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# **Indigo**

# How Indigo Transformed its Dropship Program to Accelerate Growth





"The dropship team can now add 18 new brands each month with two full time employees."

- Conner MacLeod, Director Marketplace & Dropship

70+
Brands
Onboarded

3x
YoY Assortment
Expansion

88%
Decrease in
Onboarding Time

# Who Is Indigo?

Indigo is Canada's leading book and lifestyle retailer, offering a curated assortment of books, gifts, baby, kids, wellness, and lifestyle products, that support their customers every day and at key life stages by simplifying their journey to live with intention. Indigo believes in real books, in living life fully and generously, in being kind to each other and that stories – big and little – connect us.

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#### The Goal:

# **Accelerate Expansion Into New Categories**



Traditionally a book and gift retailer, Indigo identified an exciting opportunity to enhance their assortment of home, kids, baby, and wellness products, generating value for their customers by curating new, tasteful products.

Indigo's strategic priority was to add more SKUs online to add incremental revenue, thoughtfully expand their assortment, and offer their customers the best curated collection of products to shop. That strategic priority led Indigo to dropshipping as their preferred tactic.

Dropshipping quality brands allowed for faster experimentation within their product assortment and reduced inventory buys.

# The Challenge:

#### **Dramatically Reduce Supplier Onboarding Time and Churn**



The Indigo team was already familiar with core problems that occur when trying to launch a dropship program. The most painful of these problems was supplier churn, where suppliers found the software used in the onboarding and sales process too complex and cumbersome.

The result? Brands took 2-3 months to finish the onboarding process or disappeared altogether. This phenomenon made it impossible for Indigo to move quickly on its aggressive assortment expansion strategy.

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### **The Solution:**

# Rapid Category Expansion, Built On Convictional



The Indigo team decided to explore how their business would transform if they created a 10x better supplier onboarding process.

Ultimately, they chose Convictional for its flexibility and ease of integration, allowing their merchandising and dropship teams to focus on strategic questions rather than worrying about the IT integration.

Now, the Indigo team is setting ambitious goals for their dropship sales expansion within Canada and internationally with confidence they will be able to hit those targets.

#### The Outcome:

#### Growth and Competitive Advantage Through Dropship Transformation

Indigo can now confidently initiate discussions with potential suppliers knowing that they will always be able to integrate with their systems and get them onto Indigo's site quickly.



The new record for onboarding a supplier is 10 days from agreement to first sale, a massive improvement from 3 months, or an 88% reduction in onboarding time. Furthermore, they're no longer solely reliant on EDI based networks for adding new brands, a strategy that had previously led to Indigo listing the same brands as their competitors.

These outcomes were notably achieved without ripping and replacing existing ecommerce systems, as Convictional was able to seamlessly integrate with Indigo's Product Information System and EDI provider.