



**Customer Story** 

# Lull Reduces FedEx Costs by 30% and Delivery Times by 51% with FLEXE

Company: Lull

**Industry:** eCommerce Furniture Company

**Headquarters:** Santa Barbara, CA

Size: 11-50 employees

**Solution:** FLEXE eCommerce Fulfillment

Customer since: January 2017

**Number of FLEXE facilities: 4** 

SKU count: 70

Lull uses FLEXE eCommerce Fulfillment to increase agility, improve their delivery promise to customers, and grow their business

Nearly a third of our lives are spent sleeping. A good mattress impacts our sleep; sleep impacts our health.

Up until a few years ago, mattresses were pretty hefty investments—some costing thousands of dollars with middleman markups from retail stores.

In 2015, Lull, an eCommerce furniture company, saw an opportunity to offer superior sleep solutions at reasonable costs by eliminating the middleman. They started selling their bed-in-a-box mattress online and have since expanded their product line to include pillows, mattress protectors, and bed frames. Their goal? Helping customers get a better night sleep without breaking the bank.

Lull is a company dedicated to transparency, customer experience, and delivering exceptional products to their customers at reasonable prices. Their factory-direct business enables customers save up to 75%\* compared to traditional mattress costs.

\* https://lull.com/shop

BY THE NUMBERS



SHIPPING TIMES:

**51%** 

reduction in shipping times: from **3.5 to 1.8 days** with **88% of orders** met within **two business days** 



TRANSPORTATIONS COSTS:

30%

reduction in **FedEx costs** 

As an eCommerce retailer, Lull moves most of their sales through their own website—a result of good marketing, customer service through the buying process, and a great product. However, in late 2016, Lull found themselves in need of a flexible, scalable fulfillment solution that could map to their business strategy and meet customer expectations for fast, affordable delivery. They turned to FLEXE.

#### **CHALLENGES:**

# Limitations to Improving Delivery Times and Costs

#### **Limited Shipping**

Lull was forced to spend time and energy troubleshooting a solution that wasn't built for direct-to-consumer (D2C) fulfillment. They were dropshipping orders from their manufacturer, but the systems and processes weren't designed for D2C fulfillment, which impacted everyday operations.

#### **Limited Options**

Going with a third-party logistics (3PL) provider required large set-up fees and lengthy implementation times. Lull quickly realized a traditional warehousing solution wasn't the right fit. As a nimble startup, it was important to avoid the risk of entering into multiple long-term contracts. They needed something less complicated and more flexible to support their growth.

#### **Limited Growth**

Dropshipping was a critical aspect of Lull's fulfillment strategy, but made it impossible to improve delivery times and costs, as well as work with new vendors that didn't offer dropshipping. Their current strategy inhibited partnerships and business growth, and the ability to offer their customers a better delivery promise.



Megotiating and procuring separate 3PLS would have taken months, but with FLEXE, we were able to stand up facilities in a matter of weeks."

> **Robert Vaughn** Director of Product Operations, Lull



### FLEXE eCommerce Fulfillment

Lull turned to FLEXE because they needed an eCommerce fulfillment solution that was easy to implement, provided operational transparency, and was designed to scale and support business growth.

With FLEXE, Lull gained a software platform to manage inbound and outbound shipments while tracking real-time inventory levels across their FLEXE network of fulfillment centers. They also gained a team of experts that helps them continually improve their fulfillment operations and strategy. Visibility and control over shipment trends and inventory levels helps the Lull team make more informed decisions on inventory allocation and management.

In January 2017, Lull moved into their first FLEXE location. When they were ready to expand into more fulfillment locations, they didn't have to spend time sourcing new solutions. The FLEXE Supply team sourced additional warehouse providers in the FLEXE network—all of which were already running on the FLEXE software platform. What would normally take months, only took a matter of days.

Since working with FLEXE, Lull has been able to invest in and grow their product line, save on transportation costs, and reallocate resources to marketing and product development—a continual improvement cycle designed to grow their business.

Not only were we able to improve our delivery promise to customers, a shorter last mile reduced our FedEx costs by 30%."

Robert Vaughn
Director of Product Operations, Lull

#### **RESULTS:**

## Fulfillment that Doesn't Keep You Up at Night

#### **Fulfilling Orders Faster, for Less**

Dropshipping meant Lull was fulfilling orders from one location. Not only was dropshipping a suboptimal process for Lull, having only one location meant shipping times were longer and costs were higher.

With four FLEXE facilities, Lull has significantly shortened the last mile. Now, with inventory strategically placed throughout North America, they reach the majority (88%) of their customers with two-day delivery and have reduced overall delivery times from 3.5 days to 1.8 days—a 51% reduction.

With FLEXE, they have also reduced shipping costs. "Not only were we able to improve our delivery promise to customers, a shorter last mile reduced our FedEx costs by 30%," says Robert Vaughn, Director of Product Operations at Lull.

#### **RESULTS:**

#### **Creating Room to Grow**

With a flexible warehousing and fulfillment solution, Lull has been able to reinvest in their business and growth strategy. They are no longer limited to working with manufacturers that offer dropshipping and instead can store and ship inventory across a network of warehouses. This small, but significant, detail has enabled Lull to work with new manufacturers to expand their product lines, expand their fulfillment footprint to reach more customers, and to grow their business.

"FLEXE has enabled us to reinvest in our marketing, hire new employees, and grow faster as a business," says Vaughn. "They've also given us the flexibility to create new partnerships with manufacturers and offer more products to our customers."

When Lull started with FLEXE, they were only selling mattresses—approximately 12 SKUs. In the last 18 months, they have expanded their product lines to include pillows, bed frames, and mattress protectors, boosting their SKU count to more than 70—all of which are shipped through FLEXE facilities.

#### **At-Your-Service Fulfillment Experts**

When Lull came to FLEXE, they were looking for a solution provider that could partner with them to manage fulfillment and help them increase their business. Since implementing FLEXE, Lull has relied on the FLEXE team for insights and recommendations on how to improve their operations.

"FLEXE offers way more than any one 3PL can," said Vaughn.

"They make it possible to solve traditional logistics challenges."

#### **Robert Vaughn** Director of Product Operations, Lull

# **Finding the Right Fulfillment Partners**

The Lull and FLEXE teams partnered to establish a logistics strategy that could address Lull's unique business needs. By taking into consideration product specifications, demand patterns, and shipping times and costs, FLEXE helped Lull map out an ideal fulfillment network with the appropriate number of facilities in just the right locations.

FLEXE matched Lull with two different FLEXE providers with warehouses in the locations they needed. Lull uses FLEXE's unified software platform to manage operations, even though these two providers are completely separate businesses.

FLEXE has enabled us to "grow faster as a business... They've given us the flexibility to create new partnerships with manufacturers and offer more products to our customers."

"Originally, we were excited to work with FLEXE because of the cost savings and the unified nature of their technology platform," said Vaughn. "We later realized FLEXE also saved us valuable time and resources. Negotiating and procuring separate 3PLs would have taken months, but with FLEXE, we were able to stand up facilities in a matter of weeks."

# lull

# FLEXE eCommerce Fulfillment: Simple, Transparent, Scalable

Lull uses FLEXE to outsource their entire fulfillment network. They trust FLEXE to address their logistics and fulfillment challenges, so they can focus on continued growth.

All FLEXE customers utilize only one contract, billing, and invoicing system for their warehousing and fulfillment needs across North America.

#### **About FLEXE**

FLEXE is the leading provider of on-demand warehousing and fulfillment services. Backed by a team of technology and logistics experts in Seattle, FLEXE connects retailers and brands to a network of more than 1,000 warehouses through a single software platform.

Unlike traditional solutions, FLEXE makes warehousing available on-demand and uses software to streamline the entire process from sourcing staffed operators through centrally managing inventory across the entire network. As a result, FLEXE customers easily resolve their warehouse capacity constraints, scale retail distribution operations, and dynamically expand their eCommerce fulfillment networks. To learn more about FLEXE, follow us on <u>LinkedIn</u> and <u>Twitter</u>.

#### **About Lull™**

Lull is a Santa Barbara-based company with a disruptive mattress industry completely on its head. Lull sells a foambased mattress directly to consumers via the internet. The mattress is compressed and packaged into a box the size of a mini fridge and delivered right to your front door. The mattress costs 1/3 LESS than traditional mattresses and Lull offers 100 days to try the mattress. If you don't love it, Lull will take the mattress back for free and provide a full refund.

Lull's three layers of premium quality foam deliver cooling bounce, therapeutic pressure relief and contouring support for a sleep experience like no other.





