

# DSW Struts Omnichannel Prowess with Radial Store Fulfillment and Dropship



### THE RESULTS

- Approximately 50 percent of orders fulfilled by stores
- 500+ stores enabled for store fulfillment
- Margin increases for end-of life merchandise
- Nearly 500 stores live with In-Store Pickup and Ship-to Store in 6 weeks
- 200 plus brands drop shipped

*"From implementation, ongoing support, and solutions that make it easy for our store associates to be fulfillment specialist, Radial has been a strategic partner at every step of our journey and a primary contributor to our success."*

#### **Brian Seewald**

VP, Digital

DSW Designer Shoe Warehouse

### THE SITUATION

DSW Designer Shoe Warehouse began its omnichannel journey in 2011 with an in-store proprietary stock locator tool to help customers get the shoe size they needed when it wasn't available in-store. Shoephoria checked available inventory in DSW's fulfillment center, placed the order and the item shipped to the customer. As Brian Seewald, Vice President of Digital at DSW shared, "We were doing omnichannel before it was actually cool. Shoephoria was the first step in our mantra to make 'any shoe, anywhere, anytime' a reality."

DSW's next step was to expand its online product assortment through a drop ship program. For that, it turned to Radial. In conjunction with drop ship, DSW was also working on a ship-from-store initiative that it planned to build in-house. A decision it reversed after Radial suggested DSW consider Radial's Ship-from Store solution. Realizing these initiatives would require a transformational shift organizationally, DSW built out an entire omnichannel team to advance its omnichannel journey - a journey the entire company willingly embraced. This team, in collaboration with Radial, focused on delivering any shoe to DSW customers regardless of where they were in the supply chain - a goal that drove the addition of buy online pick up in-store and ship-to-store capabilities to DSW's omnichannel roadmap.

### THE SOLUTION

Today, DSW has a thriving omnichannel business, one that Radial plays a material role in. Approximately fifty percent of online orders, and sometimes more depending on the time of year, are fulfilled by more than 500 stores. Plus, over 200 brands are drop shipped directly to customers. Getting back to the roots of its name, DSW Designer Shoe Warehouse, calls its stores warehouses, which aptly reflects their intrinsic value as strategic fulfillment assets. Combined, Radial Dropship, Ship-from Store, Ship-to Store, and In-Store Pickup technologies unite DSW's

online and offline channels to make all of its merchandise universally available to its customers.

Seewald comments, "We launched the ability to ship from our stores and drop ship at the same time. Ship-from Store provided an extremely meaningful increase in eCommerce conversions. It opened up all of the size availability to our customers that they didn't have before. At the end of the day, the most important thing for a customer is to be able to find their size in a shoe they just fell in love with. So turning more than 500 stores into online warehouses was a really big deal in terms of assortment, availability, customer loyalty and sales."

## **SPEED TO MARKET**

Interestingly, DSW initially selected Radial for its Dropship technology based on a couple of factors. One was pure speed to launch; second, was the ease of implementation and the visibility to the business DSW planned to entrust to its drop ship suppliers. "We liked what Radial brought to the table from a reporting and administrative perspective to ensure our drop ship suppliers were held accountable and complying with our service levels. In other words, there was a level of trust that Radial's technology could help us maintain and control the customer experience and our brand standards, while at the same time reap the benefits of expanding our product assortment without inventory overhead and risk," stated Seewald.

Seeing what Radial could deliver from a drop ship perspective, DSW heeded Radial's recommendation to investigate Radial Ship-from Store. What it learned was Radial had a much better and more straight forward user interface for store associates - critical for a successful ship-from-store program. Plus, it offered a much faster time to launch than DSW could achieve building the technology itself.

With Ship-from Store and Dropship successfully launched, DSW's omnichannel journey continued with a whirlwind implementation of Radial In-Store Pickup and Ship-to Store. "We launched In-Store Pickup and Ship-to Store across an entire fleet of almost 500 stores in six weeks. That is really remarkable and it speaks to Radial and its flexibility. It also speaks to the change management and the adaptability of the DSW organization," emphasized Seewald. DSW views In-Store Pickup as table stakes - something retailers have to do to meet customer expectations for convenience. However, new tools on DSW's redesigned web site that allow customers to filter results based on what's available locally are driving an increase in bottom-line for In-Store Pickup. Ship-to Store is also a winner. With 25,000 shoes typically on DSW's web site, but only 2,000 to 2,500 items in a given store, there will always be times when customers can't find the shoe they want in their local store. With Ship-to Store, customers can buy the shoe online and have it shipped to the store of their choice - capturing incremental revenue and more satisfied customers.

## **OMNICHANNEL PROFITABILITY**

At the end of the day it's all about keeping customers happy. With that in mind, DSW continues to enhance the sophistication of its omnichannel offerings. More intelligent sourcing algorithms that go beyond shipping from the store closest to the customer, make omnichannel more profitable. For example, DSW changed the game for end-of-life merchandise. It now tracks items that are moving slowly in a store and fulfills items from that location to avoid markdowns and improve inventory turns. It's also leveraging Radial optimizations to better handle peak loads, and a new integration with SmartPost® enables DSW to use the same shipment method it uses in its warehouse to better manage shipping costs and customer delivery expectations.

Seewald sums it up. "From the top down, our entire company has embraced omnichannel. In fact, when your store associates are asking you how they can get more orders, you know everyone is fully engaged. From implementation, ongoing support, and solutions that make it easy for our store associates to be fulfillment specialist, Radial has been a strategic partner at every step of our journey and a primary contributor to our success."

