



## Hammer Nutrition [hammernutrition.com](http://hammernutrition.com) Improve Profit Potential and Manage Auto Shipment Program



### Challenge

Hammer Nutrition wanted to more efficiently manage its auto shipment (Continuity) program and provide customer courtesies such as providing advanced notice of an auto-ship shipment. It also needed a system that was scalable for its business growth to improve Hammer's profit potential.

### Solution

It implemented Data Management Associates' MACH software system as its continuity management software.

### Results

Average order size for auto-ship has steadily increased. Hammer Nutrition has experienced "substantial" growth, surpassing its expectations.



Hammer Nutrition specializes in healthy products to fuel and sustain energy for endurance athletes. Founded in 1987, the company began with a limited number of energy supplements and soon expanded its product line to include clothing and accessories. In 2004, Hammer Nutrition management determined its present order management system was poorly designed for its growing needs and was reducing its profit potential.

One of its best customers was the repeat buyer who requested product be sent on a regular basis. Hammer Nutrition wanted to have the ability to automatically send this target customer notices prior to their regular shipments asking if they wanted to add any additional product to their order. Secondly, Hammer management wanted the new system to assign inventory to the premium customers' orders to assure product availability even if inventory was limited.

The current system did not handle automatic shipments so this process had to be done manually. The system also was too slow in the normal order process and could not keep up with the double-digit growth of Hammer Nutrition. A major requirement for the new system was scalability and automatic shipment capabilities (Continuity).

"Our goal with our auto ship program is to pamper these clients who are spending regularly with us. We want their experience with this program to be so great that they don't ever want to cancel their auto ship program." says Brian Frank, Owner.

After a thorough search of mail order and catalog house software, the company chose and installed MACH. They felt the fully integrated on-line system which includes order processing, purchasing, inventory management, continuity management, marketing and accounting, could meet their needs in marketing and other areas as they continued to expand their business. The implementation took place in the fall of 2004 over six weeks.

When DMA implemented MACH, their training staff taught Hammer Nutrition personnel how to set up Auto-Ship items in their system. An Auto-Ship item is one that a customer uses over and over again. These items are purchased by the customer on a periodic basis much like a subscription. For example, Hammer Nutrition's customers are endurance athletes who purchase 30, 60 or 90 day supplies of supplements. MACH is set up to generate a new order for the item(s) every 30, 60, 90 days, etc. so that the customer always has the supplements that they need.

As an additional marketing tool, Data Management Associates created a query to generate a list of auto-ship orders that are due to ship two weeks in the future. In conjunction with the query, a form letter is generated in MACH that merges the results of the query into a form letter that is emailed to each customer. The email tells the customer what items are due to ship on the up-coming order and also gives the customer the opportunity to add items without paying additional shipping. Many clients consistently add product to their existing order which has increased the average Hammer auto-ship order size.

The automatic shipping features of MACH have given Hammer personnel the time to redirect their efforts from the logistics of manual processes into more marketing campaigns and targeted mailings. They also have seen a reduction in order processing errors.

Hammer has been using MACH for more than three years now, and the result has been increased profitability due to improved productivity, better customer service, lower costs, and enhanced marketing.

"Our business growth has been substantial in these past three years," Frank said. "Our previous system was holding us back from growth, but with MACH, we've caught up and surpassed our expectations."

