

Bitemark MC Limited

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At A Glance:

- **Company:** B2B online wholesaler of adult novelties and giftware
- **Location:** London warehouse and remote
- **Industry:** Distribution / Wholesale, Ecommerce
- **Revenues:** GBP 1.6M
- **Challenges:**
 - Fast growing online business with ineffective ERP, e-commerce and CRM
 - Conflicting versions of the 'truth' from warehousing, inventory and websites
 - High staff overheads
 - Little information on low margin v profitable customers and products
- **Results with NetSuite:**
 - ROI of GBP 100,000+; monthly savings of GBP 10-15,000
 - Eliminating low margin products and customers
 - Headcount down to five from 12 permanent staff
 - New virtual business model and no office overheads
 - No integration issues and associated time and people costs
 - A single set of data; daily reports instead of monthly
 - Profitable E-commerce, ERP and CRM
- **Software switched from:** Sage, Actinic and ACT!

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— *Dominic Hawes, managing director, Bitemark MC*

Results

Bitemark MC, a distributor of games, adult goods and giftware through three websites, was growing fast and had quickly achieved turnover of GBP 1.6M. It reached a turning point when the market conditions began to worsen, and decided to re-evaluate its operating model.

“We’d been thinking like a traditional business in a world transformed by the web. NetSuite empowered us to transform our operational practice and streamline our business as we entered a very difficult market period,” says Dominic Hawes, managing director of Bitemark MC. “We’ve changed the shape of the business. NetSuite was the catalyst.”

Replacing Bitemark MC’s older disparate IT systems with the cloud-based NetSuite had three immediate impacts on the business. It allowed it to virtualise its operation, pulling in freelancers as needed to support the company instead of hiring numerous permanent staff; it obliterated the need for tedious administrative procedures where administrative staff would have to rekey information from one application to the next; and it allowed Bitemark MC to prioritise its customers to improve customer service and profitability.

“We’re seeing an immediate saving of over £100,000 with NetSuite,” says Hawes. “That’s a direct ROI on the software. It’s a brilliant system and I’m a big advocate. Looking forward, it will help us through the downturn.”

Challenges

“We were pretty demanding of what we wanted in a new IT system,” says Hawes. “It had to be able to scale with us, to help reduce headcount and locations and to provide a single view with no integration. We wanted customers to be pretty self-sufficient. We needed live stock and inventory figures and could not afford to have two sets of conflicting data.”

Hawes looked at SAP, Microsoft and a number of other suppliers but the integration issues were daunting. “None of these options were web-native, which we needed to achieve that low-cost, remote working business model we were after.”

 Find out more: contact NetSuite, Inc. at +44 (0) 1628-774400 or visit www.netsuite.co.uk



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*— Dominic Hawes
managing director, Bitemark MC*

Solution

NetSuite empowers a virtual mode of operations in a number of senses; in the first instance, it introduces a clear workflow so that orders placed via the website translate into the appropriate updates in its CRM database, the warehouse inventory and Bitemark MC’s financial records. Bitemark’s previous combination of Sage Line 50, Actinic and ACT! split the business into silos and created a lot of unnecessary administration.

Hawes explains several ways NetSuite has overcome these challenges: “Now when an order comes in and is approved by the sales director, the warehouse operations immediately knows to fulfill it and the financial director to invoice it.” Thanks to NetSuite’s robust order processing system Bitemark now has reliable and cost-effective inventory management.

In addition, NetSuite’s capability to handle multiple web stores means that Bitemark MC can maintain its three separate sites, with their individual product sets and branding, and manage them all in one single, integrated account. This maintains one consistent set of operations and greatly improves efficiency.

Finally, due to the fact that NetSuite is updated and hosted by NetSuite on the Internet, staff are able to log in from anywhere, and indeed can be pulled in to cope with busy periods or customer support in a ‘virtual’ business model, cutting down on overhead expenses and giving Bitemark MC the flexibility to react to changes in its business volume.

NetSuite is core to Bitemark MC’s drive for efficiency and cost-effectiveness. The holistic view of the business it provided allowed Bitemark MC to determine its priorities more effectively - eliminating less profitable products and prioritising on key customer segments. This in turn allowed Bitemark MC to allocate resources where appropriate to directly drive the growth of the business.

Without NetSuite it would have been almost impossible to make hard hitting, effective business decisions. Or at least, decisions would have been flawed, made on different versions of the truth.

Good CRM is critical to any company but no more so than in a pure play online business like Bitemark MC, where customer intolerance for poor service is zero. With NetSuite, Bitemark MC’s relationship with customers is now based on effective communications and transparency. “We are middlemen and that means we must always be transparent,” says Hawes. “NetSuite allows us to effect and communicate changes to our customers immediately - whether it is to do with prices shifting against the US Dollar, the VAT change or new payment policies.”

“Thanks to NetSuite, we’ve been able to transform our operating model,” he says. “We are more dynamic, transparent, streamlined and integrated than ever before. We can scale to meet any challenge and are agile enough to react to volatile market conditions. We are a 21st century virtual company.”

Bitemark MC is using NetSuite to cut costs and establish an agile business model positioning it for future growth. Effective integrated processes and informed customer analysis are boosting margins and it has signed new business across Europe and the US. Hawes is looking stateside for future growth and says there’s a real possibility of establishing Bitemark LLC, “even if that is a little way off.”



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