



News Story From Wednesday, January 18, 2006

Alternative payments boost big-ticket orders at Newegg.com

Newegg.com is reporting early positive results for its fledgling private label credit card and deferred payments program.

Newegg, No. 9 in the Internet Retailer [Top 400 Guide to Retail Web Sites](#), launched different payments alternatives in September to build customer loyalty and drive more holiday sales, says vice president of marketing Howard Tong.

Over the holidays, customers using Newegg's private label card generated an average ticket of about \$490, compared to a typical purchase of about \$300, says Tong.

Customers using deferred billing generated even higher tickets of about \$1,100 per transaction. Overall about 5% of total sales in the fourth quarter were private-label card or deferred billing transactions. "We anticipate growing that total to over 10% of total sales in 2006," Tong says.

Newegg launched different payment options to build a longer-term customer loyalty program and improve customer service. "We are giving customers more choices and better payment options," Tong says.

Newegg, whose executive Howard Tong is a speaker at [Internet Retailer 2006 Conference & Exhibition](#) June 5-7 in Chicago speaking at the session entitled [From Zero to a Billion in Four Years](#), also accepts the major credit cards, i4 Commerce's Bill Me Later, and PayPal in addition to checks and money orders.

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