



CASE STUDY

How Factory Direct Craft gains a strategic advantage in online retail.





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SUMMARY

Home goods are tough to sell online—craft supplies are even harder. Retailers battle fragmented markets and consumer doubt when making such a high-consideration, consumer-specific purchases online.

Return rates are notoriously high in the home decor industry, creating overhead and excess freight & logistic costs. Even the strongest brand reputations will not stop customers from shopping around for options. It's challenging to gain market share.

In spite of these industry challenges, Factory Direct Craft has built a recognizable name as the go-to destination for craft supplies. Since the 1980s, the company has evolved from a local flea market operation to a 70,000 square foot warehouse. Online inventory has grown to include more than 30,000 SKUs.









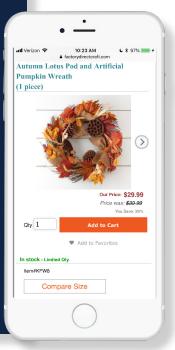
"I expected a fair amount of {conversion} increase but I was still surprised as the results were double my expectations,"

JARROD CHRISTMAN, CTO



"We always
look at two
things, The first
is whether this
technology helps
customers in a
non-intrusive
way. The second
is whether the
technology
leads to a
positive return
on investment."

One of the driving factors behind Factory Direct Craft's evolution has been its use technology and understanding the importance such technology has on the industry as well as their overall business. The company maintains impeccable processes, from order through fulfillment and delivery, where room for error is high.





ENTER TANGIBLEE

The company chose Tangiblee as a solution to help shoppers better evaluate the products that they are buying online. The Tangiblee platform gives buyers a realistic, true-to-size view of every product—an important perspective to have for someone working on a do-it-yourself (DIY) project. The decision to use Tangiblee made business sense, according to Christman.

"We're more technology driven than most companies so we requested to be more involved with the integration, which they were happy to do as well," Christman explains. "Throughout the years, we've had varying experiences with technology integrations. We found that Tangiblee was easy to launch, with minimal input from our team."



OUTCOMES

"While we list these sizes for our customers we have found that they respond positively toward more visual representations of that same information," explains Christman. "This has led to a significant decrease in call center volume regarding size information requests."

The Factory Direct Craft team knew that a visual approach to product sizing would be important to the business—Tangiblee tackles a challenge that has long been a major challenge for Factory Direct Craft's profit growth in the online sector.



