Group Sales, Inc. & SPS Commerce: A Success Story

Executive Summary

Since 1991, the mission at Group Sales, Inc. has been to provide quality toys and gifts for every age - at competitive prices, all with unparalleled customer service. However, that level of customer service was not something their prior EDI solution provider was able to offer.

"Switching to SPS Commerce for EDI has easily saved us $10,000 to $20,000 in less than 12 months," stated Jason Ernst, VP of Operations at Group Sales Inc., one of the nation's largest toy and gift distributors, which has three main distribution channels: retail, charity and third-party distribution.

Company Type: Distributor, Private Label
Industry: Toys
Headquarters: Cincinnati, OH
SPS Product: Fulfillment
System: Sage 100 ERP

Challenge: Existing EDI software wasn't scalable and customer service was inadequate.

Solution: SPS Fulfillment with Sage 100 ERP system automation.

Results: Annual cost savings of $10,000+ and labor savings of 18 percent.

Not all Fun and Games

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After struggling with their EDI system for three years, the distributor knew they needed to make a change. "We were very unhappy with the scalability and functionality of our prior EDI system," said Ernst. "Every time we made a change to it, the system automatically reset to the default settings. This was extremely time consuming and took 3-4 hours each time to reestablish our settings. Additionally, support for the system was not user-friendly or timely. As our EDI trading partners continued to grow, we knew we needed to make a change quickly so we could continue to grow."

SPS Commerce Fulfillment (EDI) was implemented mainly for the company's fulfillment division which acts as a blind, third-party fulfillment center with private branding for packing slips and labeling for companies including Kohls.com, Walmart.com, Target.com, Overstock.com, Wayfair.com, Macys.com and many others.

Leveling the Playing Field

Ernst turned to the company's software solution provider to explore options and was referred to SPS Commerce Fulfillment for EDI. "I trusted the recommendation and really liked what I saw on the surface with SPS; it seemed to be exactly what we needed," stated Ernst. "SPS Fulfillment appeared to be user-friendly with a great team supporting it, and I got proof of that during implementation."

During the testing phase of the implementation, one of the trading partners went live before Group Sales Inc. was ready. "I made a panicked after-hours call to the SPS EDI support team," recalled Ernst. "I got a return call right away and explained that I needed my system switched from a test environment to live. They were able to accommodate us immediately. Not many people or companies would have taken that step. I knew then we had definitely chosen the best company for our EDI solution."

SPS Fulfillment for EDI is a Win-Win

With a team of 23 full-time employees and 30 to 40 seasonal workers, Group Sales Inc. needed an EDI solution that was user-friendly and intuitive. "Because the system is so similar to the Sage environment we work in, SPS Fulfillment really shortens the learning curve and makes teaching the system so much easier," said Ernst. "It's about as easy as updating an invoice in Sage. I've been able to train 30-plus seasonal employees in two and a half weeks. You could even build your own map if you took enough time."

One of the biggest advantages of moving to SPS, according to Ernst, is the team behind the solution. "From upper management to tech support, the SPS team has been amazing to work with. Not only do they listen to their customers, but they also act on what they hear. I've provided several enhancement requests that were implemented and installed within six months. In addition, support continues to be top-notch. The tech support people listen first then talk us through the situation before changing things. They do a great job of narrowing issues down to pinpoint a quick resolution, which reduces time spent on support calls. This is the total opposite of most support analysts."

One of the surprises in switching to SPS has been the cost savings due to SPS Fulfillment's validation check feature. "Before sending documents to our trading partners, the validation check process spots problems and gives us a chance to fix them," said Ernst. "While it has added a step in our daily processes, it has also saved us $10,000 to $20,000 in fines and fees, due to the fact that we are correcting the documents prior to sending them to the reseller. With the timely submissions to retailers, the validation checks in advance, and the ability to quickly address retailer inquiries, I would also estimate time and labor savings of 18-19 percent."

Ernst continued, "I have nothing but great things to say about SPS Fulfillment and the team. What they present during the sales process is what you get; a very personable and professional team that is willing to listen and provides exceptional support, and an outstanding EDI solution that is truly effortless."