

CUSTOMER STORY



Signifyd

STRUCTUBE

Canada furniture giant Structube has offered contemporary home furnishings for everyone, with competitive prices that attract wide segments of furniture buyers across Canada since 1980.

Challenge
Digital Transformation

Industry
Furniture

Product
Guaranteed Fraud Protection

Integration
Magento



CHALLENGE

When Structube launched their online store in 2015, they also opened up the company to fraud for the first time. Manual order review couldn't keep up to prevent fraud loss.



SOLUTION

Signifyd's automated order approval helps Structube keep pace with competitors in the furniture market and honor their promise to customers: fast order turnaround times, quick in-store pick up and excellent service.



RESULT

Signifyd's easy-to-use platform allows Structube to provide an excellent in-store pick up experience, reduce their order processing time by 2 to 3 days while improving order approval rates to above 99%.

"It's great that for a furniture company you can shop online, pick up at the warehouse or pick up at store fairly quickly. We just try to really optimize the customer experience, make it the most pleasant experience they can have."

— EDITH KNAFO
STRUCTUBE DIRECTOR OF ADMINISTRATION

Introduction

Canadian furniture giant Structube fueled its growth by offering contemporary home furnishings for everyone, with competitive prices that attract wide segments of furniture buyers across Canada.

Founded in 1974, the company originally sold tubular retail racking for clothing stores. Their company name “Structube” is from the French for “tubular structures,” a reminder of the company’s roots. President and founder Marcel Knafo’s passion for furniture and innovation has guided the company to their current success.

The first step was opening the flagship Structube furniture store in Montreal in 1980. Structube’s practical pieces

with clean, modern designs were a huge hit with a new generation of customers shifting from larger homes to apartments and smaller houses. Structube began their cross-country expansion in Alberta in 2012 and finally reached Canada’s west coast in 2016 with a store in British Columbia. As the business grew to serve the entire country, the next step was to get the business online.

When Structube launched their ecommerce store in 2015, they could finally reach anyone in Canada who wanted a Structube piece in their home. Their ecommerce presence was the right ticket to bring more people to the business. Unfortunately this also meant Structube’s first brush with online fraud — and it wasn’t easy to handle.

“It made more sense for us to hire professionals.”

— EDITH KNAFO
STRUCTUBE DIRECTOR OF ADMINISTRATION

Challenges

On their first day of online sales, Structube experienced their first fraud loss. “We opened our online store to stay competitive,” says Edith Knafo, Structube’s director of administration (and owner Marcel’s niece). “When we started our ecommerce site we weren’t a fraud target. We quickly realized the importance of fraud protection.”

Knafo’s team tried to handle fraud review with in-house solutions like manually reviewing every order, but this slowed down the already long order fulfillment process. Furniture is a tough industry for fulfillment and shipping — big, bulky items take a long time to transport from the warehouse, plus freight shipping times can cause delays.

Structube needed a fraud protection platform that could grow with them and assume liability for fraud as their online store grew and matured. The solution had to catch fraudulent orders before they could happen plus support Structube’s commitment to processing orders as fast as possible.

“Today’s customer wants everything the day they place the order,” Knafo says. “The quicker, the better. Our order turnaround objective is 72 hours. There’s the additional challenge with the size of some items. It all has to go through ground transportation.”

Structube has grown with its market, recently moving into a new headquarters, co-located with a 650,000-square-foot warehouse. The close proximity of the warehouse and the abundant inventory has allowed Structube to create a best-in-the-business, buy-online-pick-up-in-store experience for its customers.

“It’s been terrific,” Knafo says. “We can service our customers quickly because all the inventory is here. So they can leave with the stock pretty quickly.”

Keeping up with consumer expectations and serving customers picking up in the store, meant Structube required quick decisions. Optimizing revenue meant it required order-approval rates as close to 100% as possible.



“Would you drive your car without insurance? We would not operate without something like Signifyd. It makes no sense today, especially with fraud out of control.”

**— EDITH KNAFO
STRUCTUBE DIRECTOR OF ADMINISTRATION**

Solutions

Knafo weighed her options for Structube’s fraud problem and the company’s goals to provide the fastest service for their customers: manual review was no longer an option. Initially, they experimented with different fraud protection solutions.

“We started with Signifyd and then switched over to another third-party,” Knafo says. “Riskified. We used them for about a month. It was a trial. We went back to Signifyd. The platform was a lot more interesting. The rates were better. It’s a lot more user friendly. The filters, they make sense. The chargeback follow ups are good, the way you can upload the documents. It’s just a much friendlier dashboard. And the response was quicker.”

To streamline their process and eliminate manual order review, Structube integrated Signifyd directly in to their Magento console to enable faster delivery. A fast and easy integration meant the Structube team could work on fulfilling orders right away while leaving the tedium of manual order review to Signifyd’s machine learning-powered engine.

“It’s a very simple tool to use and we’ve automated most of our order review process,” Knafo says. “Preventing loss from fraud was the most important thing for us. Signifyd has done that.”

Signifyd’s instantaneous decisions and financial guarantee on approved orders also allowed Structube, also meant Structube had the agility to quickly fill orders that were placed online for in-store pickup, even though such orders come without key bits of data to help in fraud detection, such as a delivery address.

It’s all part of a customer experience that includes text messages to keep buy-online-pick-up-in-store customers informed and a shopping area that inspires customers to linger.

Results

Signifyd's automated order approval helps Structube stick to a fast order turnaround time and keep pace with competitors in the furniture market. Before working with Signifyd, the Structube ecommerce team spend two to three additional days reviewing orders, on top of their target 72-hour order processing window.

"Signifyd reduced our order processing time and improved our order approval rates," Knafo says. "We're at ease processing orders because we know that they've been guaranteed. The added security is huge for us."

Even when bad orders slip through, Structube can rely on Signifyd's financial guarantee to prevent fraud losses. That's huge, as Knafo says, because in an industry with very expensive items and other high costs like freight shipping, Structube without Signifyd would stand to lose a lot from fraud.

"Our average order is about \$500," Knafo says. "In the first few months of launching our ecommerce website, that was a significant amount of money to lose in sales."

Future Plans

Structube's growth is based on innovation — a value that has been part of the company's values over the last four decades. The Knafo family remains the heart of the business, and their commitment to trying new things is what made Structube one of the top furniture companies in Canada.

With their recent move into a new company headquarters just outside Montreal in Laval, Structube can continue their forward-thinking growth while serving home delivery and pick-up-in-store customers.. It's the first time their showroom and warehouse have shared a space on the same site.

"We got too big," Knafo says. "We needed more space to hold our inventory. It's terrific having the head office with the warehouse."

It's all part of the value Structube tries to deliver to each customer who walks into one of their stores or logs onto their website to shop for furniture. Optimized omnichannel experience is at the top of the list for each transaction. Structube's ordering system notifies customers when they can pick up their order at the warehouse, with status updates visible on screens at the pickup area. Customers can enjoy free coffee while they wait. "We want our customers to enjoy their experience and take their time in our stores," Knafo says.

More growth is sure to follow for Structube, with constantly upgraded shopping experiences and innovative designs for home furnishings. And with a comprehensive fraud protection solution to keep their order approval rates, fulfillment times and in-store-pick-up experience at their peak, nothing can stop Structube from growing.

