

SCALING LUXURY:

How APL found responsive white glove fulfillment For retailers, consistent growth is the name of the game. More orders mean more revenue and more happy customers to spread brand awareness. But bigger volumes don't always translate to better service when it comes to Third-Party Logistics (3PL) services.



While rapid growth can seem like a good problem for a retail brand, this can cause friction with a 3PL partner if order volumes, SKU counts, or product catalogs are expanding beyond what they can support.

Athletic Propulsion Labs is one such brand that struggled with this quandary. The athletic footwear brand's growing popularity with consumers led to complications with their order fulfillment provider, who was unable to keep pace with the brand's growth. This led APL to embark on a year-long search for a new partner who could bring together a scalable operation with high-touch footwear fulfillment.

Entrepreneur and Webby award-winning creative, NJ Falk, who is the Managing Partner at Athletic Propulsion Labs, brings years of branding expertise and business acumen to the fast-growing athletic footwear brand. We sat down with NJ to learn more about how Ryder E-commerce has enabled APL to scale its luxury brand experience to new heights.

Athletic Propulsion Labs: Combining luxury with high-performance

Athletic Propulsion Labs was founded in 2009 by twin brothers Adam and Ryan Goldston, former collegiate athletes who wanted to bring innovative, high-performance athletic footwear to the luxury consumer. Their patented technology and cutting-edge designs have led to high-profile online presence along with a consistent presence at highend retailers including Nordstroms, ShopBop, Net-A-Porter, Selfridges, and Lane Crawford as well as the brand's flagship brick and mortar stores in Los Angeles at The Grove and 75 Prince Street in New York City.

The search for scalable white glove fulfillment

As the retail landscape becomes increasingly saturated, standing out from the crowd requires more effort from brands. This is where so-called 'white glove' fulfillment strategies have become a key differentiator. Value adds like high-end packaging, special handling, and rapid delivery represent ways brands can cultivate a more premium customer experience.

A high-touch, enhanced level of service is a great way to increase customer satisfaction at the point of delivery. However, it can be difficult for brands to scale white glove activities if their 3PL cannot keep pace.

"We were coming off the back of a record BFCM weekend when our 3PL partner approached us to say that they couldn't support our volume and growth projections any longer," says Falk, "It was stressful, but we decided it was a blessing in disguise. It was obvious that the time had come for us to find a 3PL that could support our short-term and long-term vision."

For APL, any prospective fulfillment company needed to be able to preserve the brand's luxury consumer experience as it grew. For this reason, it took APL over a year to vet options before ultimately selecting Ryder E-commerce.

66 We needed a 3PL who could bring together scalable fulfillment with the memorable white glove treatment our customers love. We started our search with a detailed checklist and met with executives one-on-one to understand what level of personalization they would allow us to have - and Ryder E-commerce ticked all the boxes. 99

> NJ Falk, Managing Partner, Partner at APL

A consultative approach

With the onset of a new partnership, both brands and 3PLs need to set the right expectations. A 3PL requires accurate demand forecasting to prepare the right warehousing strategy and labor levels, while brands need access to experts who can advise them on how to meet shifting customer demands. By taking a consultative approach from the very beginning, Ryder E-commerce and APL were able to build a solid foundation for mutual success:

"It took several meetings for us to gain the confidence to commit to a partnership, but we appreciated just how many people Ryder E-commerce brought to the table." Says Falk. "This allowed APL to set clear expectations about what we needed. It's really important to have that ongoing dialogue with a fulfillment partner, so we can pivot and be super responsive to customer needs."

APL uses thorough forecasting for its online and retail operations, mapping out sales and promotional activities well into the following year. This includes a marketing roadmap that builds in APL's peak sales periods, enabling the brand to share granular projections for each product with its operations team. This forecasting and consultation led to their strategic placement in Building 11 of Ryder E-commerce's Los Angeles campus, which is dedicated to fast-moving retail distribution and value-added services.

Ryder E-commerce Los Angeles Campus: 8 multi-client facilities 2 million square feet

"Building 14 is well-equipped to handle a wide range of apparel and footwear services. Our team on the ground has a continuous, open dialogue with the APL team to optimize operational efficiency and maintain superior brand experiences," says Jeff Okerson, Senior Director of Customer Logistics at Ryder E-commerce. "Additionally, APL works with our internal parcel team to optimize shipping and further enhance their luxury image."

Empowering innovation

In the highly competitive apparel and footwear market, it's essential for brands to continually search for new ways to stay relevant to their target audience. This is where a proactive 3PL serves not only as a logistics partner, but a technology enabler who can equip brands with the tools they need to keep their businesses moving forward.

66 As a brand known for innovation, performance, and technology, how we manage integrations is really important to APL. We're always looking for new solutions that help us to stay at the cutting edge, such as expanding same-day delivery capabilities as our online and retail footprint grows. Ryder is not only in lockstep with us, but helping us to stay one step ahead. 99

NJ Falk, Managing Partner, Partner at APL

For APL, continually refining and upgrading its operation relied on finding a 3PL partner who was proactive in looking for fresh solutions to support their customers, rather than taking a 'set and forget' approach.

"Our goal is always to work with best-in-class partners. This didn't just mean Ryder E-commerce, but also the partners they were developing relationships with." Says Falk. "APL was actually the first customer of carbon offsetting plugin EcoCart and we also use the Loop returns system - both members of Ryder's partner network. We're very selective about our partnerships, so it's a great endorsement to see Ryder E-commerce expanding its partner network this way."

Staying at the cutting-edge

Going forward, as the company that pioneered the "luxury performance segment" of the athletic footwear market in connection with the launch of its running and training shoe collections for men and women, APL's world-class patented technologies and its unique, innovative design vision is taking it on exciting new journeys as a world leader. What does that mean? New partners, new technology, and innovative strategies that keep Athletic Propulsion Labs ahead of the competition.

"Those open communication channels and the transparency we have with Ryder E-commerce have allowed us to go on a wonderful journey together, providing a strong baseline for growth." Says Falk. "Our team at Ryder E-commerce recently won the Stewardship Award, thanks to their dedication to our account."

"Ultimately, it all comes back to the importance of white glove service. We are a luxury brand, and APL customers expect to receive a memorable brand experience." Says Falk. We have to be able to get up every morning with the confidence that our 3PL can deliver - and we have that with Ryder E-commerce."



About Ryder System, Inc.

Ryder System, Inc. (NYSE: R) is a leading logistics and transportation company. It provides supply chain, dedicated transportation, and fleet management solutions, including warehousing and distribution, e-commerce fulfillment, last-mile delivery, managed transportation, professional drivers, freight brokerage, leasing, maintenance, commercial truck rental, and used vehicle sales to some of the world's most-recognized brands. Ryder provides services throughout the United States, Mexico, and Canada. Ryder is regularly recognized for its industryleading practices in third-party logistics, technology-driven innovations, commercial vehicle maintenance, environmental stewardship, corporate social responsibility, world-class safety, and security programs.

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