

veho + IPSY

Veho & IPSY

Case Study

**How IPSY Reduced Delivery Costs
and Boosted Reliability with Veho**



IPSY is the world's largest beauty subscription service, serving a community of 25+ million beauty enthusiasts across the U.S., Canada, and Mexico. IPSY combines technology and personalization to curate unique beauty experiences at scale.

Founded on the **mission to make beauty discovery fun, accessible, and personalized**, IPSY reaches millions of members each month with its subscription offerings: Glam Bag, BoxyCharm, and ICON Box, alongside a rapidly growing e-commerce business.



The Challenge:

Balancing **rising delivery expectations** with cost control

In 2025, SVP of Operations Nicole He faced a unique challenge: control delivery costs while meeting rising customer expectations for speedy delivery. IPSY customers increasingly expected two-day shipping, a standard that put pressure on their low-margin model. At the same time, the brand prioritized shipping Glam Bags at the same time, requiring a unified delivery window across all zones.

On top of that, shipping was considered a critical driver of customer sentiment at IPSY, influencing roughly **10% of the company's Net Promoter Score**. Any slip in reliability or visibility would not only impact satisfaction but would also drive up customer service costs.

The mandate for Nicole and her team was clear: **lower delivery costs while boosting reliability and visibility—all without sacrificing flexibility across weight classes, zones, and programs.**



The Solution:

IPSY adopted a **carrier-by-strengths model** with Veho as a cornerstone partner, routing volume based on **zone, weight, and SLA** to balance cost and performance.

Key elements included:

- **Tech-enabled reliability & visibility:** Real-time tracking, delivery photos, and consumer-provided instructions (including location images) improved first-attempt success.
- **Repeat-delivery learning:** Driver-to-driver notes and geofencing turned each recurring delivery into a smarter, smoother next delivery, ideal for subscription addresses.
- **Multi-SLA orchestration:** The ability to choose between faster **Ground Plus** or lower-cost **Premium Economy** enables IPSY to prioritize speed vs. cost by business line and season.



The Partnership



What began as a conversation at Parcel Forum 2024 turned into a **true operating partnership**: rapid contracting and integration, controlled pilots, staged volume ramp, operational stabilization, and coverage expansion, all within the first six months.

IPSY emphasized **collaboration over transactions with carriers**, aligning goals, sharing data, and co-managing performance. Veho matched that approach with fast iteration and expansion (including Southern California), enabling IPSY to shift and scale volume as needed, especially valuable when nationals tightened capacity or pushed dates.

The Results

Lower unit delivery costs

- Smarter routing by zone /weight
- Better first-attempt delivery success

Higher reliability & visibility

- Clearer recipient control and proof of delivery
- Supported IPSY's subscription goals & protected NPS

Faster operational learning

- Reduced avoidable issues via on repeat addresses, driver notes, & QA features (e.g., mis-scan blocking, geofencing).

Support efficiency up, tickets down:

- Decreased handling costs and speedier resolutions
- AI-driven customer support deflection up ~20%

Scaled quickly, stabilized fast

- ~1M parcels delivered within the first few months of partnership
- Expanded ZIP coverage while maintaining service levels



Nicole He
SVP of Operations at IPSY

“It’s not just about moving parcels, it’s about growing the business together and creating win–win outcomes. Every delivery is a chance to learn and make the next one smoother, and **Veho’s technology really enables that.**”

What Brands **Can Borrow From IPSY's Playbook**

Make carriers partners, not vendors. Co-plan, share data, and set clear escalation paths.

Exploit repeatability. If you ship to the same customers, use driver notes, instructions, and delivery photos to improve every subsequent stop.

Prioritize reliability and visibility. These are the biggest levers on NPS and support costs; tune speed to your category.

Route by strengths. Assign volume by zone, weight, and SLA to blend national and regional advantages.

Use AI at the edge and in the back office. Personalize the product experience and automate support to protect margins without sacrificing CX.

Design for peak flexibility. Retain the ability to rebalance volume quickly across carriers as conditions change.

“When deliveries are seamless, our members barely notice. But that consistency drives loyalty. Shipping became one of the most important parts of protecting retention.”

“We weren’t looking for another vendor; we needed a **true partner who could scale with us**, adapt to our needs, and grow alongside our business. **That’s what we found in Veho.**”

Nicole He, SVP of Operations at IPSY