

Venda riding e-commerce boom

E-commerce is booming, and growing e-sales outsource company Venda is aiming to keep riding that boom to the top.

Venda Chief Executive Officer Jeffrey Max says that while the market space it occupies is a competitive one -- the on-demand, e-commerce solutions market -- what his company has to offer in terms of a flat-rate, full-service model has helped propel the company along a strong path of growth.

Talking to UPI about Venda's flat rate \$10,000-per-month pricing, Max said, "it's changing how the industry (e-commerce) works."

Max explained that regardless of a company's size or how much e-commerce it conducts, the pricing is the same, with the Venda package including everything from site design to hosting, bandwidth and e-commerce operation.

"It's really simple, beautiful and transparent," said an enthusiastic Max.

The Venda CEO noted that his company currently has a 95-percent retention rate among its clients. Contracts are relatively flexible, requiring a yearlong contract with a 90-day notice period.

As the field is a competitive one, Max added, "We need to provide great service or they (clients) will leave."

Helping to keep Venda's prices down is the fact that it has located the majority of its production in Bangkok, of which Max describes the 120-person staff as "absolutely fabulous."

Among the big-name clients Venda boasts, a short list includes the Virgin Megastore, Panasonic, Universal Group, Tommy Hilfinger, Xerox and Crabtree & Evelyn.

Last Tuesday the company announced a deal with Danskin and a month before announced a deal with Land's End.

Danskin, the well-known dance and fitness apparel brand, selected Venda to replace Danskin's B2C and B2B e-commerce sites at Yahoo!. According to Danskin, the company required increased flexibility around merchandising, enhanced imaging, product management and promotional capabilities, which it found in the Venda platform.

"After evaluating many e-commerce platforms capabilities we determined that Venda was the best option for us due to the robust nature of the platform and the tremendous built in feature set" Eric Nadler, vice president of sales and operations for Danskin, said in a statement. "Venda was able to meet and exceed our needs and best of all allowed for a near seamless integration to our back end legacy systems."

Max said, "This is an exciting win for us. Danskin has set the standard in dance wear and we intend to preserve and promote their brand through our unique set of advanced product imaging capabilities and promotional tools. Venda's e-commerce platform will integrate seamlessly with Danskin's existing technologies and processes without the disruption of day-to-day business."

Often Venda does more than just one site for a company, as comprehensive e-commerce solutions will require sites in several languages.

"Research shows that shoppers are more likely to make a purchase from a domestic site," Max said.

Venda had its unlikely start as a project for the online information company Dialog. After Dialog's acquisition by Canadian information giant Thomson, members of the Venda project team bought the then nascent e-commerce platform in 2001.

Venda is still privately held, and Max declines to reveal the exact amount of earnings, but he notes that the company has grown since launch to support 150 e-commerce Web sites in 11 countries.

Asked about the possibility of an initial public offering at some point, Max said "anything is possible."

Helping to propel Venda toward business success is the robust increase in e-commerce taking place in the Internet space. Online spending for the 2005 holiday season in the United States alone increased by 30 percent last year, compared with the 2004 season, for a total of \$30.1 billion, according to Goldman, Sachs & Co., Nielsen//NetRatings and Harris Interactive in their fifth annual Holiday eSpending Report.

Looking down the road five years at the growth possibilities for Venda, Max said, "It's a huge market -- and a growing market."

Copyright 2006 by United Press International

This document is subject to copyright. Apart from any fair dealing for the purpose of private study, research, no part may be reproduced without the written permission. The content is provided for information purposes only.