Beyond the Rack Delivers a Seamless Buying Experience for Ecommerce Shoppers

BTR BEYONDTHERACK

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Jim Weinberg, President and Chief Merchandising Officer, Beyond the Rack

Company at a Glance:

Location:
Montreal, Quebec, Canada

URL:
www.beyondtherack.com

SPS COMMERCE

Partner Name:
SPS Commerce

Location:
Minneapolis, Minn.

With 10 million members, Beyond the Rack is one of North America's leading online flash sale shopping clubs, featuring top designer brand name apparel, accessories, beauty products and home decor at up to 80 percent off retail.

Challenge
With rapid growth, Beyond the Rack faced increased complexity and volume in B2B transactions with hundreds of suppliers of brand-name goods it offers in flash sales.

Solution
A cloud-based retail business network solution from SPS Commerce interoperating natively with NetSuite has given Beyond the Rack scalable and efficient fulfillment.

Results
Beyond the Rack has eliminated hundreds of hours a week of manual work while improving the speed and accuracy in managing supplier transactions.

SPS Commerce and NetSuite automate Beyond the Rack's supplier integration, increasing efficiency

Beyond the Rack is all about scale and speed. Founded in a Montreal warehouse in 2009, the online retail shopping club has enjoyed phenomenal growth and today offers its 10 million members flash sales of designer apparel, accessories and beauty and home décor products at up to 80 percent off retail prices.

For Beyond the Rack, meeting customer expectations for a seamless buying experience requires accurate and efficient fulfillment with thousands of suppliers of goods from such brands as Armani, Christian Dior, Gucci, TAG Heuer, Yves Saint Laurent and many others. But until recently, Beyond the Rack lacked the back-end scale and speed it needed to grow sales and customers across more than 100 countries.

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Beyond the Rack had been using manual Excel-based processes for supplier transactions, requiring time-consuming and error-prone reconciliation of vendor UPC codes, SKU numbers and internal Beyond the Rack bar codes. All that data is critical to quickly and accurately showcasing goods offered in online members-only flash sales that typically last 48 hours or until merchandise is sold out.

The manual process amounted to numerous hours of tedious work for both suppliers and Beyond the Rack personnel. To streamline its fulfillment processes, strengthen supplier collaboration and improve inventory control and visibility, the retailer began exploring integration solutions that could align with its core NetSuite ERP system, in place since 2010.

Saving Hundreds of Hours a Week

SPS Commerce, a leader in retail cloud supply chain services headquartered in Minneapolis, was a natural fit. A NetSuite SuiteCloud Developer Network (SDN) partner since 2007, SPS Commerce delivers cloud-based omnichannel retail solutions pre-integrated with NetSuite that enable retailers and suppliers to enhance collaboration, efficiency and data accuracy for a better buying experience.

Beginning with a pilot program in late 2013, Beyond the Rack rolled out the joint SPS Commerce/NetSuite solution to automate integrations with about 200 of its top vendors, with hundreds more to follow. With it, Beyond the Rack has a standardized environment to collaborate with suppliers by easily sharing information without tedious manual reconciliations and duplicate entries.

"You're talking about hundreds of hours a week we won't have to invest—we'll be able to pick, pack and ship much faster, and merchandise can come in and go out literally the same day," said Jim Weinberg, President and Chief Merchandising Officer at Beyond the Rack. "We went with SPS Commerce because they understand the demands of the retail consumer and could buckle their solution onto NetSuite, and that made a lot of sense to us."

The solution also automates the workflow of posting product and inventory information to the Beyond the Rack ecommerce site. Using NetSuite inventory records dramatically improves the speed and precision of accurately representing thousands of products in various styles, colors and sizes while streamlining processes across three distribution centers in Montreal, New York and Las Vegas.

"Vendors provide comprehensive item information to SPS Commerce," Weinberg said. "That goes directly to NetSuite and is how we provide the inventory data that we host on the Web. Then when we transmit the order through NetSuite, we're transmitting a purchase order to the vendor with the exact item specifications of size, color, etc. We can relay information back and forth with vendors based on how they name their items, at the UPC level."

"Using NetSuite rather than a traditional in-house solution allows us to reduce upfront investment and keep our money focused on growing the business."

Jim Weinberg, President and Chief Merchandising Officer, Beyond the Rack

Greater Speed and Cost-Efficiency

"Beyond the Rack is among hundreds of retailers using the joint SPS Commerce/ NetSuite solution for omnichannel excellence," said Peter Zaballos, Vice President of Marketing and Product at SPS Commerce—named the NetSuite SDN Partner of the Year in 2012. "For companies like Beyond the Rack, a cloud-based retail business network solution integrated with NetSuite delivers a competitive advantage."

"Back-end efficiency and stronger partner collaboration are increasingly key differentiators for retailers to deliver the superior omnichannel experience that today's empowered customers demand," Zaballos continued. "Beyond the Rack smartly made automated fulfillment a priority and it's paying off with much greater cost-efficiency and speed of execution."

In 2014, Beyond the Rack looked to SPS Commerce to help grow its business by utilizing the SPS Retail Universe community to identify and attract qualified suppliers.

"Our sales are at an all time high and we are fueling our future growth by partnering with a growing number of dropship vendors," Weinberg said. "Retail Universe offers us access to thousands of vendors, providing us with details on their fulfillment capabilities. It's helping us to form relationships faster and grow our business."

With SPS Commerce, Beyond the Rack is building on the success it has realized since going live on NetSuite, including double-digit annual revenue growth and scalability to accommodate huge order spikes. Moving from QuickBooks and custom-built solutions, the company now runs the NetSuite OneWorld global business management solution for financials, multi-location inventory management, multi-subsidiary management and multi-currency transactions.

"NetSuite OneWorld is a key component of Beyond the Rack's back-office systems," said Weinberg. "Using NetSuite rather than a traditional in-house solution allows us to reduce upfront investment and keep our money focused on growing the business."