

Worldwide Cyclery Leverages ChannelAdvisor's Partner SkuVault to Achieve 114% Revenue Growth

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CASE STUDY



- Since implementing SkuVault, Worldwide Cyclery reports 114% revenue growth.
- Worldwide Cyclery reports that it has decreased its mis-shipment rate to 0.14%

Location: Newbury Park, CA
URL: <https://www.worldwidecyclery.com>
Industry: Sporting and Outdoor

COMPANY OVERVIEW

As an entrepreneur, what do you do when you see a hole in the marketplace? You take advantage of an opportunity. But in today's increasingly competitive retail landscape, it's not enough to just create a logo and build an online store. You have to create an entire brand to set yourself apart.

This is the opportunity Jeff Cayley, founder and CEO of **Worldwide Cyclery**, found himself in when he opened the mountain bike retailer business in 2011. With a background in mountain bike racing and a deep understanding of the cycling industry and its top players, Cayley took his chances on a new mountain bike purchase experience. He created an omni-channel company that provided a personalized customer experience through multiple platform purchasing options and a transparent and light-hearted media presence.

Fast forward to 2020, and Worldwide Cyclery is now the third-largest retailer of high-end mountain bikes in North America and the fifth largest globally. With three brick-and-mortar stores, three warehouses, and an online store, the team at Worldwide Cyclery stays ahead of the curve by leveraging a unique solution partnership. Together, SkuVault and ChannelAdvisor help Worldwide Cyclery manage its inventory and channel management needs.

THE SITUATION

Worldwide Cyclery began selling on third-party marketplaces and out of two brick-and-mortar locations in California and Pennsylvania. They stocked some of their own products in their warehouse and fulfilled orders in addition to using data feeds from distributors to get the rest of the products.

Running this hybrid model for fulfillment led to inevitable problems. Cayley said they were printing out their own barcodes and using cell phone apps to scan them. Product locations were kept in the notes fields on product pages. The fulfillment process quickly became slow and archaic. This kind of hodgepodge solution worked when the business was small, but with plans for expansion into a third brick-and-mortar location, they knew it wasn't a sustainable solution.

THE SOLUTION

After vetting a slew of solution providers, the team at Worldwide Cyclery settled on SkuVault to manage their inventory and warehouses and ChannelAdvisor to handle their inventory and channel management operations. Cayley knew he needed a solution that fit three crucial areas of their business:

- Integrating to other areas of their business
- Providing great customer experience
- Creating and maintaining efficient workflows to accommodate fulfillment

Worldwide Cyclery reports that they already had ChannelAdvisor Marketplaces in place to manage their omni-channel listings and found that SkuVault integrated seamlessly, so an existing integration capability won them over. "ChannelAdvisor helps us manage sales, channels, and keeps products listed," said Cayley. "SkuVault is what allows us to then take those orders that we get from different marketplaces and pick them in the warehouse, get them shipped out in a timely manner, and keep them organized in terms of fulfillment. The integration with ChannelAdvisor is super nice."

Once the integration piece was in place, they needed to check off the second box: provide great customer experience. That meant getting the right product to the right buyer on time. "Customer experience in the e-commerce world means accurate shipments and efficient shipments. We're not operating on a huge gross margin, so we need to be very efficient as a business," he said. "We do our own fulfillment in every way. So without SkuVault, we couldn't really operate those two things."

Since implementing SkuVault and ChannelAdvisor, Worldwide Cyclery reports that it has decreased its mis-shipment rate between three warehouses to 0.14%.

Once they had SkuVault up and running, it was time to tackle inefficient workflows. Worldwide Cyclery found their answer in SkuVault's unique Wave Picking feature. "We don't have a massive warehouse, but even in a mid-size warehouse, Wave Picking is really useful and drives efficiency a ton," said Cayley. Worldwide Cyclery determined that good, proper pick routes were the difference between a growing business and a stagnant business.

THE RESULT

In the two years since implementing SkuVault, Worldwide Cyclery has experienced 114% revenue growth.

In that time, building the perfect tech stack has been crucial to their growth. "I think if you want to run a legitimate and sizable operation that you want to scale to be a real business, you've got to have a good tech stack," Cayley said. "And if you want to do your own fulfillment, you're going to need something like SkuVault. If you want to be multichannel, you're absolutely going to need someone like ChannelAdvisor. Those two pieces of software are huge core pieces of our business and are a huge part of what makes us successful as a multichannel e-commerce retailer that does its own fulfillment."

Cayley also credits Worldwide Cyclery's optimized tech stack as presenting an opportunity to focus on other aspects of growing the business, like creating new marketing strategies and customer acquisition. When the backend operations are in place and functioning well, Cayley finds that the customer experience can dial in even more.

New e-commerce merchants in the omni-channel game can take a page out of Cayley's book. His biggest piece of advice? Narrow in on what makes your business unique.

"Really understanding the landscape and where and how you're going to be different, whether that's to be different from a customer experience standpoint, or a product standpoint or a strategy standpoint, understanding how your business in some way or multiple ways is going to have a unique market position and actually be different is going to be key in e-commerce."

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— JEFF CAYLEY
Founder and CEO,
Worldwide Cyclery