

CUSTOMER SUCCESS



Sage Pro Enables Internet Retailer to Achieve Exponential Growth

Launched in 1999, Etronics' success as an Internet retailer of electronic products is a rarity in today's economy. In just three years, the company's inventory has grown from fewer than ten items to over 5,000, with a value approaching \$5 million. Last year's sales of \$45 million are equally impressive. Sales are projected to top \$75 million this year—and the company has accomplished this with a total staff of only 35 people.

Enabling Online Success

How has the company been able to achieve this incredible growth with such a small staff? "We give the market what they want, when they want it," explains Mayer Balsler, vice president at Etronics. "Our focus has always been on creating an inventory of products the market wants, delivering the best possible customer service and providing same-day shipping—as cost effectively and efficiently as possible. The key to reaching these goals, and the real secret to our rapid growth, has been Sage Pro. This solution has significantly contributed to our success, allowing revenues to grow far faster than staff size."

Etronics implemented Sage Pro at the suggestion of its systems integrator, Net@Work. Based in New York City, Net@Work functions as Etronics' virtual IT department.

"Our job is to make Etronics' job easier," says Alexander Solomon, president and co-founder of Net@Work. "The company wanted a way to streamline accounting functions and bring order to a chaotic manual inventory management system. Accelerating online credit card authorizations and maintaining same-day shipping, even in the face of increased volume, was paramount. After a careful market analysis, we realized that Sage Pro met all of these requirements."

An Integrator's Dream Solution

In addition to its inherent broad functionality, both Net@Work and Etronics favored Sage Pro for three key reasons—its cost-effectiveness, the fact that it includes source code, and the broad selection of third-party add-on products. "Quite frankly," adds Solomon, "Sage Pro makes us look good to our clients because it enables us to provide the exact solutions at less cost and more quickly than we could with other products. With ready access to source code, for example, we were able to integrate Sage Pro with Etronics' existing Web site easily and quickly, resulting in a return on investment within a month. The solution eliminates the need for manually entering orders from the Web site into the back-end accounting system, as Etronics had been doing previously."

Customer

Etronics

Industry

Retail

Location

United States

System

Sage Pro ERP

CHALLENGE

Etronics faced soaring demand for its stocked products and needed a cost-effective way to enter, fill, ship, and track orders and warehouse inventory.

SOLUTION

Etronics' system integrator, Net@Work, implemented the Sage Pro accounting solution to streamline the company's accounting function and deliver much improved inventory management capability.

RESULTS

Sage Pro interfaces with Etronics' Web site so that orders placed online are automatically tracked. With customized interfaces, the solution supports a highly sophisticated credit authorization system for Web orders.

Seamless Third-party Integration

Etronics relies on several Sage Pro modules, including Inventory Control, Order Entry, and Purchase Orders. In addition, the company has implemented a third-party point-of-sale application that interfaces with Sage Pro and streamlines transactions at Etronics' retail store in Manhattan.

More recently, Etronics implemented another third-party add-on product that automatically transfers order information to its shipping system. "The Sage Pro solution touches on every aspect of our business," states Balsler, "from stocking and ordering inventory to customer order entry and the picking, shipping, and tracking of orders."

The Power of Customization

In addition to the custom Web interface created by Net@Work, Etronics' Sage Pro solution includes a customized order-entry interface as well as a tailored credit card authorization system. "As our order volume increased, we needed a way to submit authorizations in a batch mode while also maintaining a highly sophisticated fraud protection system," Balsler explains. "With an interface customized by Net@Work, we now store and manage the fraud rating system in Sage Pro and run all credit authorizations through it—a move that saves time and overhead while preventing fraudulent credit card use on our site."

Sage Pro has also been instrumental in improving Etronics' inventory management capabilities. "Before Sage Pro, we used to waste a lot of time looking for products we didn't have and finding products we didn't know we still stocked," Balsler recounts. "But now, with the Sage Pro Inventory Control module, we always know what products we have, where they are, and in what quantity. This information is critical to quickly filling orders and also ensures that we know when to restock any item. Furthermore, by analyzing inventory data

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—Mayer Balsler
Vice President
Etronics

through this module, we can determine demand for each product and make projections for our inventory requirements, allowing us to take advantage of available volume discounts."

A Tool for Growth

"For Etronics," Solomon explains, "Sage Pro is not just an accounting solution. It's a business platform that supports the entire range of functions the company needs to run its business. And, because it is easily scalable—Etronics started with two servers and already has sixteen—the solution will continue to meet its needs as business grows."

And growing it is. Last year, Etronics shipped 3,154 boxes in a single day, a shipping volume that would have taken at least five days to complete without Sage Pro, according to Balsler. This year, he expects peak single-day sales to exceed 6,000 boxes.

"We're successful because we ship faster and with significantly less overhead than anyone else in this business," Balsler concludes. "But we'd never be able to accomplish this feat without Net@Work and Sage Pro."

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