



EnergyFirst
A division of NutriScience Corp.
www.energyfirst.com



At A Glance:

- **Company:** EnergyFirst, a division of NutriScience Corp.
- **Location:** Hermosa Beach, CA
- **Industry:** Healthcare, Retail
- **Challenges:**
 - Integrate all customer, sales, and financial information in one place to cut administrative costs and improve data mining for marketing efforts
 - Improve customer retention rate
 - Move customers from phone to Internet sales channel
- **Software switched from:** Microsoft Access, QuickBooks
- **Other software considered:** Great Plains, Microsoft CRM, Salesforce.com, SalesLogix with MAS 90
- **Results with NetSuite:**
 - Saving approximately \$25,000 per year by reducing administrative expenses
 - Exploiting marketing features to reach out to current and former customers: a recent email campaign to 1,000 'lost' customers netted \$2,600 in sales

“With separate databases it was hard to get customer data under one roof and mine it efficiently. NetSuite is a hosted solution that allowed us to get all of our data into one place and make our databases eminently more valuable.”

— Gerry Morton, President and CEO
NutriScience

The Results:

Having all sales, accounting and inventory data in one place has allowed NutriScience to save the cost—approximately \$25,000 per year—of one full-time employee it would otherwise need to “pull everything together,” says Gerry Morton, President and CEO.

More importantly, NetSuite’s integrated CRM and marketing features have allowed the company to launch more effective marketing campaigns. One recent campaign targeted 1,000 former customers and reaped \$2,600. “Once we had all of the data in one place and were able to analyze it, we found that our customer attrition was much higher than we’d thought given that revenues were increasing,” says Morton. “NetSuite helped us to turn that around and we subsequently had our best month ever in July.”

The Challenges:

When Gerry Morton bought EnergyFirst, he inherited a business that was a lot better at managing diets than data. The company—which sells nutritional products like protein powders and sets up corporate wellness programs—was using two Microsoft Access databases, one for phone orders, and another for Internet orders. The databases weren’t linked, resulting in a system that Morton calls “nightmarish.”

With separate databases, Morton says, “It was hard to get customer data under one roof to mine it efficiently and boost marketing efforts.” Complicating matters: the accounting system, QuickBooks, wasn’t integrated with the databases, so financial information had to be entered manually even though it was already in the Access databases. “Using Access and QuickBooks was atrocious,” says Morton.

Yet finding a better solution seemed elusive. NutriScience looked at Microsoft CRM and Great Plains, but both were too expensive—\$45,000 to \$50,000 just for the software,



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according to Morton—and would require NutriScience to upgrade its hardware while taking charge of maintenance and administrative tasks. Nor would they provide easy remote access to data, a concern, Morton says, as “we have a lot of people telecommuting from home.”

NutriScience considered Salesforce.com, but rejected it because it “didn’t have an accounting back-end,” according to Morton. SalesLogix didn’t make the cut because it required a separate accounting package, MAS 90, “which wasn’t nearly as integrated as NetSuite.”

In the end, the decision to go with NetSuite was a no-brainer, says Morton: “The fact that it was a hosted solution that put everything under one roof allowed it to fit perfectly with our needs.”

The Solution:

While the initial plan was to use NetSuite to consolidate NutriScience’s data in one place, “once we got into using the product, we saw all sorts of value in it,” says Morton. One unexpected windfall was found in NetSuite’s marketing tools, which NutriScience quickly exploited to steer new customers to its Web site—and bring old ones back to the fold.

“Before, we’d get a customer once and then lose them,” says Dave Cadoff, Director of Marketing. “Now through NetSuite, we can find people who haven’t ordered in a while, see what they used to buy, and send targeted emails.” Campaigns are simple to launch: A 14-day campaign can be set up in less than an hour, according to Cadoff.

NutriScience—which has been using NetSuite for about six months—also exploits the calendar, marketing groups and Web Store features to reach out to customers. “We know that after 3 months, many people drop off of a nutritional program. Now, we can use the marketing automation tools to keep them coming back, and capture revenue we used to leave on the table,” says Cadoff. Promotional URLs that send a customer to a personalized promotional Web page help NutriScience talk directly to customers and close a sale

Looking ahead, NutriScience hopes to use NetSuite’s CRM features to segment customers and its marketing tools to create campaigns for different groups. With more sales moving from phone to Web, NutriScience also expects to make greater use of NetSuite’s Web Store and specifically its auto-ship function, so customers who regularly order specific items can get them automatically. “They don’t have to remember to come to the site,” says Morton, “which means we’ll keep customers longer.”

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