



Making the Exquisite Affordable: How Ice.com is a Girl's *True* Best Friend

Company Background

DeBeers likes to say that a diamond is forever. But, once you discover Ice.com, a leading online jewelry site for high-end diamond and gemstone jewelry at extremely affordable prices, you'll find that while a diamond may be forever, it doesn't mean you can't have more than one!

Originally a part of IdeaLab, an Internet incubator founded by Bill Gross, Ice.com was formed when the brothers Samuel, Mayer and Pinny Gniwisch bought the company, then called BuyJewel, from Gross in 1999. They moved the enterprise to Montreal and renamed it Ice.com.

The brothers understood the compelling power of the Internet to a retail enterprise and summed it up on their website thus: "The Internet makes it easy for you to buy and easy for us to serve you. We save. You save."

Clearly, this was a formula that worked. Ice.com experienced exponential growth year after year, led at least in part by their email marketing, their main vehicle for advertising their products to current and potential customers. Instead of traditional advertising

and the costs of printing and mailing catalogs that are involved, Ice.com sends personalized emails featuring the jewelry that the customer has said most interests them.

Ice.com sends email newsletters regularly to their customer base, currently almost one million subscribers! Although at one point they had only two segments—people who had made purchases and people who had not—as their email list grew over the years, they needed the ability to further segment their list, so that they could send more targeted mailings to their growing subscriber base and include different levels of tracking.

Goals and Challenges

Before Lyris, Ice.com was using an outsourced email vendor that had only very basic list management and segmentation capabilities. As their list continued to grow, the system's limitations became increasingly obvious. According to Henry Shih, Email Marketing Manager for Ice.com, "one of the things that impressed us the most about Lyris was the flexibility of the members list." With Lyris, Shih

can add any kind of variable he wants—any custom field—to any record. "We can then create a segment based on that variable and target that segment. The ease with which we are able to do this is just mind-blowing—it's so easy to do."

Ice.com's business also relied on timeliness. Ice's customers like to see fresh, current content. Some of their customers are so engaged with their products that they receive up to four newsletters per week! As well, their newsletters frequently contained time-sensitive, promotional offers. But Ice.com's previous email system began to have deliverability issues. This was because before Lyris, their email newsletters were sent by the other vendor, on Ice's behalf, using the vendor's servers. Unfortunately, the servers weren't



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Email Marketing Manager
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able to handle the kind of traffic that Ice was generating with their newsletters—millions of emails per month—and the system eventually got overwhelmed.

The delay in the emails' delivery which resulted began to impact Ice.com's business. If it took over a day to send an email out to one list, by the time Ice was supposed to send the second email, the first email was still being delivered! As these problems increased, Shih realized they needed to find a different solution.

The Solution

Shih began to search for another provider, one that could handle these and any other issues that might arise as the company continued to grow. They settled on Lyris as the best email marketing solution for their business. Lyris had the advanced list segmenting abilities they needed, sophisticated analytics and reporting, and an easy-to-use interface. The fact that Lyris offered an installed software product also eliminated any deliverability issues as Ice could then send their emails using their own servers.

Another problem that Ice found was solved by using Lyris was their ability to diagnose bounce problems. According to Shih, "with Lyris, if we discover we are having deliverability problems, I can find out within an hour what the problem is because I have a live report from Lyris' deliverability tool that tells me what my delivery rates are. I can immediately open a log that tells me which emails are bouncing, and almost instantaneously, I can see what the problem is. With Lyris, this takes at most an hour to discover. With the old system, it literally took weeks!"

In a span of several weeks, this could amount to hundreds of thousands of newsletters that are not being delivered and quite a bit of lost revenue for Ice. So, the timeliness of reporting is definitely an important benefit of the Lyris system. According to Shih, "compared to any of the email systems we had before, Lyris is miles ahead."

In the first ten months of using Lyris, Ice.com has sent out over 2,500 email campaigns, each with hundreds if not thousands of recipients. Ice reports a 10% increase in the average sale amount since they began using Lyris, and a tripling of the number

and variety of emails they now can send using the same resources as before. This kind of email volume and return clearly requires a very sophisticated and robust email system.

"To do that many mailings and be able to track the ROI for each takes a solution that is really functional and easy to use. I can't imagine doing 2,500 mailings using our old system." Fortunately for Ice.com, they don't have to.



Take
Control
of Your
Email
Marketing

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Founded in 1994, Lyris Technologies provides advanced software and services for email marketing and email delivery. Lyris' solutions are available as software or as hosted applications and are used by more than 5,000 customers worldwide, from Fortune 500 corporations to fast-growing startups.
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