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NETSUITE

UNIFYING FINANCIALS AND INVENTORY

Why Retailers are Moving From
QuickBooks to NetSuite





QUICKBOOKS CAN SERVE AS A STARTER FINANCIAL MANAGEMENT SYSTEM, WITH LIMITS

We have all heard the phrase “cash is king.” It is the mantra most companies live by. It is also why purchasing an application to manage money is usually the first business software investment that retailers make.

As a starter system, QuickBooks is a logical and economical choice. At a high level, QuickBooks provides the basic functionality any retailer needs in a financial management system—enabling the management of a company’s chart of accounts, along with a systematic method of managing its relationships with vendors and customers through accounts payable and accounts receivable respectively. Providing this core functionality at a reasonable price point has made QuickBooks the system norm across many industries.

However, as innovation evolves faster than ever, heightened customer expectations and increased competition mean companies can no longer rely on the business models or business management systems of the past. Being sold out of products or providing a bad customer experience could cost retailers a customer. Real-time visibility and insight can now be the difference between thriving and barely surviving.

“NetSuite is the basis for just about everything we do here. There are a lot of business challenges in what we do, but our NetSuite architecture does not keep us up at night.”

PACT

Though most recognize these changes and the need to innovate to keep pace, retailers are reluctant to connect their business systems to that vital innovation. Some are daunted by the task of overhauling existing systems. Others are convinced they will not be able to find a solution that can meet their needs in an affordable way, choosing to instead make do. Those decisions can turn out even more costly in the long run.

Here are four signs that QuickBooks might be failing your business:

- It's difficult to find out what's really happening across your business in real-time.
- Team members waste time playing "Hunt for the Spreadsheet" when looking at purchases and inventory.
- Financial consolidation between systems takes ages.
- It's too difficult to add new sales channels, product lines or revenue streams domestically or internationally.

Business decisions are now driven by key performance data, not historical practices or best guesses.

NETSUITE RETAILERS WHO SWITCHED OFF OF QUICKBOOKS



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WHAT'S NEXT: IS AN INVENTORY MANAGEMENT ADD-ON THE SOLUTION OR A TEMPORARY BAND-AID?

For companies in start-up mode or for those who, despite their growth or maturation, choose to make do with QuickBooks, the next technology investment after financials is most often inventory management.

There are several add-on solutions in the market today claiming to provide advanced inventory capabilities through a seamless integration to the QuickBooks system. However, companies quickly realize that an add-on inventory management solution does not make an ERP system.

Here are four signs that an add-on inventory solution might be limiting your business:

- Frequent and time-consuming IT support required for system updates and QuickBooks integration.
- Reporting is limited and not in real-time.
- System is not built for retailers and hard to fit to your business model.
- No supply chain forecasting or budgeting capabilities.

If your retail business is struggling with these challenges as a result of its QuickBooks and add-on inventory solution, it may be time to consider an integrated business management suite.

NETSUITE: A SUITE APPROACH

NetSuite was built upon the idea that a unified suite of applications spanning across a whole business allows companies to operate off a single version of the truth or data. Furthermore, NetSuite's predefined roles and dashboards are tailored around a user's day-to-day tasks, which allows for the most efficient consumption of information throughout the entire organization.

For retailers, having inventory and financial data in the same system means that financial activities appear as soon as items are purchased and/or sold—allowing them to make decisions on inventory purchasing, allocation, sales forecasting and budgeting that are based on facts, rather than guess work. This eliminates the manual work done in spreadsheets to reconcile inventory and sales across multiple systems, and reporting is delivered on-demand.



A suite approach allows the whole company to view operations as a single version of the truth.

THE BENEFITS OF A CLOUD SOLUTION

In addition to our suite approach, NetSuite is a true cloud platform. There is a world of difference between software designed for the cloud and software designed for the on-premise world. Retailers on QuickBooks often do not have the technical resources in-house to manage on-premise systems and their upkeep. Additionally, expanding into new markets either online marketplaces, or with stores require several hands to keep inventory updated, sales orders processed and financials posted. As a company grows, this becomes unmanageable and painful.

Moving to a cloud solution has several benefits for retailers:

- **Free Finance for Strategic Tasks:** Automation frees up finance and operations' time allowing them to focus on revenue generating strategic projects and analysis, and allowing the company to scale while keeping headcount flat.
- **Reduced Financial Close Time and Manual Data Entry:** Automate and control approvals on transactions from AP bills to journal entries, speed up period-end close due to system controls being in place, improve accuracy of financials, and reduce month-end processing costs and time.

NetSuite takes responsibility for not only the software it supplies, but the underlying technical infrastructure needed to access the solution.

- **Lower Audit Costs:** Ever-changing compliance standards, small accounting teams and heavy spreadsheet use are time-consuming and subject to risk. This can lead to higher audit costs, or longer and more involved audit processes.
- **Platform for Innovation:** Easily launch new business models and expand internationally with a platform that evaluates all possible ways to scale and increase revenue, and supports multi-currency, multi-entity and different accounting standards.

A well-implemented cloud-based system means that financial activities appear as soon as they are triggered. That, coupled with 'anywhere-anytime' access means that decision makers can quickly act upon both adverse and favorable performance indicators. In that sense, decision-making becomes an activity where those tasked with executing on the company's goals and strategy are able to do so with information that is akin to looking through the front windshield of a car, rather than constantly worrying about what is in the rearview mirror.

The combination of these demonstrable benefits means that a well-executed move to cloud results in a much better and predictable cost of operation than is possible with on-premise systems.

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