

MASONHUB + VEGAMOUR

Vegamour Gains Visibility Into Inventory Just in Time to Support Explosive Growth

Spurred on by the pandemic, the company switched from self-fulfillment to a fulfillment partner

IN STOCK 621

SKU: GRO DISCOVERY KIT

System Information

Created At	2020-04-13 10:48 PDT
Customer ID	GRO-DISCOVERY-KIT
MH ID	b39f627e
WH ID	1549782
Version	1

VEGAMOUR

<p>HAIR Hair Serum ★★★★☆ 6 Reviews 4.00 USD</p>	<p>HAIR GRO Dry Shampoo ★★★★★ 30 Reviews \$28.00 USD</p>	<p>HAIR GRO More Kit ★★★★★ 19 Reviews \$64.00 USD</p>
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Great hair is big business. Daniel Hodgdon, Founder & CEO of hair wellness brand Vegamour, should know. The direct-to-consumer lash, brow and hair growth brand generated \$6 million in sales in 2017, its first year in business.

The brand has since reached hundreds of thousands of customers through a heavy push on social media, compelling subscription offer and embrace of Amazon distribution. For its initial six months, the company, then known as Vegalash, focused on Facebook marketing.

Its first two SKUs, Vegalash Volumizing Serum and Vegabrow Volumizing Serum, became bestsellers, but after 18 months the company introduced Volumizing Hair Serum and it quickly became a growth driver. Thanks to the popularity of its subscription service, Vegamour has ever-changing inventory levels and currently has 600 kitting variants across its 16 SKUs.

Believe it or not, the brand was self-fulfilling until 2020, but explosive growth was leading to oversold items and shipping delays. When the pandemic hit in February, customers started ordering more products, including a newly-launched hand-sanitizer, and fulfillment became more complicated than shipping a couple of tubes in a padded envelope. That's when the founders knew it was time to find a fulfillment partner. Hodgdon called MasonHub just as Vegamour was about to receive a 10,000-unit shipment of hand sanitizer.

The numbers speak for themselves: MasonHub shipped 16,000 orders in February of 2020, 26,000 orders in March, and 35,000 orders in April without any hiccups, a perfect example of its ability to scale effortlessly.



“With COVID-19, our backs were against the wall and we decided if we were ever going to do this, now would be the time,” said Hodgdon. “Typically, it takes six to eight weeks just to get integrated with a new 3PL and even that’s considered lightning speed. In my mind, it was such a hassle to move to a fulfillment partner that I wanted to avoid it at all costs, but in the end, I just couldn’t do it anymore. With MasonHub, we moved everything out of our facility like on a Wednesday and by Monday they were shipping thousands of orders a day for us.”

While such expedited onboarding time isn’t typical, with MasonHub, it was possible, in part because Vegamour’s facility was in close proximity to MasonHub’s, and because as a Shopify seller, Vegamour could take advantage of MasonHub’s one-click Shopify integration.

Dynamic Kitting Made Possible

“It’s a very tender time for any brand that’s growing like that. If they don’t manage expectations with new customers, it can be hard to win them back if they’ve been disappointed. Now they have a way to manage that.”

- Christopher Hazlett, CTO, MasonHub

Said MasonHub’s Chief Technology Officer Christopher Hazlett, “The biggest nut to crack for Vegamour was that they have a complex catalog with 16 core products that they kit a myriad of ways, and also a lot of equivalencies. We only keep 16 SKUS in the facility and that spreads out to the kits. We have 250+ kits set up for them, which in Shopify makes over 800 variants. We keep all those counts in sync.

Dynamic kitting means we are constantly calculating how many units are left based on this combo or that combo. One change to a base level item can ripple out to 130 different variants in their store within a second or two. We do 30,000-40,000 real-time inventory updates a day.”

When Hazlett first examined Vegamour’s catalog, he saw that most of the kitted inventory levels were negative, “because they had no real way to keep that many items in sync.” MasonHub’s inventory management technology gives a brand the power to mitigate negative inventory levels because they can see how much inventory they have at any given moment, even with complex kitting variations.

Managing Backorders & Pre-Sell Helps Businesses Scale

Like many Shopify sellers, Vegamour used the app Recharge to handle subscription orders. The problem was, before MasonHub, there was no way to sync the number of orders and the amount of actual inventory available. There also wasn't a way to limit the amount of orders placed, causing backorders when there wasn't enough inventory.

Now for example, if there are 100 units on backorder and the manufacturer sends 200 units, the MasonHub system will automatically take 100 units out to ship and signal to Shopify that there are only 100 units left to sell.

On the flip side, brands can also manage backorder by creating an oversell policy in MasonHub that allows them to keep selling an item, even if it may not physically be in the warehouse yet. MasonHub Founder and CEO Donny Salazar pointed to this example with Vegamour:

“Vegamour has a very popular hair serum SKU and their manufacturer couldn't keep up with the orders. They still had people who wanted that item, but they knew it wasn't going to get there for two weeks. Normally when you run out of inventory you stop selling. But they've gone into the MasonHub system and said 'I'm getting 10,000 of these serums in two weeks, so I want 10,000 of these to be made available for the next two weeks.' So he can keep selling, and when the units come in, we ship them. All of that is automated for him, and he has complete visibility and control of that entire process, which is unique and different from what you're going to get with a competitor.”

Hodgdon also used the hand sanitizer example. “When we launched our hand sanitizer, we started selling it while it was still en route to MasonHub. We knew we were getting 20,000 of them, and we could set an alert when it got to 18,500 orders, so we could put the brakes on it, or make more. That's the kind of flexibility that you just can't get with a normal 3PL, which takes all the fun out of being a responsive e-comm company,” he said.

“It was fun and exciting to work with them to come up with solutions to the problems.”

- Daniel Hodgdon, Founder & CEO, Vegamour

Said MasonHub's Chief Technology Officer Christopher Hazlett, "Now for the first time their inventory in Shopify reflects their inventory on the ground. They're able to set limits that protect them from selling out. The biggest thing for them is truly understanding inventory position and backorder position across their catalog and having clarity in real time and in arrears of what happened. It's visibility and control. It's actionable intel. You can control what does and should happen. Personally, it matters a ton to us that it's done well so the partnership we build with them lasts a long time."

Peace of Mind Well Worth the Cost of Outsourcing Fulfillment

While Vegamour's founders knew that switching to MasonHub came with up-front costs, Hodgdon said, "We could no longer afford to do it ourselves even though it might have been slightly less expensive, because the loss that you incur from not doing it right and not being efficient at it, and the distraction it takes away from our core business, at a certain point you are actually doing more harm to your business than good by trying to keep it in-house. It became more about flexibility, ease of integration, ease of setup."

Said Salazar, "Now, they're not going to be limited by growth, and they know they're getting the lowest shipping rates."

"They save on shipping and scale with technology they didn't have to spend time and money to build. It's a win-win."

- Donny Salazar, Founder & CEO, MasonHub