



SKOAH

FINDING HEADROOM FOR A GROWING BUSINESS



INTACCT'S INTUITIVE INTERFACE AND SEAMLESS INTEGRATION WITH OUR OTHER BEST-IN-CLASS SOFTWARE HAS BEEN GOLDEN. IT'S IMPROVED THE PRODUCTIVITY OF OUR TEAM TREMENDOUSLY AND BROUGHT REAL-TIME, TRUSTED FINANCIAL INSIGHT TO A BROADER AUDIENCE WITHIN THE ORGANIZATION.

Skoah is a spa and skincare brand that's been growing rapidly over the past fifteen years. The Canadian company's product line grew from five items in 2002 to over 60 in ten years, while the business also opened over a dozen retail spa locations throughout Canada. As Skoah prepared to expand to the United States, it faced major financial management complexities that its QuickBooks accounting software simply could not accommodate. For example, the company could not integrate its legacy point of sales (POS) system with QuickBooks. As a workaround, the team hired an offshore resource to manually re-enter transactions and journal entries from one system to the next, which cost around \$12,000 each year and introduced the potential for human error. Each retail store managed an avalanche of daily journal entries for credit and debit cards, cash, and gift cards

payments across various membership types. These complicated receivables were only becoming more cumbersome as Skoah's transaction volumes grew. But most importantly, Skoah needed a less Excel-intensive way to manage its multi-entity consolidations, as well as track its real-time business performance at the individual store level, in order to comply with the reporting expectations of its financing agent, the Business Development Bank of Canada. support. "The truth is, we were drowning in Quickbooks before we switched to Intacct," said Chris Scott, president of Skoah. "We could barely keep up with our growing business, especially given the high degree of complexity in our hybrid model of operating as both a product distribution business as well as a retail company with corporate-owned and independently-owned locations in two countries."

MEETING UNIQUE NEEDS WITH THE CLOUD

The team knew it was time to bring in a more sophisticated system, and turned to Intacct partner BAASS to help with the selection and implementation. Working with BAASS, Skoah made the strategic decision to deploy Intacct as the operating backbone of its all-cloud technology stack, which included other Canadian applications for managing inventory, point of sales and reservations. Since graduating to Intacct, the company has expanded dramatically, moving into Seattle and Boston, doubling its retail footprint, and embarking on an aggressive franchise expansion that should triple its retail footprint in the next two years. While this growth has increased Skoah's transaction volume, BAASS' integration work successfully automated several financial workflows. Now, all daily

financial activity is captured in the company's new POS and reservations system, Zenoti, and automatically pushed to Intacct without manual intervention. As a result, Skoah has effortlessly managed its growth, and enjoys more accurate data upon which to make decisions. And by cutting upwards of 40 hours a week that was previously spent on entering data, the company reduced its spending on outsourced data entry.

With Intacct, the finance team can easily handle its multi-entity, multi-currency monthly closes and consolidations, and can more strategically manage Skoah's cash flow and strategic budgeting. "Intacct's intuitive interface and seamless integration with our other best-in-class software has been golden. It's improved the productivity of our team tremendously and brought real-time, trusted financial insight to a broader audience within the organization," noted Scott.

DRIVING FASTER, BETTER DECISION-MAKING

Scott cites the biggest benefit of moving to the cloud as the ability to track individual store performance in one place. With Intacct's multi-dimensional reporting capabilities, Skoah's leadership are able to look at the financial results of specific stores or cluster them into key groups for comparison - by region, by ownership type, by e-commerce vs. brick-and-mortar, or by

maturity cohorts (i.e. newer stores vs. long-tenured locations).

This insight into revenue by location helps Skoah closely monitor the growth trajectory of individual stores. Now leaders can make key marketing decisions based on where they expect each store's financials to be during its initial ramp up months, as compared to several months after a grand opening. Thanks to Intacct, the company can check year-over-year and performance-to-budget results for each store or store type at any time, and make faster, better decisions about how and where to expand next.."

ABOUT SKOAH

Skoah has created a unique category in health and personal care, developing over 60 high quality skin care products that are sold at Skoah facial shops in Canada and the United States. The co-founders set out to create a different consumer skin care experience, including customized facials and easy to understand skin care plans intended to generate lasting results.



WE KNEW THAT WE WANTED A CLOUD-BASED FINANCIAL SYSTEM WITH TRUE CANADIAN CAPABILITIES AND A STELLAR CUSTOMER SERVICE TRACK RECORD. INTACCT WAS THE CLEAR WINNER OVER BOTH NETSUITE AND QUICKBOOKS ONLINE, DUE TO ITS OPEN APPROACH, AS WELL AS ITS PROVEN SUCCESS IN THE MARKET.