

CASE STUDY

chubbies

Chubbies Streamlines Operations, Decreases Backorders
and Drives Repeat Purchases with Stitch Labs

COMPANY

Chubbies

HEADQUARTERS

San Francisco, CA

FOUNDED

2011

WEBSITE

chubbiesshorts.com

INDUSTRY

Apparel & Fashion

COMPANY SIZE

11-50 Employees

50%

Improved Performance
at Promotional Events

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Chubbies is a San Francisco-based apparel brand that started with men's shorts in 2011 and has since expanded into shirts, women's shorts, and accessories – all with the goal of being “purveyors of the weekend lifestyle.” With 2.2 million active “chubsters” in the Chubbies community, loyalty is a huge focus for the entire team. The Chubbies team believes pants are a necessary evil, cargo pockets are a definite no, and most importantly, the customer is always first.

THE CHALLENGE

With lofty goals and complex processes for a creative, rewarding customer experience, James Hargett, Fulfillment Contractor at Chubbies, was spending at least half of each day on manual processes like communicating orders to their third party logistics (3PL) and updating add-on products they send through their loyalty program. In addition to time-consuming processes, Chubbies was using an inventory system that provided the team with limited visibility into accurate inventory counts, causing fulfillment and forecasting issues.

Additionally, Chubbies runs several major promotions throughout the year which bring increased site traffic and a major influx in orders. The team worried about the effect backorders incurred during these promotional days would have on customer satisfaction.

THE SOLUTION

With Stitch's Enterprise API, Chubbies was able to solve complex problems unique to their workflow. Chubbies' customer loyalty program, which sends customers an add-on gift for purchases 1-8, is built onto the API, which enables James and his team to swap gifts in and out easily. James says, “If we want to change a gift in a loyalty tier round, I can do that in 5-10 minutes. Previously, that would have taken two days.”

In addition to customizing their workflow through Stitch, Chubbies is now able to fulfill orders more efficiently.



“With Stitch’s virtual warehousing functionality, we were able to move products from our warehouse to our virtual warehouse, providing us with a threshold of reserve inventory to prevent a customer from ordering something that’s actually out-of-stock. With this preventative measure for our highest volume day, we decreased backorders by 93 percent from the previous year.”

–James Hargett, Fulfillment Contractor,
Chubbies



93%

Decreased Backorders from
Previous Year



“Sometimes you take a step back and think of something you never knew could exist, and with Stitch, we’ve been able to build just that...I have complete trust in Stitch. I’m fully bought in.”

—James Hargett, Fulfillment Contractor, Chubbies

98%

Customer Satisfaction
Delivered



“Before Stitch, if, for example, a customer inputed an address incorrectly, we only had about a six hour window before the item shipped to the wrong address. It was very manual and time-consuming to program or pause orders directly with our 3PL. Now, we can pause orders between when they’re placed and when they’re fulfilled.”

This increased visibility into their inventory and fulfillment through Stitch also enables Chubbies to better forecast.

“With a better picture of our inventory and what’s heading out and what’s available, we have accurate data for forecasting. Instead of looking at multiple systems and various spreadsheets, when you have them all centralized in Stitch, you can run a report at the click of a button and it’s super easy to get the data you need to make smartbusiness decisions.”

STITCH SOLUTIONS CHUBBIES USES MOST

- Low level thresholds to get an accurate count at their 3PL
- Custom loyalty tier where the Chubbies team can constantly change loyalty gifts to see what drives repeat purchases best
- Multi-warehousing

THE RESULTS

With an efficient fulfillment process and automated updates for their loyalty program and inventory tracking, Chubbies is able to deliver a customer experience with a 98% satisfaction rate.

“With a background in customer service, I’m looking out for the customer in everything I do. With Stitch, I don’t have to worry about overselling because I can set low stock thresholds, optimize cycle counts, and hold orders so our 3PL can get an accurate count. The immediate financial impact is that we don’t have to send out nearly as many promos or discounts to compensate for incorrect or out-of-stock orders.” James says this has had a positive impact on their overall customer

experience as well. “We’re saving money because our inventory is accurate and what’s in our warehouse is displayed correctly with Stitch. This is huge for me because it trickles down to the customer experience.”

One of the reasons Chubbies is able to provide one of the most exemplary customer experiences in the retail industry is because of the time freed up to focus on what’s most important to them: their customers.

“It used to take me 4 hours every time I wanted to upload our inventory. Now, it’s a 15 minute process. That’s 3 hours and 45 minutes of my day, thanks to Stitch, that I can spend on other, more important tasks. And when you release new products as often as we do – sometimes up to three times a week – that’s a lot of time saved.”

In addition to more time to focus on their core business, Stitch helped ensure customer satisfaction on Chubbies’ biggest promotional days of the year.

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The Chubbies team is especially proud of the unique relationship they have with their customers (or “chubstomers”). The efficiencies provided by Stitch’s inventory management software and custom API allows them more time to focus on customers as well as the means to get creative with how they show their appreciation.

“Sometimes you take a step back and think of something you never knew could exist, and with Stitch, we’ve been able to build just that,” James explains. “I have complete trust in Stitch. I’m fully bought in.”