



## Palo Alto Software Inc.

[www.paloalto.com](http://www.paloalto.com)



### At A Glance:

- **Company:** Palo Alto Software is the world's leading producer of business planning and management software for businesses of 100 or fewer employees
- **Location:** Eugene, OR
- **Industry:** Computer Software
- **Challenges:**
  - Lack of transparency into financial information hindered responses to fast-changing customer trends
  - Limited business analytics reduced ability to adjust product prices or alter bundle configurations in a timely manner
  - Separate accounting systems slowed financial rollups and ruled out sales aggregations between US and UK offices
- **Other software considered:**
  - Salesforce.com, Microsoft Dynamics CRM, Digital River, Fusionsoft
- **Results with NetSuite OneWorld:**
  - NetSuite OneWorld gives managers up-to-the-minute access to orders, inventory and financial performance, freeing time for strategic planning and permitting fast adjustments to pricing and bundle configurations
  - Integrated budgeting function puts "make-spend" information on all products onto managers' dashboards
  - Real-time visibility has helped executives increase decision-making productivity by 50 percent
  - Easier access to information has helped sales and accounting increase productivity by 100 percent
  - Aggregating financial rollups between US and UK offices are now performed on a weekly, rather than monthly, basis
  - Sophisticated analytics have helped Palo Alto Software sell more vertical-industry products into new markets.

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— Sabrina Parsons, CEO, Palo Alto Software

### Results

As the world's leading maker of planning software for small businesses, Palo Alto Software knew it had to upgrade its own software in order to be competitive in fast-changing markets.

Palo Alto Software sells business- and marketing-planning software worldwide via several websites and big-box retailers. Online sales were growing fast, but because management couldn't determine the profitability of individual product sales, and couldn't track customer behavior over long sales cycles, the company had difficulty seeing how specific pricing and configuration models were performing.

"In a tight economy it's easy to get stuck in the day-to-day details of the business," says Palo Alto Software CEO Sabrina Parsons. "We had to get the details under control so we could do more managing and less reacting."

With NetSuite OneWorld, Palo Alto Software was able to integrate its order processing, inventory, financial and product-catalog software, and then deliver real-time visibility into business performance via Web-based management dashboards. Supporting the dashboards are powerful analytics that help Palo Alto Software track everything from customer buying habits to profitability of individual products.

"This analysis lets us make fast adjustments in pricing, product bundling, configurations, and other areas," says Noah Parsons, Palo Alto Software's COO. "Also, we do a lot of advertising on the Web, and this means I can see instantly how each campaign is performing, and then make any necessary adjustments."

With NetSuite OneWorld, Sabrina Parsons is able to spend more time doing strategic planning than before.

"I can login to NetSuite in the conference room during our monthly planning meeting, and present up-to-the-minute information, without having to spend hours and hours massaging Excel reports into charts and graphs, and then moving those into a powerpoint," she says. "I just use my NetSuite dashboard and have access to all the metrics I need to run the meeting — immediately and effortlessly. We don't have to order reports and wait for them to arrive. We have the information at our fingertips. And, because of NetSuite and the caliber of our managers, thankfully we're keeping the business stable — even opening some new markets — during these difficult economic times."

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



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— Noah Parsons, COO  
Palo Alto Software

## Challenges

Before the company brought in NetSuite, Palo Alto Software was using three separate systems for customer information, US accounting and UK accounting.

“We might have orders coming in and inventory going out, but we couldn’t tie in to our financial systems,” says Sabrina Parsons. “We didn’t know in real-time if we were making money on the order, or how much we were making. And we wouldn’t know until a week after the fact.”

Noah Parsons had difficulty determining the effectiveness of changes in online marketing. “We might come up with special online pricing for a certain configuration, for instance,” he says. “The configuration might sell, but we wouldn’t know until later whether the price was good for our own profitability.”

Also, it took a month for Palo Alto Software to roll up financial results from the UK, so the problems caused by lack of timely information were even more severe in the UK subsidiary, which supported Palo Alto Software sales in the UK and in other countries in Europe and Asia.

“The frustration level was high,” Sabrina Parsons says. “I’d request a report, and it could take several days before it arrived. Then if I wanted to check on some detail, I’d have to request another one, and so on. Things move fast in this industry, so I might miss a great sales opportunity if I kept waiting for the reports. So all of us, myself and the other managers, ended up making decisions without the benefit of good information. NetSuite gives us the ability to immediately drill down to the right information — to help make financially sound decisions quickly.”

## Solution

With the integrated NetSuite OneWorld, Palo Alto Software is now able to drill into product performance, company financials, and customer trends, and get information that is literally up to the minute.

“Before it took two days to get a custom report,” says Sabrina Parsons. “Now it takes less than 15 minutes. And all our managers have their own standard reports on their dashboards, and can drill down whenever they need to.

“We’re able to make better decisions faster, and we’re able to communicate better because we’re all sharing the same information,” she says.

As for online sales, Noah Parsons says “We can track pricing, product mixes by version, or by bundle; we can see upgrade patterns and repeat-purchase patterns; we can filter out our best customers and watch their patterns. And we have had some cases where, through our analytics, we spotted purchases coming in from regional offices of several large companies. So we went to those companies and helped them organize their purchases — and we won more of their business.”

The NetSuite software is also helping Palo Alto Software monitor its own business performance by comparing detailed analysis of the company’s actual performance with forecasted performance, according to Noah Parsons. “We add the budgeting and forecasting numbers from our UK office and we’re able to see a complete, accurate monthly picture.”

So far, he says, the picture is good. “We’re typically beating our forecasts each month, he says, “And that’s good news in this economy.”



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