

CASE STUDY

Boot Barn Dramatically Decreases Parcel Shipping Spend with Reveel

To support its omnichannel growth, the nation's largest retailer of western and work-related footwear, apparel and accessories used Reveel's Shipping Intelligence™ platform to increase the performance of its fulfillment operation and significantly decrease its net parcel spend.

Headquartered in Irvine, California and rapidly growing with 400 stores in 48 states, Boot Barn is the nation's largest retailer of western and work-related footwear, apparel and accessories. The company's thriving B2B operation and robust e-commerce presence includes www.bootbarn.com, www.sheplers.com – the leading pure play western and work retailer – www.countryoutfitter.com, the online destination for consumers who live a country lifestyle, and idyllwind.com. The company also maintains a strong and growing presence in a number of marketplaces, including Amazon and eBay.

Strengthening its omni-channel leadership is a keen focus of Boot Barn's strategy and Donald

Petersen, Vice President of Supply Chain and Logistics, continually reviewed the company's parcel shipping spend and performance. This included looking at the company's work with its carrier partners and internal processes that impact parcel spend, and ultimately Boot Barn's operations and customer service.

"We look at our stores and our e-commerce channels synergistically and offer a wide range of services to provide our omnichannel customers with even greater convenience," says Petersen. "We work hard to make it easy for them, whether that's shopping on our e-commerce sites, in our brick-and-mortar stores, or through a combination of channels. We also enable customers to order online for

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in-store delivery, to ship from the store, and to make returns across channels. Parcel shipping performance plays a supporting role in those endeavors.”

With more than three decades of experience in operational and logistics leadership roles at companies like Pacific Sunwear, Reebok and Vans, Petersen knew firsthand how important shipping costs are to the bottom line and how they can impact top-line performance.

“Parcel shipping costs are significant outlays for retailers that can impact margins and influence consumers’ purchasing decisions online,” he adds. “Even so, parcel shipping spend is difficult, and often impossible, for organizations to manage proactively because of its inherent complexity and the fact that actual costs are dictated by a constantly changing array of factors,” he adds. “Not only is each parcel shipment unique in many ways – including different products being sent to different locations – but the carriers’ contracts and

the rules within them are complex and constantly changing.”

It’s a perspective shared by Melanie Kirk, Boot Barn’s Director of Supply Chain and E-commerce Operations. Responsible for carrier and service utilization, she reports to Petersen who also oversees logistics and transportation-related functions for the company.

Boot Barn previously engaged a supply chain firm that provided a number of services related to the company’s supply chain operation, including analytics and support of Boot Barn’s transportation management system.

“They helped us with reporting and audited our parcel shipping spend among other activities,” says Kirk. “But their insight into our shipping data and ability to analyze it was limited because it was a manual process, and reactive in most cases.”

BOOT BARN DEPLOYS REVEEL'S SHIPPING INTELLIGENCE™ PLATFORM.

Petersen and Kirk were immediately interested when they learned of Reveel's Shipping Intelligence™ Platform. The platform would enable them to analyze and parse their own parcel shipping data proactively and in real time. It would also provide Petersen and Kirk with actionable insights they could use to immediately save money.

"The fact that Reveel's platform would enable us to analyze our shipping activity and proactively take action to immediately secure savings was a game changer. Parcel shipping analysts can always tell you how to save money, but their recommendations are subjective and reactive. With Reveel we would be able to act in the moment on actual data analyzed and parsed with powerful data science in real time. No one else offered that."

REVEEL'S ACTIVE SHIPPING MANAGEMENT REVEALS A SIGNIFICANT OPPORTUNITY.

- Onboarding Reveel's Shipping Intelligence™ Platform was easy and intuitive. Boot Barn simply input its shipping data into the platform. Under Petersen and Kirk's direction, Reveel's advanced data science

and artificial intelligence completed a cursory analysis of the potential savings that could be secured.

- It was also immediately clear that Active Shipping Management would benefit Boot Barn. Petersen and Kirk recognized the ability it would give them to plan, measure, monitor and optimize the company's shipping spend.

PLAN – REVEEL'S SHIPPING INTELLIGENCE™ PLATFORM ENABLES SHIPPING OPERATIONS TO:

- Forecast shipping expenses and budget;
- Support strategic decision making;
- Perform data-driven financial planning and analysis; and
- Execute SKU-level analysis of product profitability.

Accurate budgeting begins with a clear understanding of what you will actually be spending. This requires organizations to be able to determine not only what their shipping needs will be, but just as importantly how any new rules and fees introduced by carriers will impact their costs.

"Our carrier partners' rules, regulations and fees are understandably always changing for a variety of reasons – including macro-economic and geopolitical trends – but historically it was

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difficult to know how such changes would impact your costs specifically,” says Petersen. “Reveel lets us pose any number of ‘what if?’ scenarios that make it possible to know exactly how our costs will be impacted when rates, rules, or surcharges change.”

For example, Reveel lets shippers determine in mere seconds how it will impact their budget if the dimensions that constitute an oversized package are decreased by the carrier. The platform simply applies the subsequent oversize surcharge to parcels that would have been impacted in the previous year and calculates the difference to predict actual parcel shipping costs going forward – all in mere seconds.

MEASURE – REVEEL’S SHIPPING INTELLIGENCE™ PLATFORM ENABLES SHIPPING OPERATIONS TO:

- Optimize operational efficiency;
- Report on vital factors; and

- Assess the budgetary impact of carrier rate changes.

Petersen and Kirk were also immediately impressed with the ability the platform gave them to measure what Reveel calls shipping vital factors, the fundamental indicators of parcel shipping success the platform makes immediately accessible. They include total shipping spend, surcharge spend, average cost-per-shipment, average weight per shipment, minimums and average zone – all insights that should be measured in any organization.

“Experienced shippers know it is imperative to gauge primary indicators because even slight changes can have a big impact,” says Petersen. “For example, specific zones are often subject to new rules and if you ship a lot of volume to them it could result in a sudden increase in extra costs. Measurement and management go hand-in-hand and it’s important to continually assess your performance. The ability to do this is something we have always wanted.”

MONITOR – REVEEL'S SHIPPING INTELLIGENCE™ PLATFORM ENABLES SHIPPING OPERATIONS TO:

- Track expiring surcharges and revenue band changes;
- Monitor for discounts and agreement compliance;
- Recover refunds for late shipments and billing errors; and
- Monitor for security and fraud.

Using Reveel's platform, shippers can also monitor how close they are to volume tier discounts and other important metrics, as well as other parameters included in audits.

"An effective parcel shipping audit will typically identify savings of one to two percent, primarily because the shipment fails to satisfy the carrier's service level guarantees," says Kirk. "The ability to quickly audit our parcel shipping operation at a granular level is a real step forward."

OPTIMIZE – REVEEL'S SHIPPING INTELLIGENCE™ PLATFORM ENABLES SHIPPING OPERATIONS TO:

- Know exactly which areas to focus on;
- Perform what if analysis by running

simulations; and

- Compare agreements side-by-side.

Carrier contracts, with their many pages of fine-print details, are known for their inherent complexity and constantly changing factors that dictate what it costs to send a parcel from one location to another. Reveel's Shipping Intelligence™ platform enables shippers to compare even the most complex proposed carrier contracts side-by-side with ease, all while knowing how each will impact the costs associated with actual shipments. These capabilities also enable shippers to quickly see where they spend the most and to make a compelling business case.

BOOT BARN DRAMATICALLY DECREASES ITS PARCEL SPEND.

Following the initial assessment of Reveel's analysts who worked with Petersen and Kirk to familiarize them with the platform, Boot Barn entered into discussions with carriers and applied the shipping intelligence from the platform.

"Importantly, our carrier partner gained **significant** parcel shipping volume"

THE RESULTS:

Boot Barn was able to dramatically decrease its parcel shipping spend for the current year, and savings will increase slightly over the next two years.

“Importantly, our carrier partner gained significant parcel shipping volume,” says Petersen. “Reveel’s platform was instrumental in getting us to a place where everyone wins, which is important to us at Boot Barn.”

Petersen also credits Reveel’s platform, and the gains it helped Boot Barn make, with contributing to the company’s continued investment in a fulfillment operation that strengthens the company’s growth and the satisfaction of its customers. It’s an effort he believes is of singular importance.

“Parcel shipping performance and acumen is a crucially important factor in any exceptional fulfillment operation,” he says. “And an exceptional fulfillment operation is absolutely crucial for omnichannel retailers that want to achieve the rapid growth that is only possible when patrons know they will receive what they ordered exactly when they expect it.”

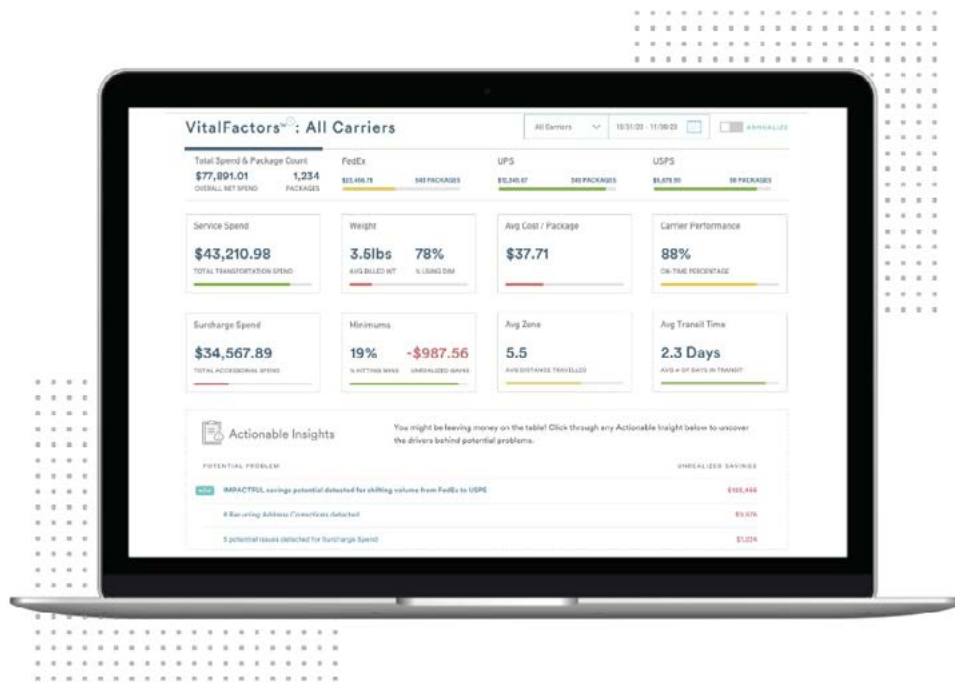


PARCEL SHIPPING INTELLIGENCE – CRUCIALLY IMPORTANT BUSINESS INTELLIGENCE FOR OMNICHANNEL RETAILERS

Boot Barn actively integrates and uses Reveel’s Shipping Intelligence™ Platform in conjunction with the company’s business intelligence platform. Some of the outputs and reports Reveel is used to create include:

- GL coding of invoices – crucially important in Boot Barn’s strategy to expand its store base; and
- Custom reports for business functions that shipping costs influence – for example how sale prices must be structured to maintain margins when items are sold online.

“For companies that do business online, parcel shipping performance is a mission-critical endeavor,” says Petersen. “With advanced data science you can manage it at a level of precision that until most recently was not possible.”



REVEEL INTRODUCES ITS SHIPPING INTELLIGENCE™ PLATFORM

Reveel introduced the industry's first Shipping Intelligence™ Platform, a Software-as-a-Service-based analytics solution that features advanced data science capabilities, machine learning, powerful analytics, and artificial intelligence that enables shippers to gain real-time transparency, visibility and control over their parcel shipping data – all while providing them with actionable insights they can use to immediately save money.

Notably the development process began with conducting hundreds of interviews with shippers – a process that identified the methodologies used by those with the most profitable operations. These were then built into functionality in Reveel's Shipping Intelligence™ Platform – enabling shippers to do what parcel consultants do, only better.

The resulting methodology, which Reveel calls Active Shipping Management, is a four-step process: **The best shippers plan, measure, optimize and monitor.**



Reveel is the leading Shipping Intelligence™ Platform that enables companies to level the playing field with FedEx and UPS. With over 17 years of parcel agreement management expertise and \$400M+ in savings for its clients, the company provides actionable insights to help customers make smarter business decisions and have peace of mind. Reveel helps shippers leverage the power of data science and peer comparison data to capture significant ROI and improve their competitive advantage.

Request a demo today to see how you can leverage automation to synthesize your data, ship more for less, and reduce the time needed to identify issues and action items.

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