



VANILLA STUDIO CASE STUDY

OUR CUSTOMER



Vanilla Studio, established in 2001, is a furniture and home furnishings manufacturer, importer, and wholesaler with a fresh and contemporary approach to home decor. All products are designed by their specialized in-house creative team.

Vanilla sells primarily to big box retail, bringing in over 500+ containers/year to quickly source and stock items. Additionally, they sell to the hospitality industry.

They recently launched a new company, Mardel 3PL. It has its own customer base and functions as Vanilla's warehousing division.

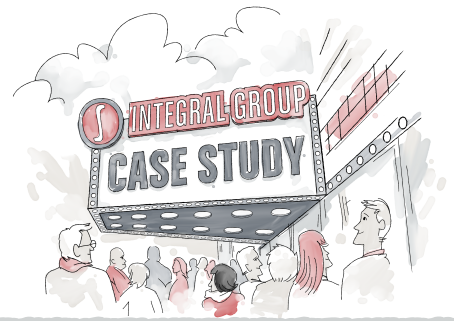
ISSUES TO RESOLVE

Vanilla Studio needed to address growing order levels, productivity, and scalability requirements. And to find an EDI provider that could connect all their business applications to create an overarching, integrated and automated system.

The first hurdle was staffing

During COVID, Vanilla's order volumes increased significantly with an emphasis on the online ordering side of the business. Although they started doing EDI years ago, their provider could not create an integrated system. EDI orders came to them as flat files (e.g., CSV), but every step after that was manual. The workload was such that it began to be apparent that for each new account, they would need to hire additional staff. When someone was off for a day, a week, or two weeks in the case of COVID, it was almost impossible to get caught up.

VANILLA STUDIO CASE STUDY



ISSUES TO RESOLVE

The second hurdle was timing to get updated information

Especially with eCommerce, Vanilla's SLAs required orders to be fulfilled and shipped within three days. With the EDI vendor at the time, their customer likely received an order up to two weeks before the information got to Vanilla's accounting department. There was also a lag in inventory levels being updated.

The critical issue with their former provider was that EDI data transmission did not provide a closed circle: The information came in, and then it was up to Vanilla to manually move it through accounting, inventory, and throughout the company.

Their limited EDI processing was not checking for coding errors, pricing, or inventory levels; it just pushed orders through. Vanilla's wholesale replenishment business involves complicated tax structures that vary dramatically by account. EDI was not set up to address those factors at the time. They liken the experience of doing EDI with that provider to getting hundreds of emails of information.

Vanilla estimates that they have lost more than half a million dollars over 3+ years due to system errors and invoices that were submitted but were rejected. Vanilla tried to deal with these outstanding invoices manually. However, especially with large accounts, the money wasn't recoverable in 90% of the cases without proper EDI documents transmitted through the customer's system: Vanilla's EDI system did not allow them to do that.

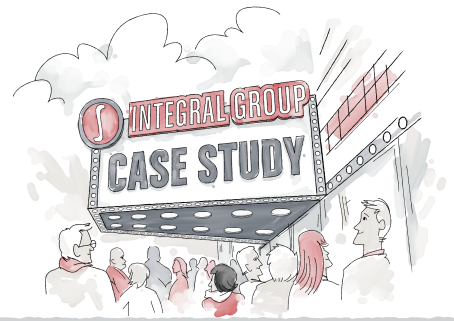
They needed an EDI provider to integrate their business applications and the new ones they had planned. They needed fast and accurate data transmission to reduce manual intervention and errors. In short, they needed an EDI provider with a proven track record who was accountable and could be a partner and guide them as they heavily adopted eCommerce and new systems.

THE INTEGRAL GROUP SOLUTION

Integral Group was recommended to Vanilla Studio by a former customer whom Vanilla trusted. Vanilla wanted a proven and local company. Integral, located in the Greater Toronto Area of Ontario and with over three decades in business, delivered on both counts. Once Vanilla was convinced that Integral had the specialized EDI subject matter expertise and platform required, the work began for end-to-end integration.

Integrating with Vanilla's inventory system (Unleashed) and accounting (Xero), and Mintsoft (WMS) meant that functions that once consumed a full-time inventory manager's time became automated. They now have accurate visibility for what is sold daily, about stock coming in, and know what they need to replenish. Automated inventory status was a massive win for Vanilla. Before the integration, they occasionally had to choose what orders were fulfilled based on stock on the floor.

VANILLA STUDIO CASE STUDY



THE INTEGRAL GROUP SOLUTION

With Integral's Commerce Desktop, live inventory numbers could be shared across all of Vanilla's customer platforms simultaneously: Lowes.ca, Homedepot.ca and Wayfair.ca all show accurate availability of inventory units. That has pushed up Vanilla's ranking with their customers as they can now show consistently high stock levels.

Vanilla no longer needs a person to manage inventory. Additionally, integrated EDI automation has removed the human errors inherent in manually entering data multiple times across platforms and done slightly differently by each person. Their two data entry positions have changed from clerical roles to higher-value work managing the products and overseeing new item uploads.

Although the issue of the old rejected invoices predated this project and thus was not technically within the scope of the new integration, Vanilla asked for help from the Integral team to deal with them. The goal was to discover the reason for the rejections and resubmit the invoices through the newly integrated EDI process. Due to Integral's efforts, Vanilla recouped 50% of old invoices valued at over \$50,000. The recouped amount increases over time as additional old, rejected invoices are uncovered and resubmitted.

The Vanilla Studio integration had its challenges. All their clients were uploaded simultaneously, which meant a massive amount of concentrated work was required as quickly as possible, stretching the Integral team. Connecting EDI, eCommerce (Shopify, HBC Marketplace), Unleashed (inventory), Mintsoft (WMS), and shipping systems were all happening at the same time, and there was a steep learning curve.

The Integral team – including a manager to oversee the projects and an integration specialist and developer – took ownership and problem-solved as things arose throughout this complex work. During the four-month integration, they had weekly status meetings with Vanilla. With much effort, dedication, and a true partnership between Integral and Vanilla, the EDI integration has had a substantial and positive impact, and Vanilla lauds its success. Vanilla Studio continues to invest in technology and automation and has four new integration projects with Integral.

I'm thankful for our relationship with Integral Group. When I took on the role of COO, my number one concern was moving the company forward to where we could grow without adding another person every time we took on a new account.

Without Commerce Desktop, we wouldn't have been able to do that. Commerce Desktop has enabled us to grow, stay competitive, reduce operational costs, and have accuracy and reliability across all systems. That is an excellent outcome.

We've had such a positive experience with Integral Group. We are very happy to recommend the team. Now Integral works with our Mardel division as well.

Elizabeth Alexandre
COO, Vanilla Studio