

CASE STUDY

Staples goes new school: More SKUs, better search, increased revenue



Company Profile

staples.com

Staples is a global retailer and a leading provider of business solutions. Its digital operation ranks No. 5 in the Internet Retailer 500. Staples boasts 20 websites across Europe and North America, including the consumer- and SMB-facing Staples.com and its business-to-business property StaplesBusinessAdvantage.com.

Application

Bloomreach Search and Merchandising

Impact

- 3.5% Revenue per Visitor (RPV) lift on B2B site
- 4.4% RPV lift on Staples.com
- 80% less time spent manually tuning sites by onsite search team
- Scaled SKU catalog 10x without adding to onsite search team

"We were really trying to find a way forward and go to something more data-driven."

Brian Higgins

Global Search Engine Product Manager, Staples

Business Challenge

Staples isn't the sort of retailer to sit still while the industry around it shifts wildly.

With Amazon growing and other retailers threatening industry dominance, Staples decided to act fast and forcefully. The company increased the number of stock-keeping units (SKUs) on its websites to 2 million — a 10-fold increase — and charted a course to become a business-to-business, one-stop shop for small, mid-sized and large-scale enterprises, including commercial and government.

The idea was to move beyond its category killer status to provide a much broader inventory of products that businesses need — everything from copy paper and toner to power tools and medical scrubs.

The bold move added another level of complexity to an online operation that was already running six different versions of search-engine software on its 20 websites, including those catering to business accounts. Each aging, on-premise search engine required local management and maintenance. The staggering number of new SKUs meant that onsite search and content team members had to prioritize their optimizing efforts on the most common search terms and were unable to optimize the vast majority of terms that comprised the long-tail of the distribution.

The Staples team was intently focused on where retail and eCommerce were going, but as they embraced the future, they were hampered by their legacy site search technology.

"The biggest thing was that our business had evolved such that we had all these different sites using different versions of enterprise search software," said Doug Gribbel, Senior Manager of Global eCommerce Search. "As product managers, we were constantly struggling, trying to update things and increase performance and we were constantly hindered by the legacy systems."

An old-school system that required manual tuning and optimizing had no place in the new Staples. Doing that job right, at scale, would no doubt require a dramatic expansion of the workforce.

The company needed a way to automate some of the work involved in surfacing the relevant products that Staples' customers were searching for. Its legacy system didn't take into account consumer behavior on the Staples sites or the wider web.

Staples also wanted to get away from an outdated enterprise software model. In short, they were required to buy the software and then pay annual licensing and maintenance fees. The company was a prisoner of the product roadmap of a large software company with many business divisions.

"Long story short, after we installed our previous search engine software, we really didn't get anything in terms of optimization or product enhancement," said Brian Higgins, Global Search Engine Product Manager.

And Staples was saddled with a technology that made it hard to attract the best talent.

"Software architects are seeking opportunities to work on new technology, where the market is headed, as opposed to supporting legacy systems," said Gribbel.

Solution

Staples set about finding a data-driven answer that provided personalization and relevance at scale. In a three-way, head-to-head test, across their various sites, it pitted Bloomreach Search and Merchandising (brSM) against its legacy system and another competitor. The Staples team compared revenue per visit (RPV) and conversion rates and the answer was clear.

brSM delivered more than a revenue boost. Bloomreach's algorithms enabled Staples to successfully manage the tremendous increase in product listings on its sites without additional manual effort.

With a deep understanding of natural language, brSM understands how customers search and combines that with contextual behavioral data to make sure the right products are seen in the right order for the right person. With brSM, the amount of manual rule writing required was dramatically reduced.

Being freed from the time-consuming rule writing has allowed the Staples team to focus on higher-level problems and more creative solutions.

"We definitely get the sense that we are tackling more bigger-picture problems, like how do we drive product discovery and expose users to new categories, new products, new services," said Gribbel. "We're less focused on the day-to-day manual effort. It also helps us provide a better career path for the folks on our team that have traditionally been doing this really manual work."

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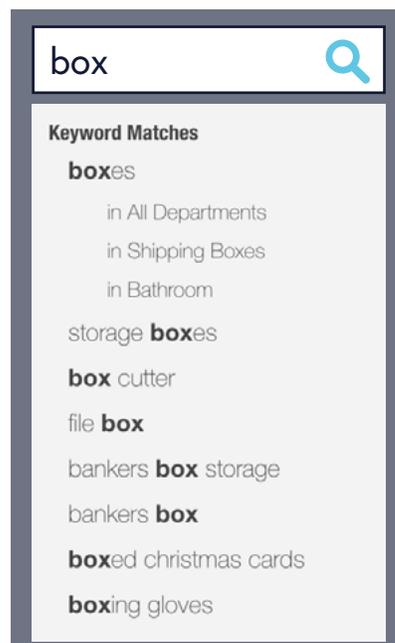
Doug Gribbel

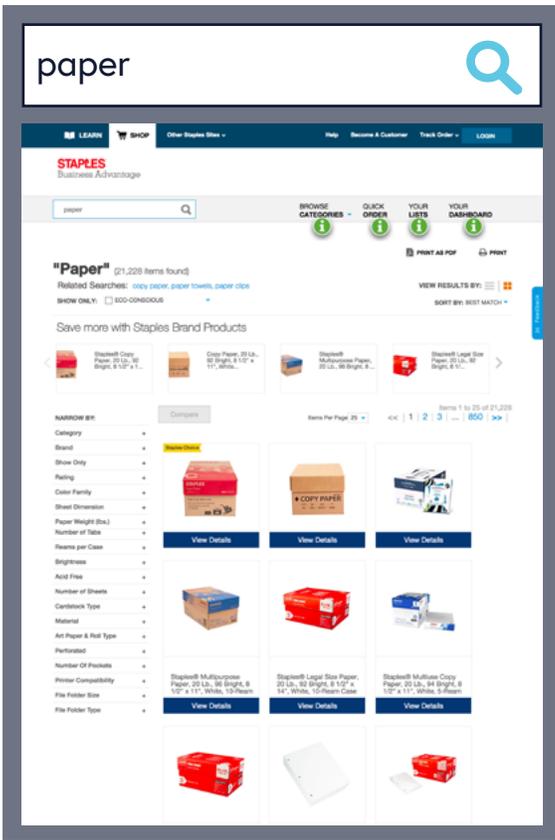
Sr Manager of Global eCommerce Search,
Staples

About Bloomreach Search and Merchandising

Bloomreach Search and Merchandising (brSM) delivers personalized search and browse experiences for each of your shoppers and intelligent merchandising tools for your team.

A self-learning site search tool, it's designed to enhance the customer experience with features such as dynamic facets, visual search and descriptive autosuggest, while streamlining your workflow.





Staples Business Advantage

Staples increased focus on the business-to-business (B2B) sector and required the more automated approach to personalization and relevance that Bloomreach Search and Merchandising provides. As Staples raced to head off big competitors also expanding their B2B efforts, there was no room for providing a sub-par search experience.

"Staples is a very complex place, especially the B2B side, where you have to customize assortment and pricing," said Higgins.

Adding hundreds of thousands of SKUs in new categories to the B2B side was key to Staples' plan for long-term success. Focusing on moving beyond core office supplies, the retailer moved quickly to offer everything a business needed to operate, from coffee for the breakroom to software for the payroll department.

B2B requires a lot of variety. Every business account operated under different conditions. The product assortment that Business A would see when it logged on to the site might not look anything like the assortment offered to Business B. Contracted prices varied and certainly the purchasing habits of different accounts varied.

Simple search terms, "boxes" for instance, mean very different things to an office manager who needs a Bankers Box and a warehouse manager who needs to ship heavy items across the country. Or "paper", which referred to "copy paper" before Staples widened its selection, now includes wrapping paper, paper towels and the like.

Incremental lift in revenue per visit of at least **3.5%**

Results

Bloomreach Search and Merchandising provided an overall incremental lift in revenue per visit of 3.5 percent across its North American eCommerce sites. That translates into an annual revenue increase of more than \$100 million.

Moving to a more data-driven approach that incorporates users' behavior on the site and the web means that the Staples onsite search team has a better balance of human and machine. Now, the team can focus on more advanced analytics, A/B tests and user-experience projects that promote the retailer's key initiatives, while allowing the algorithms to manage the optimization effort of the entire assortment.

In the end, the change means that team members are spending one-fifth the time they once did on manual optimization.

The new-found time has allowed team members to begin building new self-serve dashboards that will provide merchandisers with vital information that currently requires research from the site search team. brSM also allows the team to focus on strategies and tactics to help move the company's higher-level business initiatives forward.

About Bloomreach

Bloomreach brings businesses the first open and intelligent Digital Experience Platform (DXP) which combines applications in CMS, Site Search, Digital Merchandising and SEO. Bloomreach software helps enterprises accelerate the path to conversion, increase revenue, and build customer loyalty.

Learn more:
bloomreach.com