

## nChannel Case Study

# Granite Gear

Outdoor Retailer Resolves 99% of Inventory Issues and Increases Order Value 25%

### Overview

#### Country or Region

USA

#### Industry

Granite Gear is an outdoor retailer who sells backpacks and hiking and portage accessories.

#### Customer Profile

Granite Gear operates a vast network of online and offline sales channels such as their own website, independent retailers, major chains, B2B vendors, and the U.S Military.

#### Business Situation

Granite Gear needed to scale their processes to manage both their eCommerce and offline sales channels, especially for inventory management.

#### Solution

nChannel integrates Magento and Microsoft Dynamics GP to manage inventory across channels.

#### Benefits

- Always current inventory levels, without requiring manual data entry
- Eliminated 99.9% of their inventory issues and increased customer satisfaction
- Time spent on inventory updates now spent on product updates and enhancing online presence to boost sales
- Saw a 25% increase in the average order value since 2015

### Overview

Granite Gear prides themselves on delivering rock-solid satisfaction to customers who rely on their outdoor and travel gear to traverse the rough terrains that inspired the company's humble beginnings thirty-two years ago. Headquartered in Two Harbors, Minnesota, Granite Gear has been on every major trail on the planet and is a trusted vendor of the U.S. Military. Loyal followers have expanded Granite Gear's reach beyond their 15x15 square foot shop in the Boundary Waters of Minnesota to a vast network of sales channels that include mom and pop stores, major online retailers including REI, Sierra Trading Post, Moosejaw, and Amazon, a robust B2B arm, and their own eCommerce store at [www.granitegear.com](http://www.granitegear.com). As a result of their exponential growth, Granite Gear has set an aggressive goal for their eCommerce store to account for fifty percent of their annual revenue.





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### Challenge

Growth requires scaling and processes that once seemed efficient needed to be revamped starting with their primary pain point: inventory management. Granite Gear runs their eCommerce site on Magento and uses Microsoft Dynamics Great Plains as their ERP to manage inventory across channels. However, when they upgraded their platform in 2014, the two systems couldn't talk to each other. As a result, Granite Gear had to dedicate human resources from their customer service and project planning teams to hand key inventory updates, line-by-line every Monday morning individually in both systems. However, manual inventory control was not foolproof. With 1,000 SKUs company-wide and updates required for 10-15% of their inventory, it was difficult to maintain accuracy while keeping up with the demands of their business. Despite developing workarounds to gain efficiency and speed the process, it still took approximately forty hours per month to hand key items. Moreover, the inventory lag resulted in missed sales opportunities due to overselling, cancelled orders, overstocks, and most importantly, poor customer satisfaction.

*"We're expanding rapidly every day. Therefore, it's critical for us to make sure our inventory is current on all systems. We needed full and accurate visibility into our entire inventory to drive revenue and meet customer expectations. If our systems aren't up to date, then factory reorders are stalled, and the problems compound from there. Manually updating SKUs wasn't sustainable and we needed to find a better system so we could get ahead of our growth." - Rob Coughlin, VP of Sales and Marketing, Granite Gear*



### Solution

Granite Gear knew they couldn't be the only company experiencing this problem and started to investigate how other organizations were solving for this inventory disconnect. They wanted to connect Magento and Microsoft Dynamics GP but didn't know how. They searched for the answer online, asked industry colleagues and attended trade shows. After openly talking about their challenges, fielding suggestions, and performing their due diligence, Granite Gear identified two software solutions that could make the connection; one was an overseas provider, and the other was nChannel.

Granite Gear evaluated both solutions against the following criteria: product, customer service and price. To ensure they were thinking through all



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the implications, their Senior Director of Design and Development enlisted a full spectrum of stakeholders, each of whom could lend critical insights into vendor selection as it related to their department. This included day-to-day users such as their web developer and customer service representative, both of whom were responsible for manual entries and system maintenance, leaders from sales and marketing, and Granite Gear's CEO for budgetary and business process approval.

During their analysis, the Granite Gear team found that both companies had significant expertise in integrating the two platforms, but when it came to customer service and price, the two were worlds apart. As a U.S. based company, nChannel was more accessible as they could be contacted at any time for onboarding and support and had a strong presence at major trade shows. This provided convenient opportunities for in-person meetings. After comparing pricing, nChannel presented an affordable package with an initial set up fee that was less than one-third of their competitor. This represented a significant savings that Granite Gear could not pass up.

*"We looked for a provider that had solid expertise with our tools, great communication and service as well as affordable pricing. nChannel not only had a quality product, but they also had great customer service as demonstrated by their reviews and our interactions, and an attractive price point. Without a massive budget, the lower set-up fee was a critical factor in choosing nChannel because it made it possible for us to purchase the very tool that would help us scale for our future growth." - Rob Coughlin ,VP of Sales and Marketing, Granite Gear*

nChannel worked with Granite Gear team members and their ERP consultant for the implementation. As Granite Gear was in no hurry, they decided to take their time with comprehensive testing and launched it two months later.



## Results

Today, Magento and Microsoft Dynamics GP is firing on all cylinders with nChannel as the funnel synchronizing data between the two in real-time. As a result of the integration:

- **Inventory is always current.** No more manual entry is required as a matter of practice. Inventory is now on a live feed and updated automatically. However, as trade shows are a staple sales channel, Granite Gear can access and adjust inventory remotely to keep orders updated when they earn sales on the road.



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*"We knew this was a squeaky wheel and someone had some grease for it. With nChannel, we no longer have to worry about our inventory since it manages itself. We've kind of forgotten about our past inventory troubles, and that nChannel is operating in the background, which is a positive thing. It's not a squeaky wheel anymore, no grease or daily maintenance needed." - Rob Coughlin, VP of Sales and Marketing, Granite Gear*

- **Customer service issues have been virtually eliminated.** Before the nChannel integration, the inaccuracy of their data would cause sales and satisfaction discrepancies in the customer service pipeline almost every week. Today, 99.9% of their inventory issues have been eliminated with the implementation of nChannel.
- **Optimization is now a focus.** Instead of dedicating one day per week to inventory tracking, that time is now spent on making product updates and enhancing their online presence to boost sales. This, in turn, helped Granite Gear rethink job responsibilities, especially when their web developer retired. Instead of hiring a replacement, the nChannel integration provided the opportunity to split those responsibilities among existing team members creating a leaner, more productive and efficient team dynamic that could now afford to reinvest resources in the areas that needed manpower to support growth.

The result is a 25% increase in the average order value since nChannel was integrated. Within the next twelve months, Granite Gear will amplify their online marketing efforts to increase traffic and sales to [www.granitegear.com](http://www.granitegear.com). To grow this channel and support the expected volumes, they plan to upgrade their eCommerce platform and continue to use nChannel to seamless sync with their ERP.

*"We want to be bigger than we are. As we grow, it's imperative that our tools work together, and it's nice to know that nChannel will continue to be an integral part of the solution we need to help [granitegear.com](http://granitegear.com) become a larger portion of our overall business. Our experience has shown nChannel to be a trusted partner that will be there to help solve new challenges and support our ideas." - Rob Coughlin, VP of Sales and Marketing, Granite Gear*