



The Container Store®

CASE STUDY

Creating a Best-in-Class Customer Experience with an Innovative Last-Mile Process

The Overview

With its goal of providing “order to an increasingly busy and chaotic world,” The Container Store (TCS) is the United States’ leading specialty retailer of storage and organizational products. The company sells and distributes creative, multifunctional and customizable storage and organizational solutions to help customers save time and space, and improve the quality of their lives. Founded in 1978, TCS is the only national retailer devoted solely to storage and organizational solutions.

The company sells its products online and through 90+ retail locations across the United States. As an added convenience, TCS offers delivery services from its stores to customers, especially for larger, bulkier items, such as custom closets. The need for a reliable delivery service, coupled with frustration over poor customer service from its current delivery provider prompted TCS to partner with Dolly.



The Challenge

Superior products are only part of a positive customer service experience. Getting those products from retailer to end user is also essential to ensure a high level of customer satisfaction. While TCS was known for high-quality organizational and storage products, the following delivery challenges led to less-than-satisfied customers.

TIMING

Customers would often wait days to receive their larger custom closet goods. Furthermore, their delivery dates came with a four-hour “window” requirement, leading to additional inconvenience.

BRAND EROSION

Customers didn’t understand that TCS outsourced its delivery service; as far as they were concerned, the delivery process was linked to the retailer. As a result, when something went wrong, customers blamed TCS. This, in turn, eroded the company’s reputation in the eyes of the consumers, leading to negative online reviews. Furthermore, poor delivery experiences meant TCS employees frequently fielded phone calls from unhappy customers.

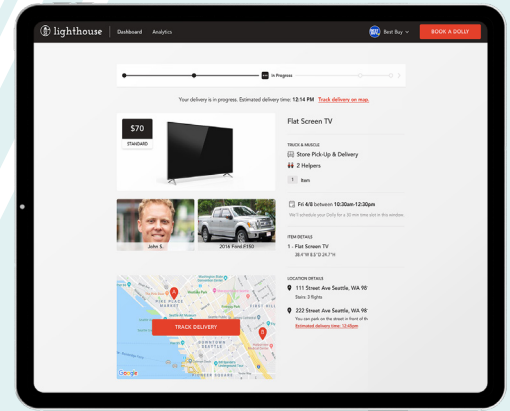
INVENTORY ISSUES

Due to inefficiencies, the backrooms of TCS retail stores remained highly cluttered with product waiting to be delivered. This proved inconvenient for store employees; this inventory interfered with the ability to quickly restock shelves with specific, in-store items.

TCS executives realized something needed to be done to improve last-mile efforts, and turned to Dolly for assistance.

The Solution

Dolly is a delivery solutions provider, with a well-founded, outstanding reputation for last-mile transfers of product from brick-and-mortar/warehouse retailers to customers.



Dolly's competitive advantages include:



Dolly Helpers

Dolly has built a network of over 12,000 independent truck owners nationwide. These well-trained, courteous individuals ensure prompt, friendly, and quick delivery—known as “Dollys”—from showroom to home, according to customer specifications. Helpers don't just leave the inventory on a porch or front step. They'll carry, and even assemble bulkier items, inside the room of choice, based on customer preference.



Cutting-edge technology

Dolly relies on Lighthouse, a proprietary, enterprise-grade delivery management system, which helps retailers create and manage deliveries for their customers and supplies real-time delivery information. Lighthouse immediately connects customers with Dolly Helpers at checkout, allowing the former to schedule convenient delivery times. Customers can see the details of their delivery, communicate directly with their assigned Helper, and track their items in real-time in Dolly's free customer app. These technologies keep both retailer and customer in the loop, from the time a product leaves the store or warehouse, until it arrives at its final destination.



Timing flexibility

Thanks to its streamlined, adaptable model, Dolly is able to provide delivery services based on customer demands and requirements. This includes same-day service, geared to meet the customer's schedule.



It's a one-to-one relationship with the driver and the customer and their order. And it's proved to be a total game changer from a service perspective for us.

PAUL DE FREITAS,
DIRECTOR OF STORE OPERATIONS, TCS

TCS had already been partnering with Dolly on a limited basis; Dolly was providing intermittent last-mile services from TCS stores in Chicago, Denver and Seattle to customers, via the Dolly app. Beginning in 2018, TCS partnered with Dolly for planning to ensure fast, turnaround delivery and to streamline the last-mile logistics process.

Dolly and TCS decided to conduct a “pilot” delivery-on-demand service within the latter’s three Denver stores. For a full year, Dolly worked with the Denver stores to improve the last-mile transport services, learning what went well, what could be improved, and optimal pricing.

Based on positive customer reviews and a notable decline in delivery-based complaints, Dolly and TCS were able to roll out the logistics partnership to other TCS stores by the end of 2018. Dolly became TCS’ exclusive local delivery partner in 76 of its 93 stores by late 2020; by the end of 2021, Dolly will handle all of TCS’ store deliveries.



Partnership Specifics

DELIVERIES BY THE NUMBERS

Dolly has completed nearly 20,000 deliveries for TCS between 2016 and January 2021.

Breaking this down by year:

300

Dolly completed just under 300 TCS deliveries in 2018

981%

Deliveries jumped by 981%, year over year, in 2019

322%

Deliveries increased by an additional 322% (YoY) in 2020

^2021

Dolly is on track to exceed its 2020 delivery numbers by the end of 2021

DELIVERIES BY PRODUCT TYPE

CUSTOM CLOSETS

The majority of TCS’ Dollys (76%) focus on custom closet and related items. Dolly Helpers deliver parts of custom-ordered closets, which are then built by professional installers. Approximately 25% of the deliveries are same day/next day. The remainder are delivered within three to seven days, based on customer request, and to accommodate installers’ schedules.

OTHER ITEMS

Dolly also delivers smaller items, such as storage and organization tools for makeup, jewelry, food; stationery and wall hooks. Other product deliveries include storage benches, shelving and file cabinets. Approximately 97% of these Dollys take place either same or next day, depending on customer preference.

The Impact

With help from Dolly, TCS has been able to offer efficient last-mile activity. In one situation taking place in Los Angeles, Dolly delivered 299 separate items for a custom closet, within three hours. Other benefits of the partnership include the following.

REDUCED BACKROOM CLUTTER

As items are ready to be shipped, Dolly picks them up quickly, and delivers them to the customers. This reduces the amount of inventory, leading to a streamlined process. Less product in the back room is also easier for in-store employees.

HIGHER CUSTOMER SERVICE RATING

Dolly's delivery integration helped TCS improve their service rating to 4.8/5 stars, with an average NPS score of 80. Thanks to a polished last-mile delivery process, TCS regained its high customer-service footing. Additionally, of these Dollys in which customers reviewed their experiences and/or Helpers:

- 89% of customers gave a 5-star rating (out of 5 stars) to the Dolly experience
- 95% of customers gave a 5-star rating to their Dolly Helpers

DELIVERY STRESS REDUCTION

TCS employees no longer dread answering the phone in fear of a delivery complaint. The Dolly technology keeps TCS employees in the loop, allowing them to track inventory from the time it leaves the store, until it arrives at the customers' requested destination. Furthermore, problems that arise are solved quickly and professionally.

IMPROVED RETAILER REPUTATION

By offering Dolly delivery services at their stores, TCS has seen an increase in sales, loyalty, and customer satisfaction. A recent TCS customer survey, focusing on Dolly delivery services, yielded a great deal of positive response with more than 70% of respondents stating that Dolly's services positively impacted their impression of the retailer.

Dolly's solutions assisted TCS in building highly satisfactory last-mile delivery activities. This, in turn, helped TCS maintain and grow its reputation for outstanding customer service.



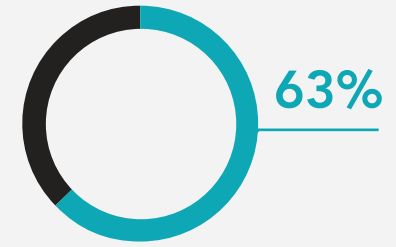
Professional, careful, items delivered in perfect condition, nothing damaged.

THE CONTAINER STORE CUSTOMER

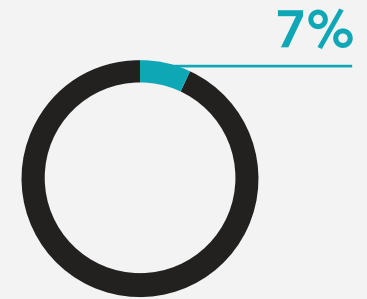


Significant Findings

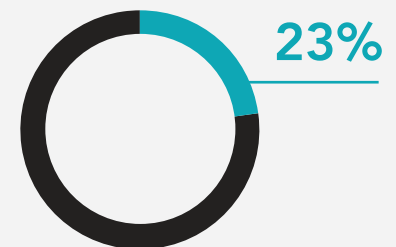
From the Dolly 2021 Retail Customer Survey



63% of TCS customers noted that, because of their Dolly experience, they would be more likely to return to the retailer and purchase more.



7% of respondents said they bought more from their TCS store than planned, because Dolly was available as a delivery option.



23% of TCS customers said they would not have purchased their items at all if Dolly was not available.



dolly

Dolly stands ready to provide flexible, adaptable, last-mile solutions for all delivery issues and challenges.

To learn more, contact Dolly by emailing partners@dolly.com or by visiting dolly.com/partners.