



# FIDELITONE™

## SUPPLY CHAIN SUCCESS STORY

### A PLACE AND A VIEW FOR EVERY SKU

while expanding retail channels and growing an ecommerce business, retailer makes all the right moves for efficiency and customer satisfaction

#### AT A GLANCE

**Company:** Marketer of political satire and historical gift products

**Industry:** Ecommerce and retail

**Key Challenge:** Reduce transit time and improve service levels

**Solution:** Omni-channel fulfillment services

#### Outcomes:

- 99.61% fill rate
- 99.68% order accuracy
- >\$138K/yr savings in order fulfillment costs, compared with previous rates

*"We were impressed with how smoothly and quickly the move and the IT integration went. As we have grown, the FIDELITONE team has always been flexible and responsive to everything we need. Our orders get out promptly and accurately! Thank you."*

Owner, Retail Gift Corporation

#### Background

Now in its second decade, this maturing specialty gift company enjoys a sales mix of 60% through retailers and 40% through ecommerce. The brand's concepts hit a sweet spot with consumers ready to amuse themselves with the latest political gaffe. This means on-target, on-time fulfillment commands the marketplace. When consumer mood strikes, the company must deliver—both to retailers and to ecommerce shoppers.

#### KEY CHALLENGE

Low fill rates and order errors were undermining sales. There was little or no visibility into order activity and inventory levels, creating slips in inventory management. While service levels from the current fulfillment provider were not meeting the company's needs, pricing was set for a major increase. Company leadership wanted to achieve better value from its investment. A current FIDELITONE client suggested leadership contact FIDELITONE for better results.

#### SOLUTION

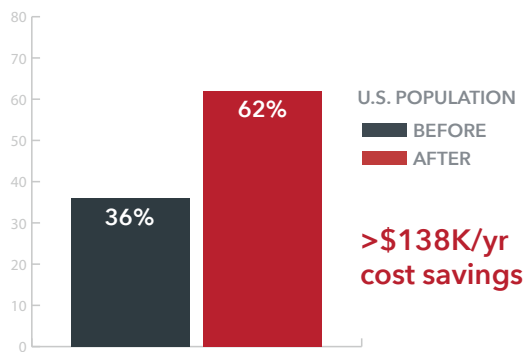
The client and FIDELITONE teams established clear goals and agreed to relocate fulfillment services to a FIDELITONE-operated order fulfillment center in Johnson City, Tennessee. This would expand the company's 1-2 day service area, providing a cost-effective way to support the expansion of their consumer and retail customer base outside of their current geography. Goals in planning the changeover were to minimize down time, enhance visibility, and rectify the ailing order fill rates and accuracy rates.

## Onboarding, On-Target

A rigorous onboarding plan addressed chief concerns with an analysis of SKU velocity. The FIDELITONE team identified top-movers and front-loaded inventory accordingly. Implementation of a cloud-based warehouse management system (WMS) primed the operation for quick and easy integration. Within the warehouse walls, FIDELITONE UPC coded every product at either the SKU or carton level. They configured bin locations for all SKUs and made all of these visible within the WMS.

Ramping up for orders also meant initiating the proper checks and controls for accuracy in both order fulfillment and inventory data maintenance. FIDELITONE implemented an electronic order verification system utilizing UPC codes to accomplish both.

### FULFILLMENT SERVICE - 1-2 Days



How can we help you meet your service and performance objectives? **Call 800.475.0917**



**FIDELITONE**<sup>™</sup>

EARNING CUSTOMER LOYALTY

## OUTCOMES

Products began arriving at the Johnson City warehouse on a Thursday and were shipping out by the following Tuesday. The previous fulfillment service continued during the Thursday-Friday interim, so there was only one day of down time in the transition. Maintaining the direct-to-consumer fulfillment window of about 2 days, the new location meant a slightly shorter average distance between the distribution center and customers, saving about 1% in shipping costs.

Order accuracy approaching 100% and fill rates of 99.6% were huge wins for this company. Further boosting service levels, orders received by 3 PM now ship the same day. Topping it off, the client enjoyed a 31.5% reduction in warehouse and labor fees with FIDELITONE, re-defining the meaning of value in this business.

Full visibility into inventory and orders through the cloud-based WMS is helping the client verify order status on demand and enhance inventory decision-making for the company's service to more than 63 retailer partners and many thousands of consumers. A bonus for efficiency, FIDELITONE now manages routing guides for deliveries to retailers, too. In all, the company's orders have more than doubled since the switch to FIDELITONE, and orders now span 43 countries across 6 continents.

Making all the right moves has translated into unmatched precision in inventory management and order fulfillment for this client's business. Satisfied customers everywhere now turn to them for a timely laugh and just the right gift—at just the right time.

FIDELITONE, a supply chain management firm, helps you earn your customers' loyalty through specialized services in inbound logistics, order fulfillment, last mile delivery, and service parts management.

We manage resources, create right-fit solutions, and optimize supply chain processes to advance your business performance and profitability. At every step and in every service, FIDELITONE employees focus on the touchpoints that safeguard your brand and keep your customers coming back.

We're paying attention to what matters to you in your business. We're paying attention to what matters to your customers when you entrust your brand promise to us. We're building high-performing answers to your toughest supply chain challenges.

Call 800.475.0917 or visit [fidelitone.com](http://fidelitone.com)