



## The Art of Shaving

www.artofshaving.com



### At A Glance:

- **Company:**

The Art of Shaving

The Art of Shaving has become the best-selling men's brand at high-end department stores, with 25+ locations in the U.S.

- **Location:** Miami, Florida

- **Industry:** Retail; Consumer Goods

- **Challenges:**

- Worldwide organization needed integrated, robust CRM capabilities with first-tier accounting, inventory, and marketing features
- Did not want to break the bank on IT infrastructure and support
- Growing retailer with multiple sales channels — retail, Internet, and wholesale — needed to be monitored and managed

- **Results with NetSuite:**

- Substantial companywide sales growth — 62 percent growth in 2007 — with minimal increase in back-office staff
- Improved retail visibility into 25+ store operations
- Email marketing campaigns now regularly result in 20 to 35 percent sales jump on the items that are promoted
- Vastly improved merchant services reconciliation

*“NetSuite lets us run reports by store, state, and region — even by regional manager — so we get a very good understanding of our retail business.”*

— Eric Malka, CEO  
The Art of Shaving

### The Results:

Since launching on NetSuite in January 2005, The Art of Shaving has been able to support a rapidly growing company, both in retail, Internet, and wholesale channels, without having to support a rapidly growing payroll. Eric Malka, CEO of The Art of Shaving, explains how the company grew 62 percent in 2007 with a minimal increase in staff. "A lot of that has to do with NetSuite. It not only gives us better accounting, inventory, CRM, and ecommerce software than we previously had, but also it integrates them in a way that boosts efficiency — and sales."

Email marketing campaigns are among the most visible of NetSuite's successes at The Art of Shaving. Thanks to NetSuite its Internet business regularly sees a 20 to 35 percent sales increase on the items they're promoting, says Malka. "And we see a cross-over effect, too, when people come to the site after receiving an email and buy other items, as well."

NetSuite has also helped the company better manage — and grow — its well-known retail channel. Each of the company's 25+ stores sends daily sales and payment information to NetSuite, which enables The Art of Shaving not only to compare metrics between stores and regions, but also to reconcile its merchant services. "NetSuite gives us very, very close control of our cash receipts and helps us manage our banks and credit card services," says Malka. "With NetSuite, we can reconcile to the penny. That's generally a big challenge for a retail store — but not for us."

### The Challenges:

Since opening its first store in 1996, The Art of Shaving has mastered the "4 Elements of the Perfect Shave" — prepare, lather up, shave, and moisturize — with its barber spas, handcrafted shaving razors, and aromatherapy-based grooming products.

But mastering the elements of the perfect business proved a bit trickier. In 2004, after eight years in the business and with rapid growth on the horizon, The Art of Shaving needed a new software system to run their business. The company realized its software platform — with separate packages for accounting, inventory management, and point-of-sale (customized POS) — was unprepared to handle the expected expansion of its sales channels from retail to the Web to large distribution partnerships with high-end department stores such as Nordstrom, Neiman Marcus and Bloomingdale's.

Knowing it had to move into a more powerful system to unify its disjointed processes, the company went shopping. The Art of Shaving's key needs were three-pronged. First: POS metrics available on customizable dashboards. Second: a Web-based system for back-up peace-of-mind in light of Florida's yearly hurricanes. Third, and most importantly: having one system, including CRM, for its growing, multiple sales channels, to replace its hodge-podge of non-integrated software applications.

 Find out more: contact NetSuite, Inc. at 1 877 NETSUITE or visit [www.netsuite.com](http://www.netsuite.com)



*“As a CEO, most important to me was the ability to have a dashboard that alerts us to trends at our point-of-sale locations, giving us very strong comparability across stores and regions, and helping us understand more precisely what our metrics should be.”*

— Eric Malka

CEO

*The Art of Shaving*

With NetSuite, The Art of Shaving found itself in a win-win situation. It got the features it needed — particularly the CRM, email marketing, and dashboard capabilities — without the IT investment. As a Web-based solution, NetSuite itself would handle all of the technical nitty gritty and storage, so an in-house IT team and costly back-up facilities were no longer needed. “Our goal was to have all this without breaking the bank, if that was possible,” says Eric Malka, CEO of The Art of Shaving. “NetSuite was able to give us the tools we needed in one system, and give it to us at significant savings over other popular systems when you factor everything in.”

### The Solution:

Up and running in just six weeks, NetSuite was able not only to keep pace with The Art of Shaving's growth but to spur more sales — while keeping back-office staffing to a minimum. The company quickly leveraged a full slate of NetSuite features: CRM, marketing campaigns, inventory management, UPS shipping integration, dashboards, accounting, reporting. Email marketing, in particular, proved a quick hit.

“We were doing email marketing campaigns before NetSuite, as early as 2001, but they were cumbersome and expensive and we had very little tracking,” says Malka. “NetSuite changed all that.” Now The Art of Shaving does weekly campaigns and can track them against purchases. They know how many emails go out, how many get opened, how many get answered, and it is easy for recipients to unsubscribe, providing more sensitivity to customers. “We’ll regularly see a sales jump for the items we promote, but we’ll also see customers buying other items, as well,” he says.

NetSuite's dashboards have also proved an invaluable tool. “We’ve created a standard dashboard for each department in the company, so everyone gets a real-time look at the metrics they need to drive their part of the business,” says Malka. “It gives us moment-to-moment tracking, which gives us a far better handle on our business than we ever had before.”

Customer relations are now improved — and better leveraged — as NetSuite gives everyone within The Art of Shaving a full picture of each customer's history. Says Malka: “We use NetSuite's notes and reminders extensively, so anyone dealing with a specific customer will know everything there is to know about that customer.” This includes their credit history, payment history, purchase history, any emails the customer sent, and any emails sent back. “It's all there in NetSuite. And it's all seamless.”

Just as significant is the way The Art of Shaving has integrated NetSuite with its retail stores. Each day the company imports a journal entry into NetSuite, with each of its 25+ stores represented as one division. This gets information such as gross sales, inventory, and cost of goods into NetSuite's central database, which allows The Art of Shaving to generate crucial reports. “NetSuite lets us run reports by store, state, and region — even by regional manager — so we get a very good understanding of our retail business,” says Malka. “NetSuite alerts us to trends, gives us very strong comparability across stores and regions, and helps us understand more precisely what our metrics should be.”

NetSuite also helps the Art of Shaving to tackle — and conquer — a challenge facing all retail businesses: reconciling merchant services. “When we bring sales information from our stores into NetSuite we’ll break it out by payment type, which is a very handy thing to do,” says Malka. NetSuite tells which sales were cash, which were MasterCard, Visa, American Express, and so on. “So when we receive our merchant statements from the credit card companies they can be reconciled exactly with the data we have in NetSuite, and anomalies are instantly recognized. This is a fairly challenging task for retailers because in POS software there's no connection between the receipt of payment and the merchant statement. With NetSuite we can very easily control and manage our merchant services.”

Going forward, The Art of Shaving plans to bring even more detail from its retail sales into NetSuite — in particular, individual customer transactions. This will enable it to do the kind of email marketing for its retail customers that has proven so successful with its Internet customers. And that will help support the continuing expansion the company envisions. For over a decade, The Art of Shaving's products have been — literally — on the cutting edge. With NetSuite, its business is, too.

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