

Case Study:

Hammer Nutrition



Industry:
Health & Nutrition

Previous Shipping Software:
NetSuite Shipping

ERP:
NetSuite

WMS:
RF-SMART

HQ:
Whitefish, Montana

Overview

Hammer Nutrition offers supplement and sports nutrition products to health conscious customers around the world. Their mission is to provide knowledge and support to customers who want to perform at their highest level. As a result, Hammer Nutrition's products are ensured to meet the standards of purity, quality, and efficacy when created and served.

Benefits and Key Outcomes

↓ **20%**

Reduced shipping costs on parcel spend due to Smart Packing™ and Automated Rate Shopping



Reduced mis-shipments and surcharges

↑ **2X**

Doubled throughput - went from 400 to 800 packages shipped daily **with the same number of workers**



Saved \$5.20 per air package (\$312K annual savings)



Ability to easily create and enforce shipping rules

Challenge

As a result of the eCommerce boom spurred on by COVID-19, Hammer Nutrition saw demand for their products skyrocket. Although their order volume was steadily increasing prior to COVID, as a health supplement provider during a pandemic, the surge in orders further amplified the reality that their previous shipping software was a bottleneck preventing them from getting more orders out of the door quickly and accurately.

Regardless of how hard they tried, the team at Hammer Nutrition just could not ship more than 300-400 orders a day. While NetSuite Shipping worked for the business when order volume was lower, to keep up with customer expectations, a change had to be made. "We knew we outgrew NetSuite Shipping because we just couldn't get orders out fast enough," said Brandon Harrell, IT Director and Project Manager at Hammer Nutrition.

Challenge CONTINUED

Some of the specific challenges Hammer Nutrition faced included:

- **Slow order processing times** due to heavy reliance on manual processes, unnecessary clicks, and human decision making.
- **No ability to compare shipping rates** - they were also allowing customers to select carriers when placing orders on the website, so NetSuite rates would only pick from what was available on the website and selected by the customer. The result was that there was no way to select a more cost-effective shipping rate that also met delivery requirements. “There was no consciousness for selecting shipping rates,” said Harrell. “The rates came in without a way to compare. We probably bled \$100K in shipping just because of the clunkiness.”
- **Onboarding time was painfully slow**, making the cost of hiring more workers astronomical in both time and money.
- **No cartonization or packing optimization capabilities.** There was no way to tell the warehouse team how to ship each order correctly, meaning that it was up to them to decide the best box/carton for each order. The result was that they were paying for incorrectly packed orders that ate away at their bottom line.

“The combo of automated rate shopping and Smart Packing™ saved us 20% in shipping costs.”

-Brandon Harrell
IT Director and Project Manager at Hammer Nutrition

Solution

ShipHawk's platform provided Hammer Nutrition with a solution that substantially increased warehouse efficiency and productivity. With ShipHawk, Hammer Nutrition was able to reduce their shipping costs, double throughput, eliminate manual decisions, and reduce the number of mis-shipments and surcharges. “After changing to ShipHawk we did 700-800 orders a day,” said Harrell. “Same staff, same number of hours in the workday. It was a night and day difference.” Getting the orders out fast wasn't the only win, Hammer Nutrition was also able to see errors in orders right away, so the number of mis-shipments and surcharges significantly reduced too. “Usually a company with our shipping costs would see around \$100K-\$150K in overages and packages shipped through a wrong service or other shipping anomalies,” said Harrell. “I'm happy to report that I have only found about \$5K in charges like these on our account since switching to ShipHawk.”

ShipHawk's Smart Packing™ and automated rate shopping meant that every order was shipped in the best box, with the right carrier and right service level without any employee decision making. “The combo of automated rate shopping and Smart Packing™ saved us 20% in shipping costs,” said Harrell.

The ability to create and manage business rules was another game-changer for the team. “The fluidity of ShipHawk for our IT team has been huge,” said Harrell. “They've been able to take the shipping policy and actually enforce it. It has made our lives so much easier knowing packages are going out the right way.”