

CASE STUDY:

Zipline Logistics Helps Hoist Grow in Enhanced Water Market



Premium hydration product leverages Zipline Logistics' specialized expertise to cut transportation costs and expand market reach

CUSTOMER PROFILE

- Headquartered in Cincinnati, Ohio
- Founded in 2009
- Rapid hydration drink in four major flavors; dragon fruit, strawberry lemonade, orange, and lemon lime
- Sold in more than 5,000 retail outlets, including popular locations such as Kroger, Stripes, Gate, Speedway, and Duke & Duchess

THE SITUATION

Many beverage entrepreneurs launch their product without a deep knowledge of transportation, and Hoist was no different. They were passionate about their formula and product, not necessarily the trucks that moved it. Initially meeting demand by selling from the cars and garages of family and friends, founder Kelly Heekin quickly realized that his transportation strategy wasn't scalable and that he could benefit from the involvement of a logistics partner.

Working with Zipline Logistics, Hoist was able to leverage the 3PL's connections and expertise, ultimately growing to serve a nation-wide network of more than 5,000 retail buyers.

THE SOLUTION

Leveraging expertise. Specialized in servicing other beverage and related CPG products, Zipline Logistics had a capacity-rich network of drivers on hand, knew retailer requirements, could optimize loads between customers, and was always on top of market trends. Still focused on building his brand, these were things Heekin needed help with.

Zipline took numerous responsibilities off Heekin's plate, giving him peace of mind. He no longer had to worry about scheduling, product deliveries, or managing retailer relationships. He also had confidence that Zipline was always looking for opportunities within its network that could benefit his company.

In fact, when Hoist grew and made the switch from shipping cases to shipping pallets, they experienced a few hurdles. Skids fell over during transit and Hoist incurred repacking charges. Since Zipline had strong relationships with carriers and other producers of beverage products, they were able to offer insider knowledge about best packaging practices. Zipline provided suggestions such as making pallets less top heavy, adding appropriately spaced air bags, and incorporating holding straps. Since implementing Zipline's recommendations, Hoist has incurred zero order spills.

BENEFITS FROM 3PL PARTNERSHIP

- ▶ Leverage industry-specific connections and expertise
- ▶ Access a capacity-rich, food-grade network of carriers
- ▶ Consistently please retailers, grow relationships
- ▶ Meet on-time delivery and compliance requirements
- ▶ Avoid potentially costly chargebacks
- ▶ Stay on top of transportation market trends
- ▶ Consult with consolidation and load optimization experts

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When to jump. Emerging brands are often quick to jump and please new customers. Facing extreme levels of competition, any purchase order is viewed as a win and something that deserves immediate action. When Hoist started to get orders from Texas, Oklahoma, and other southern states, it answered orders quickly and enthusiastically. But sending a small number of pallets across the country whenever an order was placed proved to be very costly.

Consultants at Zipline Logistics stepped in to offer insights on how Hoist could better manage requests. Rather than sending product right away, Zipline evaluated whether some fulfillment timelines were longer or more flexible than others and offered suggestions on how to consolidate pallets and route a single full truckload to southern locations. Determining an efficient way to use a single truck, rather than multiple less-than-truckload shipments, Hoist was able to cut thousands of dollars from their transportation spend.

Avoiding chargebacks. Winning the shelf space from a retailer is just the beginning. You have to keep it. Retailers replace products for many other reasons than just sales performance. Factors such as on-time delivery rates, compliance issues, and communication or customer service can make or break a profitable relationship.

With the help of Zipline Logistics, Hoist was able to consistently please their first retailer and avoid costly chargebacks. They've since expanded throughout that customer's nation-wide network and are now in more than 5,000 retail outlets, including popular locations such as Kroger, Stripes, Gate, Speedway, Duke & Duchess and many more.

THE OUTCOMES

Hoist pushed through the noise of other enhanced waters and substitutes for sugary beverages with the help of strategic marketing and smart transportation decisions. The beverage company has gained impressive market share across North America since joining forces with Zipline Logistics, and is now able to scale and meet tight timelines and avoid unnecessary transportation costs.



CONTACT US FOR MORE INFORMATION ON ZIPLINE'S CAPABILITIES & SOLUTIONS

888-469-4754 or www.ziplinelogistics.com

TOTAL CONFIDENCE

► "We ventured into the beverage industry with an idea and very little experience, so we have made a ton of mistakes along the way. One of the biggest mistakes, almost leading to us getting kicked out of a major chain, was trying to save money on shipping by hiring small trucking companies and dealing with the logistics ourselves. After four late deliveries — although being promised they would be on time — the retailer had enough and told us to fix our issues or they wouldn't order again. My next call was to Zipline Logistics and it was the best decision I could make. Over the past year, growing from a couple of cities to over 25 states, we have yet to fail on any of the retailer delivery demands and this is all because of Zipline and their incredible team. Now shipping is the least of my worries and nice to have off of my plate."

**— KELLY HEKIN
HOIST FOUNDER**