

Case Study

Leading global retailer boosts recovery by 2x



**2x Increase
in recovery**

**Thousands
more buyers**

**Increased
efficiency**

**Lower
costs**

Background

One of the world's largest international online home decorating retailers, with more than **30 million** products, came to us with a need for a customized reverse logistics operation that could handle both peak returns volume and excess inventory without interrupting their day-to-day operations.

Before Liquidity Services, the retailer relied on a business to business (B2B) auction marketplace and managed buyers themselves. However, this model could not support their growing volume. It resulted in product sitting too long in the distribution center (DC), a limited pool of buyers that required time and effort to manage, and a shortage of DC space needed for forward sales.

Solution

Liquidity Services implemented a multi-pronged operation to support peak volumes and improve their total recovery value.

Storage and Transportation

To lower their transportation costs, we leased a dedicated building for them, located near their DC.



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Next, we provided a pool of trailers to hold their excess inventory. The retailer loads the trailers and provides a manifest. Liquidity Services manages all labor and resources, including providing drivers and transportation – on average, for eight round trips per day.

This strategy continues to save them space, labor, time, and hassle. Not only does it eliminate the need for a third-party carrier to schedule pickups, it also eliminates most overtime labor and frees up space in their DC for more valuable merchandise. It's an ideal approach for high volume facilities that require operational efficiency.

Dispositioning

After we receive their product in our warehouse, we liquidate it in the most strategic channel:

- **B2B** (business to business) auction sales for full truck loads (FTLs) or pallets at liquidation.com
- **B2B** negotiated sales to a large pool of qualified buyers
- **D2C** (direct to consumer) sales at secondipity.com for lightweight single items and AllSurplus Deals, with curbside pickup for high-value single items

By employing multiple channels, we match the type of product to the most suitable buyer—improving recovery, velocity, and reaching thousands more customers while protecting their brand.

Liquidity Services manages all buyer relationships and transactions, so the retailer doesn't have to.

Results

By focusing on total recovery value, Liquidity Services was able to double this retailer's recovery rate and significantly lower costs.

In the DC, the retailer gained a single point of contact, shuttle service to and from the dock to the building and achieved their goal of operational excellence.

For their liquidation strategy, we exposed the retailer to more buyers and eliminated touches to the end user, resulting in higher recovery rates.

Multi-Channel Platform Solution | Higher net recovery through channel optimization

Liquidation.com

Online B2B

- Cartons, pallets, & truckloads
- 4.8 million registered buyers
- Over 1700 active sellers
- Product in any condition

B2B negotiated sales

- High-volume truckload
- 13,000 registered buyers
- High-volume programs
- International sales

secondipity

D2C

- Single unit sales
- New, refurbished or open box
- Custom website and storefront
- Dropship to major retailers

ALLSURPLUS DEALS

D2C

- Single unit auctions
- High-value items
- Onsite pickup

For reverse supply chain solutions configured to meet your unique business needs, trust Liquidity Services. **Get in touch with us today.**

Talk to Us

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A Better Future for Surplus