



## Video Game Retailer Improves Online Experience, Store Traffic with E-Commerce Upgrade

### Overview

**Country or Region:** United States

**Industry:** Retail—E-commerce

### Customer Profile

GameStop, based in Grapevine, Texas, is one of the world's largest video game and entertainment software retailers, with 6,100 stores worldwide, as well as the GameStop.com and EBGames.com Web sites.

### Business Situation

The retailer's existing e-commerce system limited its customer-facing functionality and cross-channel integration capabilities.

### Solution

To meet its e-commerce needs, GameStop upgraded to Microsoft Commerce Server 2007 as part of a major overhaul of both front-end and back-end systems that was coordinated by Cactus Commerce.

### Benefits

- Web site traffic increased 14 percent
- Time spent on Web sites increased 10 percent
- New online options account for 10 percent of customer service contacts

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*Curt Burgess, Director of Online Operations, GameStop*

An ambitious growth strategy at video game and entertainment software retailer GameStop called for enhancements to the online customer experience, along with tighter integration between online and brick-and-mortar sales channels. However, an aging e-commerce system, based on Microsoft Commerce Server 2000, hampered the retailer's ability to add new functionality. By upgrading to an e-commerce solution based on Commerce Server 2007, the retailer gained the ability to offer in-store pickup of products ordered online, expanded product look-up capabilities, and enhanced customer-generated content. Since the upgrade, the number of unique visitors to GameStop sites is up by 14 percent and the average amount of time that visitors spend there is up by 10 percent. The robust, flexible solution also provides GameStop with a solid foundation for future growth.

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## Situation

With more than 6,000 stores worldwide plus two popular Web sites, GameStop.com and EBGames.com, GameStop is already one of the world’s largest video game and entertainment software retailers—but the company’s goal is to become an essential part of the gamer community. “Our core vision is to be the research, shopping, and social destination for gamers, with enhanced cross-channel integration that will allow us to maximize our sales in all channels,” says Curt Burgess, Director of Online Operations at GameStop.

Turning that ambitious vision into a reality requires a stable yet flexible e-commerce platform, one that can facilitate tighter links between brick-and-mortar stores and the online channel. Fulfilling the GameStop strategy required a number of enhancements to its customers’ cross-channel experience, including:

- Offering the ability to preorder games online and pick them up in the store.
- Augmenting the existing store-based game trade-in credit program to give customers the ability to redeem credits online.
- Expanding the retailer’s Edge Card discount program so that customers receive member discounts online as well as in stores.
- Making it easier for gamers to post their own content online and offering user reviews that are targeted to the interests of specific types of gamers, both online and through customer-facing kiosks in selected GameStop stores.

The company’s existing e-commerce system, based on Microsoft Commerce Server 2000, was unable to support many of the cross-channel functions that the retailer sought to implement. “The system had been successful in running our sites for

several years, but it had reached capacity and was nearing the end of its life cycle, so it was very challenging to do any type of new development on it,” says Burgess. “For example, the system didn’t allow customers to use multiple payment methods. We wanted to move to a solution that would provide a stable and robust foundation to take GameStop to its next phase of growth.”

GameStop was also seeking technology that would help it reduce customer support costs by providing many self-service features via the Web sites.

## Solution

To achieve these goals, GameStop decided to move to an up-to-date e-commerce solution based on Microsoft Commerce Server 2007. This move was accompanied by a major systemwide upgrade involving an extensive development and testing cycle, during which GameStop replaced all its front-end e-commerce applications and all its back-end systems, except for its warehouse fulfillment system. The upgraded e-commerce sites—GameStop.com and EBGames.com—went live to consumers on March 30, 2008.

In addition to upgrading to Commerce Server 2007, GameStop moved to Microsoft BizTalk Server Enterprise Edition 2006 for integration activities and to Microsoft SQL Server 2005 Reporting Services for data analysis. GameStop also deployed Micros order management and customer service software and Endeca catalog search technology.

Cactus Commerce was the primary integration partner for the entire process. “Cactus Commerce partnered with us up front to learn our business model and brought technical expertise with the Microsoft software,” says Burgess. “Cactus

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did the majority of coding and testing of the solution, and also provided effective project coordination.”

The advanced e-commerce capabilities that are built into Commerce Server 2007 were instrumental to GameStop in its efforts to integrate its online and brick-and-mortar channels. The new solution facilitates the retailer’s ability to offer customers store pickup of games preordered online. GameStop also used the advanced catalog, customer, and order management capabilities of the solution to expand its store-based game trade-in program and Edge Card discount program to its online channel.

In addition, GameStop was able to widen the range of user-generated content that could be presented online—highly valued in the gamer community—and share that content with in-store kiosks. It is now easier for users to post product reviews, participate in discussion forums, and preview new games. “We’re now able to offer enhanced reviews that allow users to rate games on more specific, relevant criteria,” says Burgess. “For example, with a racing game, the reviewer can rate the number of different tracks that are offered, and for a fighting game, the number of characters available. As a specialty retailer, we were excited to be able to offer this level of detail.”

With the new solution, GameStop enhanced online customers’ self-service capabilities, making it simpler for them to manage their account information and individual order preferences, such as upgrading a shipping service level. Previously, customers had to phone or send an e-mail message to GameStop customer support staff to manage these functions. In addition, GameStop added gift card sales

and redemption capabilities to its online offerings.

GameStop also expanded its product availability look-up capabilities. Online customers seeking a particular game can type their postal code and be shown the three stores closest to them that have it in stock. This type of location-specific product availability is a new feature made possible because of the solution upgrade. “This has had a huge impact, particularly in the used games category,” says Burgess. “If gamers can find used versions of some of the rarer games, they’re often willing to drive to a store to get them.”

## Benefits

With its upgrade, GameStop has a stronger, more flexible e-commerce solution that supports an enhanced customer experience.

GameStop has seen some of its biggest benefits in cross-channel integration, particularly the in-store pickup capability for games purchased online. “The in-store pickup feature has been very popular with customers,” says Burgess. “It has produced results that are several times what we had originally expected.”

Driving store traffic in this way not only helps in-store sales but also ultimately helps the online channel. “To get our store associates excited about promoting the GameStop online channel, we knew it was important to make the stores’ cash registers ring, and that’s what we’ve seen happen,” Burgess explains. “By aggressively promoting the in-store pickup feature, we’ve been able to drive increased traffic to the stores.”

The enhancements to the GameStop sites have produced numerous measurable benefits. In the first 12 months since the

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upgraded sites went live, the retailer saw a 14 percent year-over-year increase in unique visitors. According to Nielsen Online, more than 3 million unique visitors came to the sites during October 2008 alone—a 40 percent increase over the October 2007 figure. In addition, statistics from GameStop indicate that the average amount of time visitors spent at the sites also increased, climbing 10 percent in January and February 2009 compared with the same period in 2008.

Even though the in-store pickup program has sent many customers to GameStop brick-and-mortar locations, online sales have improved since the upgrade. The enhanced customer experience is one reason. “Online, we’re offering better research tools than we ever have, and we have enhanced our reviews and discussion forums,” says Burgess. “We’re getting great feedback from the gamers who are some of our biggest buyers.” And GameStop as a whole has experienced growth, improving sales and adding new stores even as the United States and global economies worsened during this time period.

GameStop has achieved many of its support-related goals, as well. Expanded online self-service options have helped it lower online customer service support costs. For the first nine months that the self-service options were available, they accounted for 10 to 12 percent of all customer service contacts at GameStop.

The upgrade to Commerce Server 2007 and integration of BizTalk Server and SQL Server has provided GameStop with a robust solution that it can leverage throughout the company, allowing it to provide product data to a range of other systems. For example, the retailer is providing its full product catalog to customer-facing kiosks located in a few of its stores, along with the enhanced user-generated content available online. This provides customers at these brick-and-mortar stores with access to the retailer’s online content, bringing a strong benefit of the online experience into the store environment.

## For More Information

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[www.microsoft.com](http://www.microsoft.com)

For more information about Cactus Commerce products and services, call (888) 222-8870 or visit the Web site at:

[www.cactuscommerce.com](http://www.cactuscommerce.com)

For more information about GameStop products and services, call (817) 424-2000 or visit the Web site at:

[www.gamestop.com](http://www.gamestop.com)

## Microsoft Solutions for the Retail Industry

Large retailers, hoteliers, and restaurateurs are facing strong challenges in virtually all areas of their business, from ever-changing customers and increasing competition to shifting models and emerging technology. Microsoft and its partners are working together to meet these challenges and empower the retail and hospitality industry with a competitive edge. By providing powerful integrated solutions, we enable improved shopping for the customer, a more effective sales staff, and enhanced operations at store and corporate levels.

For more information about Microsoft solutions for the retail industry, go to:

[www.microsoft.com/resources/retail](http://www.microsoft.com/resources/retail)

### Software and Services

- Microsoft Server Product Portfolio
  - Microsoft Commerce Server 2007
  - Microsoft BizTalk Server Enterprise Edition 2006

- Technologies
  - Microsoft SQL Server 2005 Reporting Services