

A black and white photograph of a man and a woman walking towards the camera on a city street. The man is on the left, wearing a striped t-shirt and glasses. The woman is on the right, wearing a black top and patterned pants. The background shows a blurred city street with buildings and a utility pole.

HOW ONE DÉCOR STARTUP DRAMATICALLY REDUCED STOCKOUTS AND INCREASED REVENUE USING CLOUD-BASED INVENTORY MANAGEMENT

Through real time inventory tracking, automated order fulfillment, and essential app integration, Urban Couture was able to expand and optimize their business by streamlining day-to-day management.

Success Summary

WEBSITE
<https://urbancouture.com.au/>

SIZE
10 employees, 2 locations

INDUSTRY
Home Décor and Fashion

Through hard work and smart decision making, Urban Couture experienced early success in their home décor startup.

But as they grew to 10 employees across multiple locations, they began experiencing consistent stockouts, slow sales growth, and frustration with manually syncing data across the applications they used to run their business.

In reflecting on these challenges, they knew they needed a solution to streamline their order fulfillment and improve their inventory management.

After testing multiple platforms, they implemented DEAR Inventory and immediately experienced a huge jump in revenue through more efficient order fulfillment and a massive reduction in stockouts - all while better serving their customers both online and in-store.

Key Challenges

- **Using Excel spreadsheets** to manage an ever-growing inventory resulted in constant data-entry errors.
- **Manual inventory tracking** led to regular stockouts and zero backorder functionality.
- **A lack of total cost of inventory calculations** resulted in an inability to improve their operations and increase their profit margins.

Key Requirements

- **A flexible and scalable system** that could easily handle a rapidly expanding inventory
- **Real time inventory tracking** to reduce the need for stocktakes and mitigate human data-entry errors
- **A centralized platform for calculating costs, identifying best-selling items, and automating purchase orders** to streamline fulfillment and enable more effective decision-making

Key Results



43%

Growth in revenue



20%

Increase in quotes-to-sales conversion rate



80%

Reduction in stockouts



50%

Improvement in order management and fulfillment speed

The Challenges

Urban Couture experienced all the usual challenges new startups face - fierce competition, establishing a unique brand, building a scalable business model...

But all things considered, they were doing well as a small operation drop shipping goods to their customers...

Until, as they overcame the early-stage obstacles, their business really started growing.

To match their increasing demand, they purchased a showroom and warehouse, and began manufacturing their own products and stocking inventory.

That's when they hit a new wave of complications.

As Thomas Towhidi, Urban Couture's co-founder puts it:

"We started manufacturing our own furniture and homewares and also began purchasing inventory directly from other suppliers in order to have control over the fulfillment process to improve the overall sales experience for our customers."

"Excel spreadsheets were initially convenient and cost-effective. But as we started to experience growth and introduce more items into our product range, **tracking large quantities of items in Excel increased the occurrences of data entry errors, leading to a lack of reliable inventory data.**"

As business continued to pick up, Urban Couture started selling to wholesalers in addition to consumers - which grew sales, but intensified their existing fulfillment issues.

"Because we had multiple sales channels, **we found that spreadsheets were causing us to lose track of how much inventory we had in stock, leading to stockouts, a loss of revenue, and adversely affecting the whole customer experience.**"

But damage to their existing customer relationships due to spreadsheet inefficiencies wasn't the only problem...

They also had trouble acquiring new customers because of the invoicing software they were using.

"**When sending quotes to customers, there was no option for a payment link on the quote.** In order for the customer to proceed with the order, they first had to accept the quote, and then you had to issue them an Invoice which had a payment link. **The whole process was counter-intuitive.**"

And the business apps they were using didn't integrate with one another which **"led to double data entry processes and inefficiencies."**

As a result, Thomas and the rest of the team became increasingly frustrated and overwhelmed with their ineffective business systems.

They knew they needed to find a reliable solution to these problems, so they began defining a set of requirements they'd need from a better system.

The Requirements

Urban Couture’s key objective was to optimize their inventory management and order fulfillment, primarily by automating tracking and reporting, streamlining invoicing, and integrating all their business apps into a centralized platform and dashboard.

To achieve this, they identified a few specific requirements they’d need from their new system:

- **The ability to completely track customer orders** from initial quote to pick, pack, and ship
- **A central order management system** that provides a holistic view of sales across all channels
- **A system that can scale over the long-term** as sales and inventory continue to grow
- **A way to calculate the true cost of every SKU** purchased, manufactured, and sold
- **A platform that produces actionable metrics and reports** to better identify the most profitable products
- **Actionable metrics and reports** to better identify the most profitable products

The Solution

With their requirements in mind, Thomas and the team began looking for solutions.

“We considered a number of alternatives. To identify which one was the most suitable for our organization, we opened a demo account on multiple platforms and tested them using our organization’s data.

We wrote down the Pros and Cons of each platform as we went along and discussed these with key members both within and outside of our company.

It only took us about a week to come to the conclusion that DEAR Inventory was the most suitable solution in all aspects.”

There were a number of reasons Urban Couture chose DEAR Inventory over the other platforms they tested.

Here are just a few of those reasons:

- **“Stripe and PayPal payment integration.”**
- **“The ability to accept payments from within DEAR’s platform.”**
- **“Customizable templates for quotes, invoices, pick/pack slips, etc.”**

But the deciding factors were the user experience (UX) and customer support:

“The main criteria we used to choose DEAR over the competition was its UX, support, and suitability for our organization - it was intuitive, and the support was great.”

Thomas and the Urban Couture team not only benefitted from the stress reduction that came with the intuitive interface and always-ready-to-help support - managing their business from one centralized, streamlined, and automated platform also led to major increases in productivity and revenue.

The Results

Urban Couture was able to achieve some impressive results using DEAR Inventory. Broadly speaking, Thomas said that **“DEAR has helped us solve all the problems stated [above].”** Specifically, he said:



By being able to identify the products with the highest margin, **our revenue has grown 43% on the previous year**, as we are able to identify what products to invest more in.”

The **payment link increased our conversion rate of quotes-to-sales by 15-20%**. We’ve had many customers comment on how easy it was to pay the quote, which is always rewarding.”

We have drastically reduced the **occurrence of stockouts by up to 80%** through the re-order quantities functionality in DEAR. **Having items in stock has increased our revenue across all sales channels** - both online and in-store.”

“Our processes (fulfillment, and order management as a whole) were improved by over **50%** in comparison to previous years.”

Before Urban Couture started using DEAR Inventory, their processes were based on highly inefficient manually updated spreadsheets and manually sent emails. After they implemented DEAR, Thomas said:

“Our processes are now systemised and automated, enabling us to focus on the core areas of our business. DEAR’s systems will enable us to scale much more efficiently.”

And as Urban Couture continued using DEAR, they found that they were getting much more than they anticipated...



The Extras

DEAR Inventory solved the problems Urban Couture needed it to. Then, it exceeded their expectations in a number of ways:

- “We utilize a number of DEAR’s useful integrations including Xero, WooCommerce, and Capsule.”
- “DEAR also has an API web application that has enabled us to customise our order processes in the backend of DEAR - adding more efficiencies to our operations.”
- “DEAR has created a new Point of Sale. This will enable us to use a POS system within DEAR and not have to use an external platform.”

Regarding his overall experience with DEAR, Thomas said:

“All in all, absolutely loving the platform. The system, service and continued developments of DEAR has meant that our organization can now focus on expansion strategies without worrying about the day-to-day administrative aspects.”



IS MANUALLY MANAGING YOUR INVENTORY AND FULFILLMENT PREVENTING GROWTH?

We get it. Starting a business means being a bit scrappy in the beginning, cobbling together whatever systems you can to just get things going.

Urban Couture did exactly that in the beginning, and it worked for them.

Until it didn't.

Plenty of businesses "get by just fine" using Excel spreadsheets.

Sure, there's a little bit of manual effort required, but nothing an extra cup of coffee can't cure.

What most founders don't realize is that while their company is "getting by just fine," their competition is "constantly growing."

And that's not by accident.

Urban Couture was "getting by just fine" as they slowly began to sink beneath a growing pile of inventory, lost productivity, and shrinking profit margins.

While the little data-entry errors and rough guesses at expenses and inventory levels were fine for a small drop shipping operation, as Urban Couture grew - the costs in time, stress, and lost sales grew with them.

That's why they decided to radically upgrade their business with an inventory management system that could solve their immediate problems and continue to scale with them.

The result? They experienced a massive improvement in productivity and sales.

That's because eliminating those little data-entry errors, knowing their exact inventory levels in real time, and having the tools to identify the most profitable products are essential elements of

transitioning a business from "getting by just fine" to "constantly growing."

You won't find those elements built into your spreadsheets.

But you will find them in a reliable, cloud-based inventory management system that streamlines and automates the essential elements of day-to-day operations so you can focus on growth.

Now, if you're OK with getting by just fine, keep doing what you're doing. You're good to go.

But, if you want to optimize productivity, grow your revenue, and scale your business, perhaps it's time to try something new.

Is DEAR Inventory the right something new for you? Find out by starting your 14-day free trial today.

[CLICK HERE TO START YOUR 14-DAY FREE TRIAL](#)