



CASE STUDY

Fortune 500 Retailer Triples Recovery Rate on General Merchandise

QUICK FACTS

155%

increase in recovery for
General Merchandise

66%

increase in recovery for
Seasonal Items (luggage)

50%

increase in recovery
for Electronics

Challenge

A Fortune 500 retailer had been working with B-Stock to sell its returned and excess inventory via a private B2B liquidation marketplace. While product categories with higher quantities of merchandise—like clothing—were sold in category-specific lots, the majority of the inventory, including: cookware, jewelry, linens, electronics, nonperishables, and luggage, among others, were grouped together as a “mixed lot” and sold by the truckload. As pricing and buyer engagement on these mixed lots leveled out, it was clear a new strategy to increase bidding and recovery was needed.

Solution

To increase buyer engagement and drive up pricing, B-Stock’s team of marketplace experts recommended that the retailer implement specific sorting strategies identified by analyzing data from across the B-Stock Network. This would allow more buyers—looking for bulk quantities of specific products—to participate. After analyzing historical data and buyer behavior, the following categories were initially focused on:

- **Electronics:** when separated into their own lots, items like headphones, sound bars and portable devices typically generated higher pricing
- **Seasonal Items:** timed to travel season, individual lots of luggage sell well
- **General Merchandise:** nonperishable food and cleaning products are popular with dollar store and mom & pop store owners

Category-specific marketing campaigns were implemented to engage the right buyers within B-Stock’s massive buyer network, while demand generation campaigns were developed to target and nurture new, category-specific buyers.



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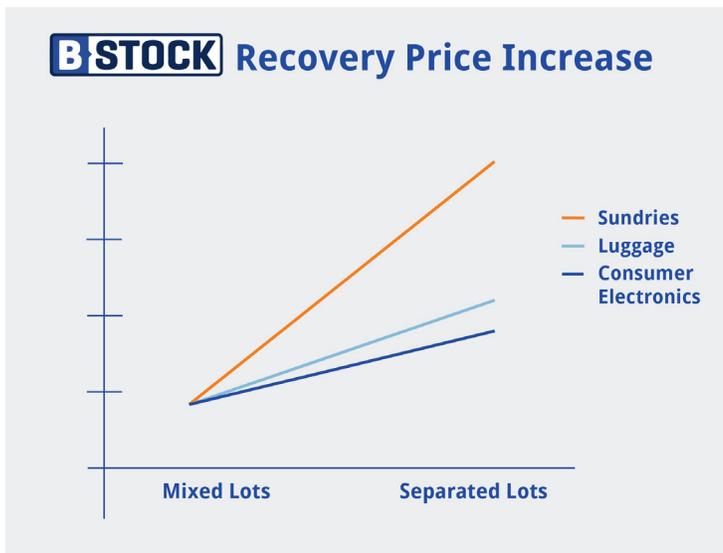
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Results

Once the additional category-specific lots became available, buyer engagement with the site increased, causing recovery rates to jump significantly. The Electronics lots achieved a 50% increase in recovery (over mixed lot pricing). Seasonal Items experienced an uptick as well: luggage lots, timed to popular travel times, generated a 66% increase in recovery over mixed lot pricing.

The biggest overall jump in recovery was for General Merchandise. When broken down by commodity—including paper products, cleaning supplies, pet food, coffee-pods and plastic silverware/plates—the retailer experienced an overall 155% jump in recovery. This is due to a few reasons:

- General Merchandise items are in high demand at discount stores
- Individually wrapped nonperishable items can be sold individually at a profit
- The items can be easily stocked in a vending machine or refrigerator



The more the retailer sorted General Merchandise lots, the higher the recovery: coffee-only and paper-only lots proved to be most popular. However, a lot consisting solely of cleaning products achieved a 244% increase in recovery over a mixed lot.

As our partnership with this retailer progresses, B-Stock will continue to break down and optimize lots based on secondary market buying trends; adjusting them as needed in order to capture the highest value possible for the client.

Contact B-Stock

Ready to optimize your liquidation strategy? Email us at recovery@bstock.com.