



HipVan

Case Study

How furniture e-retailer Hipvan builds trust with online shoppers



SUMMARY

Furniture retailers are facing a unique challenge in eCommerce - a lack of customer confidence. No matter how many detailed images or measurements are provided in a description, shoppers still do not know the answer to: how will this item work in my environment? There is a major gap between a customer's vision and the product displayed on their laptop or mobile screen, and, because shoppers do not trust product images alone, they simply won't risk the purchase.

HipVan, a furniture e-commerce company, has committed to tackling the consumer trust challenge head-on. HipVan has tailored its entire online business model to creating an affordable, seamless furniture-buying experience.

"Our goal since we launched our company in 2013 has been to make nice looking, beautiful homes more accessible to everyone," says Shobhit Datta, co-founder and marketing director at HipVan.

"Our founding team comes from the industry, and we realized that by designing our own products, sourcing directly, and selling online, we can sell better-designed products at a more affordable price. This goal is challenging to execute. Furniture is a big purchase, not like buying a \$20 t-shirt. Our biggest point of friction is that people are hesitant to shop online."

+9.1%

Revenue Per Visitor

+7.9%

Conversion Rate

-15%

Return Rate

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SHOBHIT DATTA

Co-Founder, Marketing Director

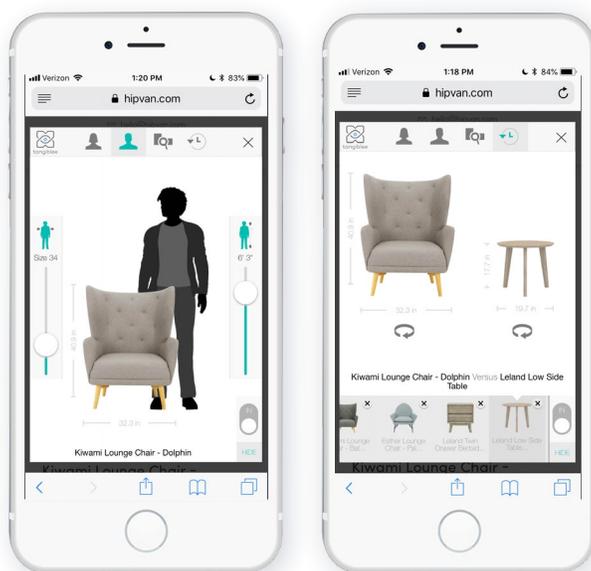




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The reasons holding back shoppers from purchasing furniture online are clear: it’s expensive and difficult to exchange or return. With so many questions left unanswered, furniture is too risky for online shoppers to feel confident enough to click to purchase.

“But we know that we have a good value proposition,” says Datta. “We have a good selection, a good pricing model, great quality, and a good return policy.” Even still, the comfort level for people to buy was just not there.



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ENTER TANGIBLEE

“Tangiblee found us,” says Datta. “We knew that from a customer point of view, Tangiblee would help us solve an important pain point.”





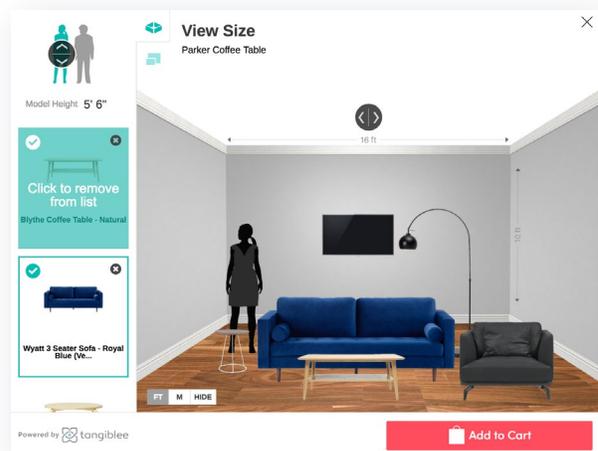
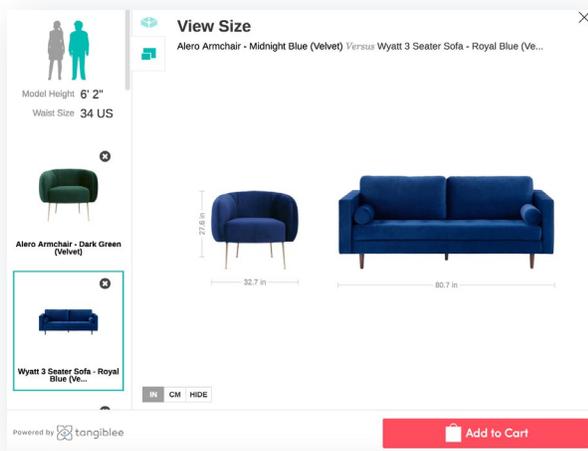
HipVan deployed Tangiblee as an experiment and short pilot before signing a longer term contract to see how customers would respond. A certain percentage of customers saw the Tangiblee button, while others did not.

“We saw that people who saw Tangiblee not only bought more, but were more engaged and looked at more products,” says Datta. “After that A/B test, we realized that Tangiblee was more than a ‘cool thing’—that it had the potential to become a core part of our business. With Tangiblee, customers are giving more consideration to working with us than shopping in traditional brick and mortar storefronts.”

Thanks to Tangiblee, Datta and his team have also seen a 15% decline in returns, suggesting that customers are more satisfied and confident with their purchases.

TANGIBLEE’S VALUE

“The ROI of Tangiblee was 30x what we pay,” says Datta. “So it’s been a no brainer to work with them. But the investment goes far beyond what we’ve quantified initially. When you’re just starting off in tech, it’s important to work with partner companies that can evolve with you.”





Furniture isn't something that shoppers buy on a consistent basis. When we purchase a couch or table, we're committing to a purchase that will hold us over for decades. In the future, Datta plans to work with Tangiblee to better support these high consideration sales cycles.

"A bigger client might be looking to furnish a whole house or cafe," says Datta. "With Tangiblee, we're looking into making it easier for people to decorate their spaces—to drag and drop furniture into a simulated room—so that our interior decoration team can share with customers directly."

Tangiblee fits into Datta's overarching customer experience goals. Ultimately, the HipVan team hopes to give customers as realistic a picture of what furniture will look like in their home or business space.

"We are confident that we can save buyers unnecessary trips to brick and mortar stores," says Datta. "By buying with us, shoppers also save money."