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## Lukie Games Scores 27% Sales Jump with Help from 3DCart and SearchSpring

Since 2005, Lukie Games has sold new and used video games, systems and equipment online for brands like NES, SNES, N64, Sega, Playstation and Gameboy. The company started as a side-project for cofounders Jesse and Sara Cover, who began selling Nintendo games on Ebay, and exploded into a gaming retail store that sells more than 45,000 games monthly to a customer base of more than 250,000 shoppers.

### A Gaming Side Project Ignites a Brand, Online Retail Store

In 2005, Jesse Cover and his wife Sara inadvertently turned their passion into a business. It started out as a hobby—buying and selling used Nintendo video games on Ebay—but their brand began gaining steam. “It was more of a hobby—a way for my wife and I to expand our video game collection,” recalls Jesse Cover. “When we moved down to Florida, the success we enjoyed on Ebay was enough to support my decision to leave my career in IT.”

While sales were thriving for Lukie Games, Ebay was taking a huge cut of each transaction—a harsh reality that led the couple to explore sales potential on Amazon. With steady, continued growth, Jesse and Sara decided it was time to establish their own storefront where they could keep a greater percentage of the profits and have complete control over the customer experience and branding.

“Amazon was definitely a good resource for us, and Ebay was a great jumping off point,” Cover says. “But things really came to a head for the company when the Ebay fees started reaching between \$20-30,000 a month. Amazon contributed another \$8k of monthly expenses. You can build repeat business with both brands, but you always have to pay the fees. It was clear we needed to strike out on our own.”

The desire to build an organic brand with fewer business surprises and better planning options was also driven by the unpredictable nature of selling on Ebay. “Sure, we were still a smaller company, but we were getting to the size where budgeting and forecasting became critical components of a successful business,” Cover elaborated. “Ebay has total control over its system, and our frustration over continual changes was too much.”

In 2009, Jesse’s IT knowledge helped start the expansive hunt for the right shopping cart platform. One of the most crucial criteria identified was compatibility with Stone Edge, the business’ backend management platform. They also wanted a hosted site built on proprietary technology that offered a high level of customizability, openness and flexibility.

Naturally, Jesse’s search led him to ecommerce software suites like Magento, Volusion, osCommerce—and 3dcart.

## Lukie Games Chooses 3dcart on Strength of Reviews, Transparency

Jesse and Sara spent several months comparing and testing Stone Edge-compatible systems, but one decision was made quickly: to eliminate osCommerce from the process. "While open source has its advantages, osCommerce would involve thousands of dollars in custom development and potentially an on-staff developer, and the overhead was simply too much," Jesse said.

To test the customer support of the different products under evaluation, Jesse had called tech support lines to see how long it would take to get through. With most of the other companies, he might wait on hold for upwards of an hour; with 3dcart, he got through to tech support in a matter of minutes every time—and found the staff to be very friendly and knowledgeable.

In the end, Lukie Games narrowed the field to two e-commerce software providers: Volusion and 3dcart. To make the decision, Jesse took to the web for input from customers of both companies.

"The first criterion that played a role in our decision was brand forums," says Jesse. "At that time, Volusion had a tight grip on their customer forum, so we couldn't access it. Actively trying to hide potentially negative feedback was a huge red flag for us. In contrast, 3dcart's forums were open, and that was the kind of honesty, transparency and customer appreciation we were looking for."

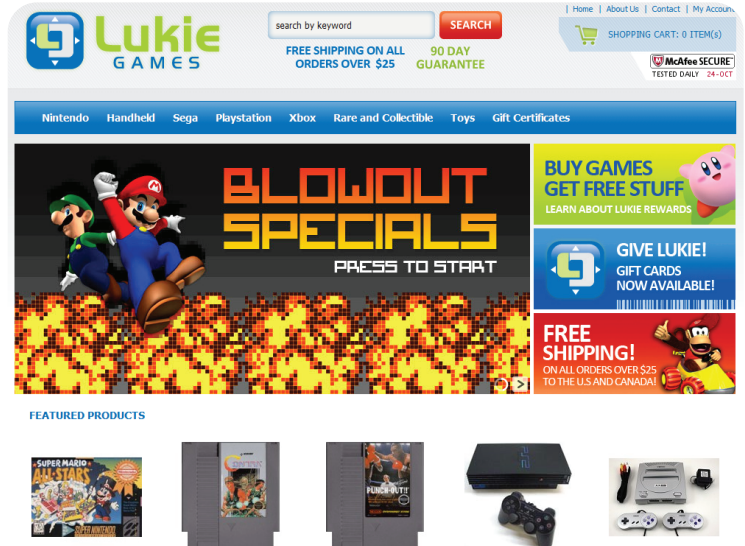
### A Feature-Rich Shopping Cart Experience

While Jesse and Sara had chosen 3dcart on the strength of customer experience, transparency and compatibility, the couple has found that 3dcart's built-in feature set has had tremendous applications for the video game market.

Jesse identifies several features that have come in handy:

#### Built-in SEO

"The way 3dcart names and structures our pages is very SEO-friendly without much customization. We automatically popped up in the top ten search results. Before we even sold Sega Genesis products, for instance, we loaded a catalogue onto the site and had immediate and effective search visibility."



The web offered a lot of buzz about the uptime histories of both Volusion and 3dcart. Customers raved that 3dcart was one of the most stable platforms out there. 3dcart's record of uptime, in contrast to other carts, contributed prominently in Jesse's decision.

Jesse and Sara claim they were "hard-pressed to find anyone who didn't have good things to say about 3dcart." In the end, Lukie Games would launch its first online store on the 3dcart platform. Loading some 10,000 items into the store and preparing the site took them little more than a day's worth of work. In August 2009, LukieGames.com went live.

Over time, Jesse and Sara would come to identify features of 3dcart that helped enhance the business for its industry.

#### Customizability

"3dcart is about as open-ended and customizable as proprietary software gets. From tweaking SEO to implementing layout changes, the software doesn't lock you out the way competitors tend to do."

### Autoresponders

"Working with the autoresponder feature has been a very positive experience. The ability to have 'order received' and other automated emails controlled by the system is a great time-saver."

### Rewards Program

"Lukie Games ships a few hundred items a day directly through FedEx—but most of the thousand items we ship daily runs through third-party consolidators that offer us major discounts on bulk shipping. Between domestic and international shipping, we can run organized shipping campaigns through each unique service provider."

In addition to the above features, Jesse says that the reports generated by the 3dcart system are robust enough to help him run a tight ship. 3dcart's design team also helped Lukie Games create and launch an updated store design.

### Wish Lists & Waiting Lists

"Because we carry so many older games and accessories, we're often out of stock on certain items. The "wish list" and "waiting list" features, coupled with the autoresponders, simplify the process for customers waiting on back-ordered items."

### Rewards Program

"We just started using the built-in rewards program, but it's a very strong feature that has helped us generate quite a lot of repeat business. It offers us the kind of repeat business we might get with a 15%-off coupon."

## SearchSpring Integration Boosts Sales 27 Percent

As a professional online retail store, Lukie Games is always in the market for improvement. With so much nostalgia attached to many of the games offered by the store, Jesse says customers love to browse and find games from their childhood.

For that reason and many more, Jesse and Sara recently set out to find a robust site search and category page filtering option for their customers and came across 3dcart partner SearchSpring.

"What first attracted us to SearchSpring was its ability to integrate 'category' tagging into the search process," Jesse explains. "But we found out SearchSpring had even bigger implications for our business. For instance, Mega Man is one of our most popular and most searched games. If someone searches 'Mega Man,' we've created special landing pages that return pictures and descriptions for a more direct search result."

Lukie Games saw a gigantic customer response from the integration of SearchSpring.



On both category pages and search results pages, the ability to use faceted navigation with a variety of fields like price, gaming system, condition, genre and "in-stock" helps connect customers with their desired products quicker, lifting conversion percentages to new heights. For instance, parents looking for age-appropriate games for their children can sort by ESRB rating for better results.

But one of SearchSpring's biggest strengths, in Jesse's opinion, is its ability to take sales history into account on any given product. "Most of our customers are searching for games and equipment—but we also sell collectibles. Because the market for collectibles is much smaller, our old search feature returned less relevant results. Integrating sales history ensures searches return the most accurate results—and the ones most likely to result in conversions."

In addition to enjoying a 27 percent boost in sales throughout August, Lukie Games says SearchSpring integration has led to:

- 6.6% increase in year-to-year growth
- 12.6% increase in pages per visit
- **434% total ROI**
- 13.2% increase in average order value
- 5.1% increase in time spent on the site



## On the Right Track: Lukie Games Projects \$5 Million in Revenue for 2011

Lukie Games' tremendous growth led to the addition of newer gaming systems like PS3, DS and Wii—but the stock expansion is only a small indicator of the business' success. In fact, Jesse and Sara predict they'll hit \$5 million in 2011 sales, up from \$3.1 million in 2010.

In comparison to selling on Ebay and Amazon, Jesse says working independently has helped them save between \$12-14,000 in August alone. While Lukie Games still maintains sales channels within Ebay and Amazon, the company averages only 12-15 percent growth. On 3dcart, that number averages well over 30 percent.

International sales represent a large portion of Lukie Games' business. "We sell to other game shops in Sweden, Norway, Brazil, Germany and other countries. Without 3dcart, we wouldn't be capable of that kind of reach."

The company's 18 employees work out of a 12,000 square-foot distribution center in Miami and, as of very recently, enjoy full coverage of health, dental and vision benefits. "Not many people are adding that kind of stuff these days," jokes Jesse.

Lukie Games plans to open another distribution center in Las Vegas in the coming years.

Three of the full-time employees are customer service representatives—and Jesse says working through sites like Ebay and Amazon would mean more issues and force the company to hire an expensive fourth representative. "Per hundred items sold, we averaged more the 30 customer contacts using Ebay. With 3dcart, we've lowered that number to 4."

Jesse reports that 3dcart also reduces the burden on staff by being simple to use. "Sometimes we get temps in here, and they're ready to start using the system in a couple of hours. That reduces the training burden and the need for highly technical staffers."

In the end, Jesse considers 3dcart and SearchSpring extensions of the Lukie Games team. "We chat with a lot of fellow business owners, and we're constantly recommending the services. You simply don't find businesses that care this much about their customers every day."

### About 3dcart

3dcart (<http://www.3dcart.com>), located in Tamarac, Florida, is a complete ecommerce software solution for merchants to build, promote and grow their online business. The company's services include the tools, advice, support, and technology to manage an entire online operation. Since 1997, 3DCart has been developing internet solutions for small to medium size businesses. Today, 3dcart is an Inc. 5000 company, a Visa PCI Certified provided and a pioneer in Mobile Commerce and Social Marketing.

### About SearchSpring

Developed by B7 Interactive and a team of veteran E-Commerce software developers, SearchSpring's E-Commerce site search and faceted navigation solutions empower online retailers to unleash findability. Delivering the latest in search and AJAX technology, SearchSpring enables merchants to provide a rich and engaging online shopping experience. For more information, visit <http://www.searchspring.net> or call 888-643-9043.