</u> (also known as 'bundles'), a





considerable part of their business. A kit or bundle is a group of products sold together under one SKU, often at a discounted price. Kitting or bundling products is a useful way to increase sales on marketplaces.

Neuwirth explains how it was difficult to figure out how to build kits, specifically deducting and allocating inventory, and he often had to rely on reports generated in Excel. Mariano Ysani, Road Entertainment's E-commerce Content Manager and Customer Service, tells us that kitting is one of the longest processes to work on when you don't have an <u>e-commerce solution</u>. **"It can** take anywhere from about 45 minutes to an hour, depending upon how many components or what you're dealing with," he said. As Road Entertainment relied so









much on kits, they needed to find a way to speed up the process.

Further complicating kitting is that Road Entertainment must comply with their vendors' MAP (Minimum Advertised Price) policies. This made managing kits more challenging because it impacted the total price of the kit. If Road Entertainment lowered the cost of a kit to undercut a competitor, it could accidentally violate a vendor's MAP and get them in trouble. "Most of them, after the third violation,

they cut off business with us," said Hung. They needed to find a way to avoid losing vendors with MAP requirements while keeping up with the competition online.

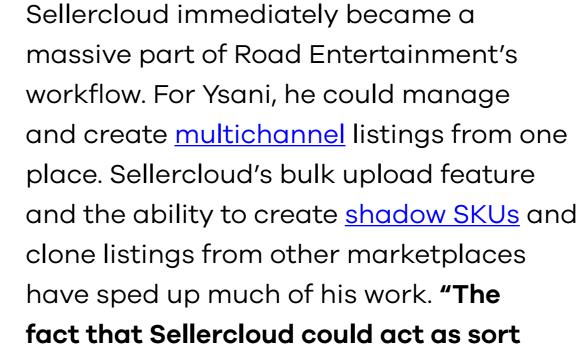
Neuwirth tells us how managing pricing became a full-time job as sales volume increased. There were points where sales were increasing, but margins were decreasing. Road Entertainment needed a way to manage prices to remain competitive and profitable.

### The solution



Neuwirth found exactly what he was looking for at an exhibit in Chicago. It was called Sellercloud. In a demo, they showed him the depths of Sellercloud's capabilities, and Neuwirth was amazed. It was precisely the kind of system he had spent over \$100,000 trying to build for years, and he couldn't find another e-commerce solution that had all the <u>features</u> Sellercloud offers. Returning to New York, Neuwirth knew he had to give Sellercloud a spin and see how well it worked. They signed up for a free trial and never looked back.

**c** sellercloud



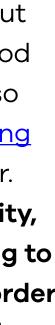
of like the central brain of all of those e-commerce channels is probably the **best feature,**" says Hung, referring to how Sellercloud keeps all their product information in one place.

Managing inventory across multiple marketplaces also became significantly easier. "If we have 100 items and we're splitting it between four platforms, it's

easily handled without me having to really do anything," explained Ysani. Instead, Sellercloud handles it all. Not only is this enormously time-saving, but it also prevents errors and the likelihood of overselling. Road Entertainment also uses Sellercloud's predictive purchasing features to manage its ordering better. "We're looking at the past sales velocity, for a given date range and we're trying to predict how much we would need, in order to, you know, keep up with sales," said Hung. This way, they always have enough inventory to fulfill orders.

Most importantly, once a significant challenge, kitting became a walk in the park with Sellercloud. Ysani can check if









a kit has content and if it is on a specific channel. "I put them together, and I upload everything into Sellercloud and it literally builds all the kits for me before sending it to any major sales platform," said Ysani. Ysani also tells us how it has boosted his productivity. "It allows me to free up time to get so much more done," he said, "I'm not running around making sure that this set of kits is calculated manually via Excel sheet or calculator." Road Entertainment was also able to tighten control over its pricing with Sellercloud. They were able to generate minimum and maximum prices for their kit items so they never sell an item lower than minimum set price, preventing them from violating their vendors' MAP policies.

Road Entertainment also greatly benefitedfrom Sellercloud's reporting features, which inform many of their processes. Neuwirth appreciates the depth of information that predictive purchasing provides, allowing him to

### **After Sellercloud**

From the get-go, Road Entertainment started seeing growth with Sellercloud. "We signed up and I think we doubled the

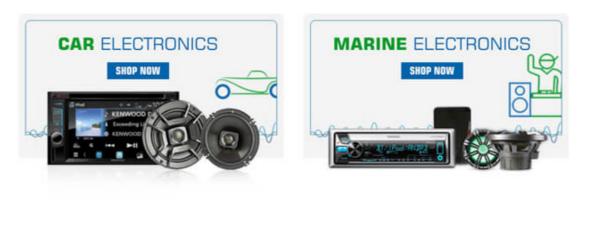


make informed purchasing decisions. Ysani explains how the FBA (Fulfillment By Amazon) predictive purchasing report helps them keep track of out-of-stock kit items. "If we have a hot selling bundle, but one specific component of said bundle is out of stock, that report is pulled," he said, "I'm able to see what item it is, how well it's selling, and if we have any comparable items that we can replace into that bundle."

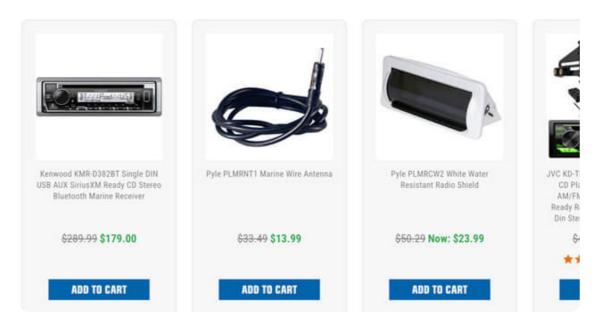
business the next year," said Neuwirth, who praised how much Sellercloud has helped the company improve efficiency

over 10 years.

A decade later, Road Entertainment depends on Sellercloud to function and can hardly imagine how the company would operate without it. "There would be a lot of stressed out folks if this company was to run without Sellercloud," said Ysani, who highlighted how Sellercloud makes everything more efficient. Hung agrees; he can't see how a business would put a kit together without Sellercloud. "I'm assuming they would probably have to work like a week in order to get done what



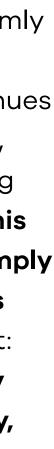
BEST SELLERS WAY

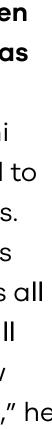


I'm doing and like a couple of hours," said Hung, picturing how someone would do his job without the aid of Sellercloud.

Road Entertainment sees its future firmly with Sellercloud, seeing the business continue to grow as Sellercloud continues to add valuable features and improve, enabling it to focus more on marketing and less on day-to-day tasks. "I see this company growing with Sellercloud simply because it just makes everyone's lives easier," said Hung. He also added that: "regardless of how large the company grows, especially in terms of inventory, sales, Sellercloud is always able to scale with the business."

Neuwirth is eternally grateful for how much Sellercloud has helped grow the company. **"For me, Sellercloud has been** a tremendous help in my business. I was able to get here only with Sellercloud and the team behind it," he said. Ysani finishes by recommending Sellercloud to any business that works often with kits. "If you're creating large batches of kits and you're given a deadline, which, it's all the time, use Sellercloud because it will minimize that deadline time and allow you time to commit to other functions," he said.







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