How Morningstar Corporation Eliminated Channel Conflict while Maximizing Sales on Amazon

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Morningstar Corporation has long been a trusted name in the solar energy industry, known for its high-quality products and commitment to innovation. As a global leader in solar charge controllers, inverters, and other solar power accessories, Morningstar has sold more than 4 million products in over 100 countries around the world. For years, Morningstar built its business with a well-established network of solar installers and dealers who acted as value-added resellers, integrating Morningstar's products into broader solar solutions for homeowners and businesses. Morningstar had also been selling their products via Amazon Seller Central (3P), achieving a modest amount of sales on the channel.

However, a steady increase of unauthorized resellers on Amazon created a significant amount of channel conflict with Morningstar's other channel partners. Operating outside of Morningstar's controlled distribution framework, unauthorized sellers aggressively competed with the company's other sales channels (and within Amazon) on price, but without the same level of expertise, service, or content quality that dealers provided. As a result, Morningstar's brand integrity, dealer relationships, and long-term growth were at risk. Just as bad, unauthorized resellers' product listings on Amazon often contained inaccurate information and inconsistent pricing, leading to brand dilution, customer confusion, and a lack of trust. Dealers relying on Morningstar's products faced increased challenges as prospective buyers questioned why installer estimates were significantly higher than the pricing on Amazon. In fact, some customers purchased Morningstar products directly from Amazon at lower prices, only to ask installers to handle installation, undercutting the dealer's role and revenue stream.

What's more, price erosion on Amazon was discouraging new and existing dealers from investing in Morningstar's brand, as they struggled to compete while maintaining profit margins. This created a major barrier for Morningstar to scale growth on Amazon and elsewhere. **Facing these challenges, Morningstar turned to Enceiba for a strategic solution to regain control over pricing, protect its dealer network, and reinforce brand value in an increasingly competitive market while also growing sales from Amazon.**

MORNINGSTAR
WORLD'S LEADING SOLAR CONTROLLERS & INVERTERS

+20%
YoY Sales Growth on Amazon

90%+
Buy Box Win Rate

"Enceiba has been the key to eliminating channel conflict and growing sales on Amazon. Enceiba has been doing an excellent job and their team is great to work with. Our combined efforts have brought inventory management and storefront health to near optimal levels. The Enceiba team is so on top of things that we can now focus our internal resources on other aspects of growing the business. We value this enormously during these busy months. We've passed our predetermined goal forecast, our channel partners are happy, and now we have even higher aspirations for Amazon. Enceiba has put us on track to achieve them!"

Brad Berwald
Director of Product Marketing

Building a Foundation of Channel Control

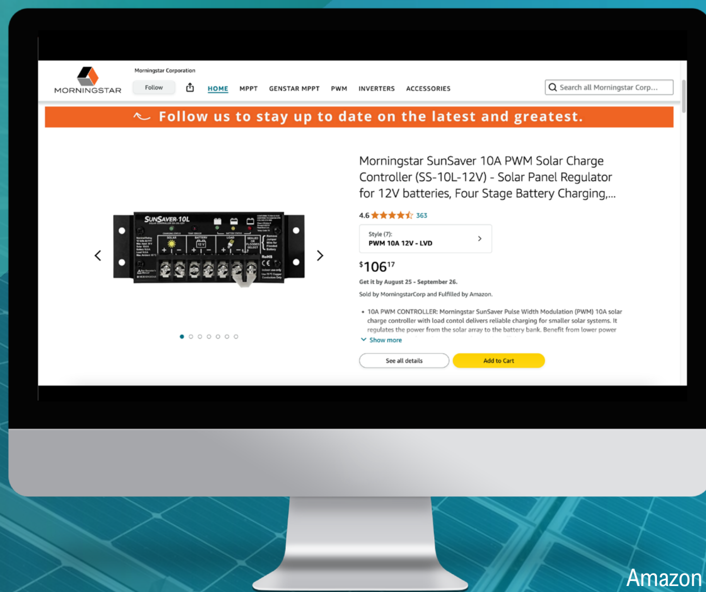
When Enceiba first looked at Morningstar's business, it was clear that significant growth opportunities existed on Amazon, as long as they could regain control over the channel.

The first step was to conduct a comprehensive analysis to inventory all resellers selling Morningstar's products on Amazon. Once we had a clear picture of the reseller ecosystem, we evaluated each seller to determine whether they were valuable partners or simply opportunistic resellers.

Key considerations included their seller ratings, whether they were actively stocking products, if they were complying with Morningstar's Minimum Advertised Price (MAP), and whether the reseller demonstrated an overall commitment to the solar category versus selling other unrelated products.

Enceiba identified resellers who were creating incorrect and duplicate listings that needed to be removed.

We then evaluated Morningstar's foundation for channel control. We found Morningstar already had a MAP policy and distribution agreements, which addressed who could sell their products online and where they could sell them. These elements provided the legal backbone for managing resellers and protecting pricing and brand consistency.



Amazon A+ Content created by Enceiba

Enceiba took three steps to help Morningstar regain control of Amazon and put its channel partners' concerns to rest.

01

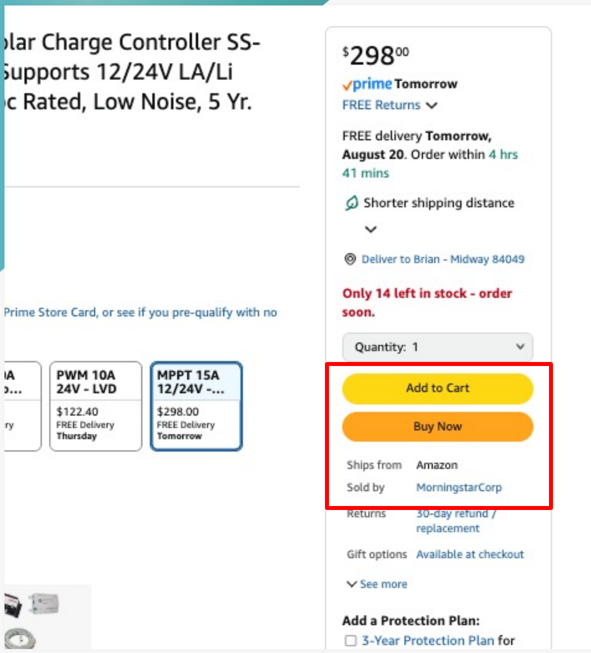
Enceiba worked with Morningstar's sales team to notify resellers they wanted to retain that the company would start proactively managing the Amazon channel. Sellers not deemed a strategic partner were asked to remove their Amazon listings.

02

With a first wave of unauthorized resellers voluntarily removing themselves, Morningstar and Enceiba then took steps to remove all other unauthorized resellers, sending cease and desist letters to those who refused to remove their listings in the first round of communications. Under the threat of legal action, most resellers crumbled and removed their listings.

03

Enceiba ensured that Morningstar's Amazon presence was in tip-top shape, using Amazon Brand Registry to make product listings more accurate, combining and consolidating listings, and developing an enhanced Amazon storefront.



Morningstar Wins the Buy Box

Winning the Buy Box

With an expanded channel control and direct selling program powered by Enceiba, Morningstar is now able to monitor and take action against new resellers in near real time.

Enceiba's work to regain control over Morningstar's Amazon channel have yielded impressive results. One of the most critical measures of success is growing Morningstar's **Buy Box win rate to over 90 percent.** This means Morningstar is now securing the majority of sales directly, ensuring pricing stability and brand integrity.

The majority of remaining Buy Box wins are earned by a single strategic reseller—a long-established dealer that is authorized to sell specific items. This reseller is now a key partner, ensuring Morningstar's entire product portfolio is properly stocked and represented on Amazon.

By working more strategically with this dealer, Morningstar has strengthened its market positioning and given the reseller even more reason to invest in its products.

These efforts have grown sales on the channel by **20 percent year over year.** With a sustainable system and process in place for monitoring and removing unauthorized resellers, Morningstar and Enceiba have successfully eliminated channel conflict.

And while there is still room for further refinements, Enceiba has made substantial progress in stabilizing Morningstar's Amazon presence, reinforcing dealer relationships, and laying the foundation for continued growth in the world's largest marketplace.

Amazon Frustration? Let's Talk Strategy

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