

A CHANNELADVISOR CASE STUDY

LOCATION Wedemark, Germany

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**WEBSITE** www.sonova.com/en/sennheiser



Consumer Electronics

solution ChannelAdvisor Marketplaces

### ABOUT THE SENNHEISER BRAND (LICENSED BY SONOVA)

Shaping the future of the world of audio and creating unique sound experiences – that's what the Sennheiser brand has been all about for over 75 years. While Sennheiser electronic GmbH & Co. KG focuses on professional audio solutions such as microphones, conference systems, streaming technologies and monitoring systems, its consumer electronics business with headphones, soundbars and voice-optimised hearables is operated by Sonova Holding AG under licence from Sennheiser.

#### THE SITUATION

Sennheiser's consumer electronics division recognised the potential of e-commerce a decade ago, and began to explore their options for direct marketing to consumers.

René Herzig has led the global e-commerce business for the Sennheiser consumer electronics brand for almost 5 years and in this role also deals with the resale of returned goods. For René, this is not only a matter of increased sales, but also of sustainability: "It means we don't have to scrap the goods that customers return."

Until 2019, refurbished products had been handled by a partner company, which organised the return, inspection and processing of goods that were sent back. This partner was already making extensive use of marketplaces for selling these returned and refurbished goods. René recounts: "We asked ourselves why we didn't do it ourselves. We had all the sales channels and a good warehouse operator who was able to undertake the refurbishment."

So, the team made the decision to set up a Shopify shop with standard integration to Amazon and eBay and launch the business.

This initial experience proved extremely valuable, according to Herzig. It demonstrated that the business with processed returns was viable, but also, René reports, it highlighted where the main challenges lay. According to the Sonova team managing the Sennheiser brand, they quickly established that it takes more than just putting an 'R' for refurbished in front of an item number (stock keeping unit, SKU) in order to succeed internationally on eBay or Amazon Renewed. One of the biggest challenges was timing: "Whenever changes were made to the marketplaces, it could often take a while for Shopify's connectors to be adapted," René recalls and it was clear that this would make it very difficult to scale.



#### THE SOLUTION

Sonova was looking for a strong international partner with a global presence and a firm grasp of the global marketplace business to put the Sennheiser consumer electronics direct business on a strong footing. "We looked at various options. However, many providers lacked global coverage," says René. This is where ChannelAdvisor was able to stand out with its 350+ globally connected marketplaces and retail sites. With ambitious plans to roll out the returned and refurbished Sennheiser product business globally, Sonova opted for the ChannelAdvisor Marketplaces solution to support their goals. Working with ChannelAdvisor's experts and using the ChannelAdvisor Marketplaces platform, the brand supplier was able to set up a more sophisticated integration with Amazon and eBay for its existing Shopify system.

The entire technical set-up was designed with global growth in mind from the outset. "If you wish to boost your marketplace business internationally, integration soon becomes a bottleneck," René explains. "This is where a technical infrastructure that is independent of individual countries supports us. It allows us to scale enormously quickly, it's almost a case of simply cut-and-paste. This means that we can theoretically start in any country at any time – and are free to choose which marketplace we target next." As the team continued to scale and expand both to new countries and new marketplaces, René relays that ChannelAdvisor also helped Sonova transform and optimise the Sennheiser product content based on the individual requirements of each marketplace.

#### THE RESULT

"The standardised approach for each marketplace accelerates time-to-market and it saves IT resources," says René, "This is because it is no longer necessary to create a new interface for every country and every marketplace. This saves resources not just during set-up, but the maintenance effort for modifications is also significantly lower" explains the e-commerce manager. René mentions that this was evident for Sonova when it expanded its Sennheiser consumer electronics business in Australia, where the brand retails via eBay and the local platform Catch. Sennheiser consumer electronics products are available in America through the Amazon marketplace.

"ChannelAdvisor is globally positioned and at the same time takes local circumstances into account, which is ideal for us. You can see that ChannelAdvisor supports the needs of both retailers and brands to be successful on marketplaces," René says. The e-commerce manager also notes that the platform is easy to use.

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He emphasises the responsiveness and constructive cooperation with the ChannelAdvisor support team as a big plus. "Changes to the marketplaces are implemented very quickly. Our support contacts are also quick to respond whenever we have a question or if something doesn't work the way we want it to. More importantly, they don't hang back – all the experts we've dealt with so far have been readily available and quick to find a solution." His overall verdict is correspondingly positive: "The e-commerce platform helps us to manage our online business as easily and efficiently as possible. It enables us to process orders smoothly and thus generate further sales growth. ChannelAdvisor made it possible for us to do business with refurbished products on marketplaces, which has driven significant value for the company". In America, for example, René says, significantly more goods are sold on marketplaces than in the company's own outlet store.

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Since March 2022, Sonova Consumer Hearing has been marketing Sennheiser consumer products, under licence, and is continuing to take great strides in online sales to end users. In addition to the South Korean platform PopInBorder, the company also has a further expansion in Germany via Otto in the pipeline, René reports. He concludes with advice for brands looking to grow and profit from a marketplace strategy: "You can manage fine with a small solution for a proof of concept, but as soon as the online business needs to be scaled up and optimised, there is no alternative to a professional, global platform like ChannelAdvisor."

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Accelerated time to market across global marketplaces







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