MexGrocer.com

The largest online grocery store for authentic Mexican food!

How does one of the nation's largest online providers for Mexican food ship its products to about 100,000 customers located in over 18,000 cities? By relying on Platinum Shipper, of course!

Based in San Diego, California and launched on November 15, 2000 by Ignacio Hernandez and his son Ignacio "Nacho" Hernandez Jr., MexGrocer.com is a nationwide bilingual online grocery store offering a variety of products ranging from hard-to-find, non-perishable authentic Mexican food to household products. The website also provides cooking tips, Mexican recipes, Mexican cookbooks, religious goods and jewelry from Mexico.

Background

The company fills a unique niche to both the 43.5 million Hispanics (which includes 29 million Mexican Americans) and the ever-growing number of Anglo Americans in the U.S. that crave and enjoy Mexican foods. The website now has 4,000,000 unique visitors every year and 32% CAGR sales increase for the last 8 years. MexGrocer.com even sells its products through other online platforms, such as Amazon.com.

MexGrocer.com's main draw is that it streamlines the shopping process by eliminating the difficulty of driving to multiple stores in search of authentic Mexican food products not commonly in stock at conventional grocers or in areas outside the top Hispanic demographic markets. Instead a package is delivered right to their customers' doorstep. This exceptional concept is available at one user-friendly online location, offering secure shopping, and complemented by rapid and reliable delivery services. This model also proved to be very costly though, as shipping expenses turned out to be quite exorbitant. That's where Platinum Shipper comes into play.

Platinum Shipper's role

"Shipping costs were the biggest barrier for our customers to order" recalls Nacho. To remain competitive, he had to subsidize an estimated 25% of those costs for his customers. Recognizing the

potentially huge losses this strategy would have on his business, he quickly started looking for ways to ship more of his items using the U.S. Postal Service. His local USPS representative then guided him to Logic's Platinum Shipper Service.

This solution allows customers to earn big savings on their shipping expenses, by using Platinum Shipper's address verification to identify residential and rural areas to show them the common hidden surcharges they'd incur through shipping with private carriers. Platinum Shipper displays the true cost of shipping with a private carrier and displays alternative U.S. Postal Service shipping rates. If Nacho chooses to use the USPS, he can produce a convenient, pre-paid postage label with just a few clicks through Logic's software and his Zebra thermal printer. Since Platinum Shipper can be seamlessly integrated into existing carrier software and hardware, it provided a quick and simple solution to the challenge. It also helped streamline the USPS shipping process on APO/FPO, PO Box and International orders. After installation, MexGrocer.com increased their USPS shipping volume by 500%, adding more parcels to their daily USPS package pickup plan.

"These orders used to be manual, time-consuming process that Platinum Shipper reduced down to a few simple steps, and accepting PO Box addresses into our checkout process opened up additional orders from our website," Nacho says.

Besides the rate comparison, Nacho also takes advantage of the numerous other features that Platinum Shipper offers, such as Stealth Postage and Pre-Filled Customs Forms. Stealth Postage allows him to hide the actual amount of postage, enabling him to charge reasonable shipping and handling fees without drawing any customer attention. The Customs Form help him save a considerable amount of time as Platinum Shipper automatically chooses the correct form to use and pre-fills all data fields. All that's left is to declare the contents and value of the package.

The Future

Using Platinum Shipper has enabled MexGrocer.com to save up to $28,000 on its yearly shipping costs. "We love the product" says Nacho, "we've been waiting around 5 years for a product like this, and now we're looking at results."

Nacho and his father have stopped worrying about finding a cost-effective way to ship their products out and can now focus on growing their business. And grown it has: in 2007 it became the #1 ranked in the Alexa Ranking for Latin American food and #11 of all food shopping web sites in the world. They have now set their sights on the International market, as they recently began selling products to Canada.

To learn more about MexGrocer.com, visit www.mexgrocer.com.