

SPS Commerce & THE ICONIC: A Network Success Story

THE ICONIC

Executive Summary

A partnership between leading Australian online fashion retailer THE ICONIC and specialist fulfilment EDI company, SPS Commerce, Inc., has successfully onboarded hundreds of suppliers for automated trading. The programme connected 97% of THE ICONIC's vendor partners in less than three months, for exchange of orders, invoices, shipping notifications, and acknowledgements.

Industry: Fashion Headquarters: Syndney, Australia SPS Product(s): Community, Fulfillment ERP: Microsoft Dynamics NAV Network Member Since: 2015 Challenge: Outgrown its fulfillment system due to hyper-growth.

Solution: Use SPS Community to connect with vendors and SPS Fulfillment to act as the company's EDI department.

Results: 97 percent of vendors onboarded in less than three months.

Experiencing year-on-year hyper-growth, THE ICONIC recognised that it was swiftly outgrowing its existing fulfilment systems and sought a more scalable solution. The solution should increase the speed of the supply chain and speed-to-market, while seamlessly scaling with company growth in the years ahead. More holistically, the company recognised that a strategically integrated supplier community relationship was vital to achieving collaborative success. THE ICONIC partnered with SPS Commerce, with SPS to act as THE ICONIC's outsourced Fulfilment EDI department. Under this partnership, SPS Commerce connected THE ICONIC's ERP system to the SPS retail network. In addition to commissioning and ongoing trade, SPS Commerce was contracted to conduct a 'community enablement campaign' to bring THE ICONIC's entire supplier community on board for automated exchange of trading documents. SPS Commerce's proven history of onboarding engaged supplier communities within months, using a documented change management programme, was central to THE ICONIC's decision.

The fulfilment EDI programme was enacted in accordance with GS1 best practices, featuring globally recognised Messaging Implementation Guidelines and a practical solution built for all company sizes. THE ICONIC's suppliers received a letter outlining the programme and goals, with an invitation to a webinar. The webinar was hosted by Patrick Schmidt, CEO of THE ICONIC, with Charley Hackerson, Executive Director Asia Pacific for SPS Commerce, with detailed strategic benefits, tactical plans, and timelines for transition. Mr Schmidt said that modern retail is highly competitive and globalised, with speed-to-market critical to

success. "We're currently Australia's largest online fashion and sports destination, and with continued hyper-growth we need to leverage technology and innovation to deliver greater value to the consumer," he said, noting that THE ICONIC's supplier community would realise benefits of increased speed to sale and decreased manual administration. "As a company, THE ICONIC is customer-centric, technology-driven, and constantly redefining the future of retail. Building on these strengths, the SPS project was central to our strategic vision."

THE ICONIC assembled a cross-functional team for the project. The programme lead for this operational team reported that the supplier community onboarding programme went in accordance with the roadmap and benchmarks agreed with SPS Commerce. "SPS Commerce's cloud-based solution architecture suited us and was considered for our vast vendor community due to its demonstrated scalability and flexibility. However, it was SPS's ability to demonstrate industry best practices and process, implement a change management programme with pre-planned solutions backed with ongoing credible industry trade references that continue to seal the partnership with them."



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SPS Commerce's fulfilment solution offers two core products; fully automated fulfilment EDI integrated to an ERP system, or a semi-automated web solution for companies. All SPS fulfilment solutions are cloud-based and connect to the SPS network, which has 70,000 members worldwide including thousands in Australia and New Zealand. Avoiding traditional 1-to-1 EDI deployments, the SPS network allows users to connect once to gain access to the entire SPS network. Surrounding this is a community onboarding solution, with a change management process that has been honed and proven over thousands of projects. With this distinctive methodology, SPS Commerce is uniquely able to connect and shepherd adoption of fulfilment EDI across large trading communities within a few months. Outsourced partners, including THE ICONIC, refer any new trading partners to SPS for onboarding and compliance testing, with SPS acting as the retailer's Fulfilment EDI department. Trading partners of THE ICONIC can work with SPS Commerce, or select another fulfilment EDI partner. Independent studies have found modern fulfilment EDI solutions to increase processing speed, decrease receiving costs by 60%, and to be generally correlated with mutual organisational success.