



SPS COMMERCE

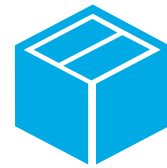
# THRIVE MARKET SUCCESS STORY

E-COMMERCE  
MARINA DEL RAY, CA

Thrive Market has over 1 million Americans shopping for healthy and sustainable products. Members of the online community trust the retailer to offer products from curated vendors whose products meet the highest standards for natural ingredients and sustainability. The retailer partnered with SPS Commerce early on to automate much of their e-commerce order management using EDI. The process included deploying [SPS Commerce Fulfillment \(EDI\)](#) for NetSuite and providing vendor EDI onboarding programs to boost adoption and compliance.

“While the SPS team isn’t part of our company, we feel like they are. This sentiment speaks volumes. I don’t feel like I’m talking with a third party. We are all one team. That’s the sign of a successful partnership.”

–Nicolas Yepez, Sr. Director, Supply Chain & Integrated Planning, Thrive Market



## AT A GLANCE



### THE INTERVIEWEES

Nicolas Yepez, Sr. Director,  
Supply Chain & Integrated Planning  
Scott Brenner, Procurement Manager



### THE CHALLENGE

Automate e-commerce order management to scale with a growing business.



### THE SOLUTION

EDI onboarding of 400+ vendors and distributors, integrated with Oracle NetSuite.



### THE RESULTS

Manage a 33 percent increase in purchase orders without adding staff, placing accurate replenishment orders based on fill rates.

To date, SPS has helped Thrive Market connect with more than 400 vendors, nearly 100 percent of its supplier community, and helped to streamline its order process. EDI automation provides Thrive Market with:

- Visibility to shipments and fill rates, making replenishment orders more accurate
- Scalability as order volume will increase by 33 percent when launching a new fulfillment center
- Data points via PO acknowledgements and advanced ship notices allowing Thrive Market to gather insights on vendor performance

Thrive Market was growing and had become the industry leader in the online, membership-based market for healthy, sustainable products. Then, the pandemic hit. Consumers went online in droves to stock their pantries with high-quality, healthy products from the retailer. Thrive Market saw its order volumes spike. Its supply chain was stretched. Fortunately, the e-commerce retailer was ready with EDI-capable vendors, thanks to its partnership and successful EDI onboarding programs using [SPS Commerce Community](#).



## TRACKING ORDERS AND SHIPMENTS

The retailer has more than 400 vendors, including direct, private label and distributor channels. Direct and private label vendors receive replenishment orders weekly from [Thrive Market](#), while distributors receive their orders daily.

Last year, Thrive Market re-structured the procurement team to monitor POs and maintained data integrity as it relates to acknowledgements, ASNs and delivery

dates. The team relies on EDI transactions such as order acknowledgements and ship notices from its vendors to provide insights. This information was critical during the pandemic as global supply chains were disrupted. Thrive Market relied on EDI to know if an order was in transit, delayed (and why), or had an appointment at its fulfillment centers.

“The insights from our EDI vendor communications are critical. We know when an order will be delivered and if it shipped in full,” said Scott Brenner, Procurement Manager at Thrive Market. “We know if and when we would run out of stock. We can set consumer expectations. And we know when the stock situation would recover.”

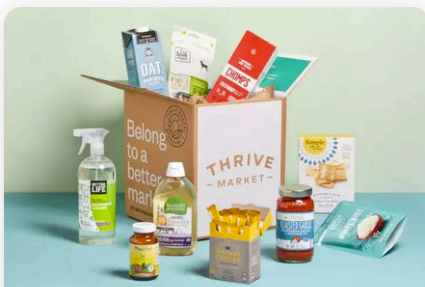
As Thrive Market receives EDI advance ship notices (ASNs) from its vendors, the on order quantities are updated. “Thrive Market would have to assume that 100 percent of our order will deliver, every time, without the ASN. We know this is rarely the case as fill rates are seldom 100 percent. We can accurately track inventory and place replenishment orders for just what we need based on the ASN data,” shared Brenner.



## GROWING THE BUSINESS

As Thrive Market's business grew, so did its purchase orders. They became larger and more frequent. Having the order process automated freed its staff to focus on managing exceptions, not tracking down order statuses.

“When demand picked up, Thrive Market quickly recognized the importance of EDI,” said Yepez. “If our replenishment buyers had to email or manually confirm order statuses every day, they would quickly run out of



1

### Build your order

Shop 6,000+ wholesome products curated just for members

4 weeks

8 weeks

12 weeks



2

### Never run out

Get recurring deliveries on a schedule personalized to you

Your next shipment



+5

Change Date

3

### You're in control

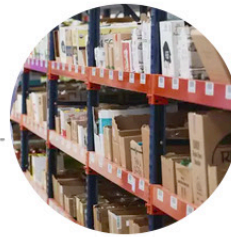
Easily add or remove items, skip a delivery, or pause anytime



Ethical & sustainable sourcing



Carbon-neutral shipping



Zero-waste warehouses



Recyclable/compostable packaging



time. Since we place POs across most of our vendors every week; our team would be quickly overwhelmed. With EDI we can see which orders are on time, in transit or processed. We close the order if everything ran smoothly and check on only those that aren't in compliance. It's a time saver!"

communicating how important it is to Thrive Market to have this information electronically. If the situation isn't resolved, the Thrive Market procurement team will figure out what's not working and how to collaborate with the vendors to fix it. "Our vendors typically want to do EDI," said Brenner. "It makes both our jobs easier."



## MANAGING THE SUPPLIER COMMUNITY

SPS has onboarded Thrive Market's direct, distributor and private label vendors onto EDI. The supplier's whole vendor community will be on EDI except for a very few seasonal suppliers.

"From day one, we required the EDI purchase order, purchase order acknowledgement, advance ship notice and invoice from our vendors," said Yopez. "This automation was key to our growing business. This year, we are opening our third fulfillment center, which will increase purchase order volume by 33 percent. If purchase orders will require a manual process, it simply wouldn't meet our business needs."

EDI insights help Thrive Market see which vendors aren't submitting acknowledgements, ASNs, or other documents via EDI. The vendor receives daily emails making them aware of the trading requirement,



## E-COMMERCE ORDER MANAGEMENT REQUIRES TEAMWORK

Throughout Thrive Market's vendor EDI onboarding programs with SPS, one reason for their success was having resources in place. The program team consisted of SPS experts and representatives from Thrive Market's merchandising, supply chain and ERP teams.

"Having merchandising, supply chain and IT all part of the initiative was critical to its success," said Yopez. "SPS provided the program, staffing and best practices. But we also needed to provide the internal resources, alignment and collaboration. Together, this made our EDI transition and implementations initiative a success. I would recommend this type of approach to any brand or retailer looking to implement an EDI solution."

Learn more about [SPS Fulfillment](#) online or call us at 866-245-8100.



SPS COMMERCE

SPS Commerce powers over 350,000 trading partnerships between retailers, distributors, grocers, suppliers and 3PLs.