



SPS COMMERCE
INFINITE RETAIL POWER™

SPS Commerce & VHC Brands: A Network Success Story

VHC
BRANDS

Executive Summary

Sales of VHC Brands' quilts and other home furnishing products were booming on Amazon, Houzz, SHOP.COM, and Wayfair, among other retailers. Committed to meeting the growing demands of its retailers and their consumers, VHC teamed with SPS Commerce to streamline its order process. Today, the supplier is growing with confidence as its daily drop-ship orders exceed a thousand and are processing with 99 percent accuracy. The result is an expanding number of five-star reviews from its online customers, many citing rapid delivery as a driver of their customer satisfaction.

Industry: Home Furnishings

Headquarters: Kirbyville, MO

Retail channels: Retail Stores, Drop-Ship

SPS Product(s): Fulfillment, Sourcing

ERP: NetSuite

Network Member Since: 2016

Challenge: Automate its order fulfillment to attract new business and support current growth.

Solution: SPS Fulfillment and Sourcing shrink shipping times and be a catalyst for growth through new retail customer partnerships.

Results: Five-star reviews from consumers, often citing fast delivery.

A New Retail Dynamic

As a supplier, direct-to-consumer (drop-ship) orders are a proven catalyst for growth by taking advantage of consumers' obsession with online shopping. For VHC Brands, a leading supplier of home furnishings, more than 30 percent of its business is dropship and expanding quickly. "It's a new dynamic in retail as suppliers are a direct part of the shopper's digital experience," said Candy Loehr, Logistics/Compliance at VHC. "At VHC, we take this responsibility seriously and are committed to rapidly fulfilling all online orders. Our supply chain solutions need to work, accurately and without delay, and without needing additional resources."

The Right NetSuite Partner

In 2016, VHC selected SPS Commerce Fulfillment for NetSuite to automate its order process and OzLink for NetSuite to automate many of its warehouse activities. As integrated solutions, SPS Fulfillment and OzLink scale to support growing EDI volumes, shrinking shipping windows, and deliver a worry-free experience. At VHC, the SPS Fulfillment solution manages more than 20,000 transactions weekly with more than 99 percent accuracy.



“SPS Commerce offers a proven solution for NetSuite, coupled with its integration with OzLink, the combination offers virtually flawless execution,” continued Loehr. “They’ve given us confidence in our ability to serve our customers during peak shopping seasons, such as Cyber Week, as well as normal trading days.”

Ready for Holiday Order Volumes

Like many suppliers, November and December represent VHC’s busiest season. Shoppers purchase its quilts and home furnishings as gifts, and to decorate their homes to welcome out of town guests. With more than 4,600 SKUs, its warehouse is a hub of activity around the clock during the holidays.

“With our automated fulfillment process, including EDI, we are as ready as we ever hoped to be for the 2017 holiday season,” said Loehr. “High order volumes are expected to hit new targets, but shipping will stay on track thanks to SPS and OzLink.”



No Delays on EDI Orders

When orders come into VHC, those that can bypass any manual processes through SPS Fulfillment skip ahead in line and are fulfilled without delay. The company’s EDI orders receive priority as those received first can be picked and packed immediately. This preferential treatment is a direct result of the integration between SPS and NetSuite, allowing orders to seamlessly flow from the retailer to the warehouse with no manual keying or oversight.

Loehr continued, “Our goal is to have orders reach our warehouse as quickly as possible, so packing can begin. We value each order, but those from our EDI-enabled retailers reap the benefits of non-stop integration with SPS at VHC that help us to deliver even faster.”

5-Star Reviews

Shoppers expect their items to be delivered in 1-2 days, anything more and dissatisfaction is bound to occur. VHC knows that meeting and exceeding these expectations has a direct impact on its reputation. Shipping is part of the overall shopper experience, and one that VHC has worked to streamline with SPS.

Loehr explains, “Many of our customers leave product reviews on e-commerce sites and we want nothing less than five stars. Shipping timelines are just as important as color or pattern in their decision to buy a VHC item. Customers regularly comment on our fast shipping as one of the key aspects of their high ratings of our products. Fast delivery and quality products make a winning combination.”

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Candy Loehr,
Logistics/Compliance, VHC



VHC knows that highly rated products are often placed ranked higher in online searches and appear in more filtered results, which translates directly into more sales. “There is a direct correlation between rapid delivery and increased sales,” said Loehr

New Business

With SPS, VHC is ready for even more business to come its way. Since deploying SPS Fulfillment, the team at SPS Commerce has approached VHC with prospective retailers that are looking to expand their assortments in home furnishings.

SPS Commerce Sourcing is a solution that matches qualified suppliers with retailers actively looking to expand their business. SPS Sourcing identifies suppliers that offer the right breadth of products and the proven fulfillment (EDI) capabilities to align with the retailer’s online and in-store strategies.

“SPS has introduced VHC to several retailers in 2017 that are on track to become new customers in 2018,” said Loehr. “These are significant relationships that will grow our business. We are grateful to SPS for initiating and jumpstarting these partnerships with several nationwide retailers.”