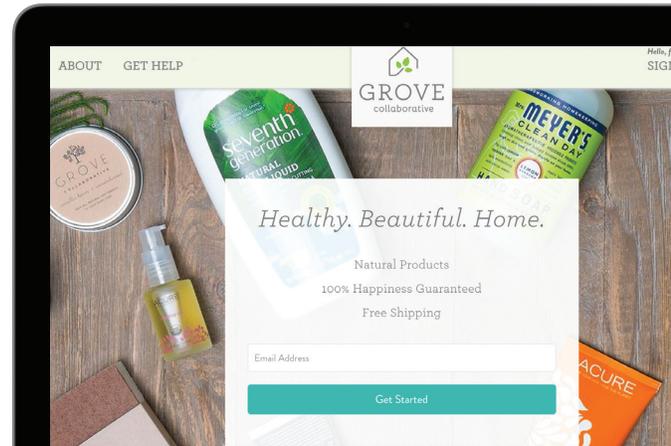


GROVE COLLABORATIVE SAVES OVER **25%** IN SHIPPING COSTS ON EVERY ORDER AND NEARLY **1,000 MAN-HOURS** PER YEAR



THE PROBLEM

Grove Collaborative rapidly expanded during the past year and went from shipping 300,000 packages in 2016 to a projection of more than 750,000 packages in 2017. As a direct-to-consumer company, they desired a faster/more intelligent way of reporting on fulfillment metrics while maintaining resources committed to keeping their customers feeling special as they grow.

However, due to the fast growth, Grove Collaborative was gathering shipping data from many different tools. Since the company was working with multiple carriers such as USPS, UPS, and FedEx, Grove Collaborative was struggling to keep up with reporting demands and taking the time to see where they could improve fulfillment processes to save time and money. Everything was being done manually and it was taking the team two to three hours per week to determine simple metrics such as ship costs per order.

“I’ve always understood the challenges with regards to reporting tools and the ability to understand your business when you’re dealing with multiple carriers such as UPS and FedEx,” said Roni Rae-Staples, Head of Fulfillment Operations, Grove Collaborative. “It was painful managing shipping data with Microsoft Excel, pulling and consolidating our shipping data in massive spreadsheets of which about 60 percent is irrelevant to track our fulfillment costs.”

THE SOLUTION

In February 2016, Grove Collaborative selected the Optimize Fulfillment tool to analyze their fulfillment data and identify areas for service improvement and cost reduction.

THE COMPANY



Grove Collaborative, a Certified B Corporation, is a provider and manufacturer of natural products for the home and family, delivered to the consumers’ doorstep. They ship a wide range of goods from nontoxic laundry detergents to sustainably sourced skin and hair products.

BENEFITS

- Saved over 25% in shipping costs per order using the Optimize Fulfillment tool
- Delivered immediate insights into fulfillment cost drivers such as ship costs per order, saving nearly 1,000 man-hours per year
- Enabled more intelligent pack and carrier decision making to save on shipping costs
- Recommended location for second warehouse to decrease the total costs of shipping and meet rising customer expectations on delivery times



“I was looking for easy access to fulfillment metrics such as time in transit, average zone, demand density and most importantly cost per shipment, which are critical to managing the growing costs of shipping. Fulfillment costs are a big part of the budget, but visibility is just the first step. With the Optimize Fulfillment tool, we were able to get immediate visibility into complex costs but also gain control so that we can improve for the future.”

After seeing their fulfillment dashboard and shipping heat map on the Fulfillment Intelligence Cloud, Grove Collaborative discovered that shipping volume from California to customers located on the East Coast was large and increasing. As a result, Roni created a business case and opened a second warehouse in Pennsylvania to decrease the total costs of shipping and meet rising customer expectations on “With the Optimize Fulfillment tool, I can see all of my reports in one place, automatically. I can see and interact with the data almost immediately,” said Roni Rae-Staples. “The other thing they did for Grove Collaborative was to discover and highlight, ‘if you did ‘X’, you could save ‘Y’ number of dollars or provide better service.”

THE RESULTS

Prior to using their Optimize Fulfillment tool, Grove Collaborative was forced to enlist the help of their UPS representative to help them pull reports and find the metrics they needed. Using their reporting solutions, Roni no longer needs to ask the UPS representative “When you sign a new [shipping] contract, you’re really excited about it and you try to use one shipping carrier,” noted Roni Rae-Staples.

“They showed us how changing carriers for a subset of packages -- those under two pounds -- could save us a lot of money. I asked my team if we could try what their solution was recommending for a month and it saved me almost \$1.10 per shipment.”

Using their analytics and reporting data, Grove Collaborative is saving over 25% per order on shipping costs by leveraging a mix of different carriers to deliver packages at the lowest cost. The time it takes Roni and her team to run reports for the fulfillment metrics they needed decreased from three hours a week to ten minutes – so fast they can now check daily.

“Overall, we’ve implemented vast improvements in fulfillment because of Optimum. I can’t stress the importance of visibility and control and having all our data consolidated and in one place. I can log in right now and tell you what my cost per shipment was – in less than two minutes! It’s really been a godsend for us.

Purpose-built to analyze and provide intelligent insights for direct-to-customer fulfillment, the Optimum Fulfillment tool enables companies to fulfill with confidence and delight their customers by providing the insight and analysis required to improve fulfillment chains and meet rising customer expectations on delivery time and convenience.

Analysis using the Optimum Fulfillment tool revealed that carrier shifts for some routes could lead to improved customer service, with transit times reduced from about a week to 2-3 days, and savings of up to 40%.

ABOUT US

Optimum is a leading provider of logistics network transformations. We help companies find and execute efficiencies in their entire logistics network, from the factory to customers, either through their distribution and fulfillment centers or ones they manage with partners.

By applying best practices and a holistic understanding of each client's operations and business model, we align logistical improvements to the goals of the entire business. The Optimum Process results in faster delivery times, increased operational efficiencies, reduced shipping costs, and improved product margins.

Our customers increase sales, fulfill with confidence, and delight their customers by improving their delivery experience. As a result, Optimum allows businesses of all sizes to meet customer expectations in a rapidly transforming e-commerce world profitably.

For more information

 www.optimum-sco.com

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