Orangetheory Fitness gains automated supplier onboarding support, a trusted technology partner, and documentation management help through Logicbroker.

Orangetheory
F I T N E S S

Summary

Looking to save their franchisees both time and money on supplies, Orangetheory Fitness set out to build a centralized B2B marketplace to support their over 1,300 U.S. studios. Orangetheory Fitness brought on Logicbroker to connect suppliers to their new B2B marketplace, Supplies Central, utilizing BigCommerce's eCommerce solution. Orangetheory uses Logicbroker's automated onboarding, order visibility and document management tools every day as they process over 13,000 B2B orders each year.

Automated Supplier Onboarding	BigCommerce Connection	New NetSuite Integrations

An Admirable Challenge

Orangetheory Fitness, a boutique fitness studio franchise, has spent the last thirteen years perfecting the gym experience. With its proprietary science-backed, group workout capitalizing on revolutionary heart rate monitors that have influenced a whole generation's approach to interval training, Orangetheory found a chance to make the same impact for its franchisees.

In a traditional eCommerce experience, Orangetheory would market directly to consumers looking to buy merchandise, additional services, or congruent products like protein powder or fitness apparel. However, with Orangetheory's unique franchise model, the organization noticed that its franchisees were spending an unfortunate amount of time purchasing miscellaneous goods like cleaning supplies and water bottles, rather than working on building relationships with members. Co-founder and CEO Dave Long proposed building a targeted B2B Marketplace that would allow franchisees to directly purchase approved equipment and supplies.

What started as a way to save time has evolved into a co-branding opportunity for suppliers like PATH, a customizable eco-friendly bottled water company, to sell exclusive Orangetheory branded pre-filled bottled water in reusable and refillable aluminum bottles.

Joe Nardolilli, the Senior Director of Retail & eCommerce at Orangetheory Fitness, said that utilizing the organization's corporate relationships and leverage with suppliers would give their franchisees the consistent customer experience the brand was searching for.

"We are focused on building upon our OTF-centric marketplace, similar to Amazon, but with OTF-reviewed and approved products and educational content just for Orangetheory Fitness studios," he said. "We wanted to make it much easier for our franchisees to get the supplies needed to run their studios, saving them time to focus on our members."

With a plan in place, one focused on utilizing drop shipping methods in conjunction with a B2B marketplace eCommerce front for their franchisees, Orangetheory's innovation team began the arduous process of finding the right technology partners.

A Combined Partnership Solution

Early on in the process, Orangetheory decided on using BigCommerce to get their marketplace off the ground. Although the platform was designed for D2C eCommerce, Orangetheory's unique use case was actually suited more for a D2C marketplace acting in B2B environment. Nardolilli said that because a lot of their franchisees were already making purchases on consumer marketplaces, it just made sense for Orangetheory to approach their own marketplace with that same use case in mind.

Once their planning was well underway, Orangetheory leveraged its franchisees and its own Franchise Advisory Council to not only test the platform but also make suggestions that could help the organization course correct on the fly. Their marketplace fully launched in February 2020, just weeks before the pandemic shut down almost all of their U.S. locations at the time. Because of Orangetheory's marketplace structure, Nardolilli said they were able to quickly pivot and focus on what was important for their studios.

"We leveraged what we were doing with the marketplace to make sure all of our U.S. studios had PPE equipment needed to get through the pandemic," Nardolilli said.

Right before launching their marketplace, and in the background of the pandemic as goals and priorities had to realign, Orangetheory had opened up conversations with Logicbroker about connecting their suppliers to the BigCommerce network. Nardolilli said that Logicbroker was recommended by various agencies they were working with to get their marketplace up and running.

> **"** We needed to be able to connect BigCommerce to [our] suppliers. Logicbroker emerged as one of the better options to work with. We're familiar with the options in the space. **We chose Logicbroker because they brought solutions that were most important to how we structured our business model."**
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> **JOE NARDOLILLI**
> *Senior Director of Retail & eCommerce*

Promising Results

With Logicbroker leading the way for all supplier connections, Orangetheory Fitness officially launched with five suppliers onboarded and connected in just a few weeks.

> **"** Having previously worked at other companies in a similar capacity, I was familiar with potential order processing challenges. Given the high volume of orders and drop shipping model, I wanted to make sure the process was standardized for suppliers, I wanted a very intuitive interface for documentation and document visibility. **The technology behind Logicbroker was standardized and perfected for our suppliers. It was an easy lift."**
>
> **JOE NARDOLILLI**
> *Senior Director of Retail & eCommerce*

Logicbroker and Orangetheory worked closely throughout the pandemic to ensure that both suppliers could quickly onboard and test in our unique platform environments. With Logicbroker's API handling the BigCommerce connections, Orangetheory was able to explore new and innovative ways to get their franchisees the products they need to run their studios and save them time to focus on their members.

Orangetheory estimates that in a typical year, *approximately 6,500+ hours are saved for their studios,* in total, using the B2B marketplace. This is calculated as an average of 30 minutes of time savings per order placed for franchisees that previously had to leave the studio to shop or browse online through multiple stores. The marketplace also drives consistency in member-facing products, such as restroom amenities, and drives general cost savings, given the number of studios utilizing the platform.

> Now we look to further improve the existing process. We are working with our suppliers to decrease failed documents, which Logicbroker has been great at helping us uncover. I want to get us as close to zero as possible. **We are working to get our suppliers to the next level, creating further efficiencies, using the Logicbroker system."**
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> **JOE NARDOLILLI**
> *Senior Director of Retail & eCommerce*

On the other side of the management team, Peter Dvoran, Orangetheory's VP of Technology, Enterprise Services, said they've been utilizing Logicbroker for traditional document management processes as well. Fitness equipment procurement, contracts and more are all run through Logicbroker's platform. As their eCommerce side works on efficiencies and process improvement, Dvoran said the procurement teams are perfecting the whole Orangetheory process behind the scenes.

> **The Logicbroker support team has been amazing.** They are helping and being patient to help us figure out the process."
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> **PETER DVORAN**
> *VP of Technology, Enterprise Services*

Next Steps

With a strong relationship in place, Dvoran said it's time for Orangetheory to embrace a pure ERP. Orangetheory is in the midst of a full transition to NetSuite with Logicbroker at its side. Coordination on their migration is being done through Logicbroker's development team and Dvoran said the process has been as smooth as they could have hoped.

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