

Online Grocer Supports Rapid Business Growth With SAP Business One®

SAP Business One



ABOUT



Company

Name:
MexGrocer.com LLC

Industry:
Food & Beverage

Products:
Mexican products

ERP Solution:
SAP Business One®

Visit them at
www.mexgrocer.com

Challenges

- Logistics operations weren't handled in-house
- Data was disorganized due to multiple disconnected systems
- Manual processes caused mistakes

Why SAP Business One

- Automated, streamlined processes improved efficiency and productivity
- Real-Time data enhanced business insights
- Scalability and flexibility for growth

Why Vision33

- Support for core business processes without customization
- Largest SAP Business One reseller worldwide
- Lower implementation costs compared to other vendors

“SAP Business One's scalable base will support us for many years. Because SAP Ramp-Up made the latest software version available before its mass release, we've extended our usage period to the maximum.”

Nacho Hernandez, cofounder and VP of MexGrocer.com

When internet grocery company MexGrocer.com LLC brought its logistics operations in-house, it faced significant challenges in IT, keeping accounting current, and managing inventory.

The old spreadsheets and manual processes were no longer up for the job, preventing MexGrocer.com from growing.

It was time for new software.

Based in San Diego, California, MexGrocer.com ships goods to over 60,000 customers in 16,000 cities.

Founded in 2000, MexGrocer.com has had a solid compound annual growth rate of approximately 32%. To continue growing, the company implemented SAP Business One, which improved MexGrocer.com's operational efficiency and customer service and created a competitive advantage.



The move made sense. Not just for financial reasons we also realized our growth would hinder customer service if we didn't oversee daily operations."

Nacho Hernandez, cofounder and VP of MexGrocer.com

Mexican food with a mouse click

For generations, the Hernandez family has brought Mexican food products to the US market. MexGrocer.com is Ignacio and Nacho Hernandez, the father-and-son team carrying on the family tradition. The company sells premium products—from everyday staples like rice and beans to specialty items like mole sauce and an assortment of chili peppers—online.

Initially, MexGrocer.com outsourced its order fulfillment operations. However, the company brought its inventory in-house following a dramatic increase in storage and fulfillment costs. "The move made sense," comments cofounder and VP Nacho Hernandez. "Not just for financial reasons—we also realized our growth would hinder customer service if we didn't oversee daily operations."



Bringing Logistics In-house

Although the change was welcome, it was also challenging. Staff relied on manual processes, which slowed down order processing and extended customer wait times. In addition, unintegrated data sources made it difficult to track sales transactions and manage inventory.

Getting integrated business software was urgent. "To continue growing at the same pace, we needed a better grip on the business," Hernandez remarks. "We needed connected processes and easy access to real-time information. Only then could we make better, faster decisions and run the business efficiently."



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A trusted brand

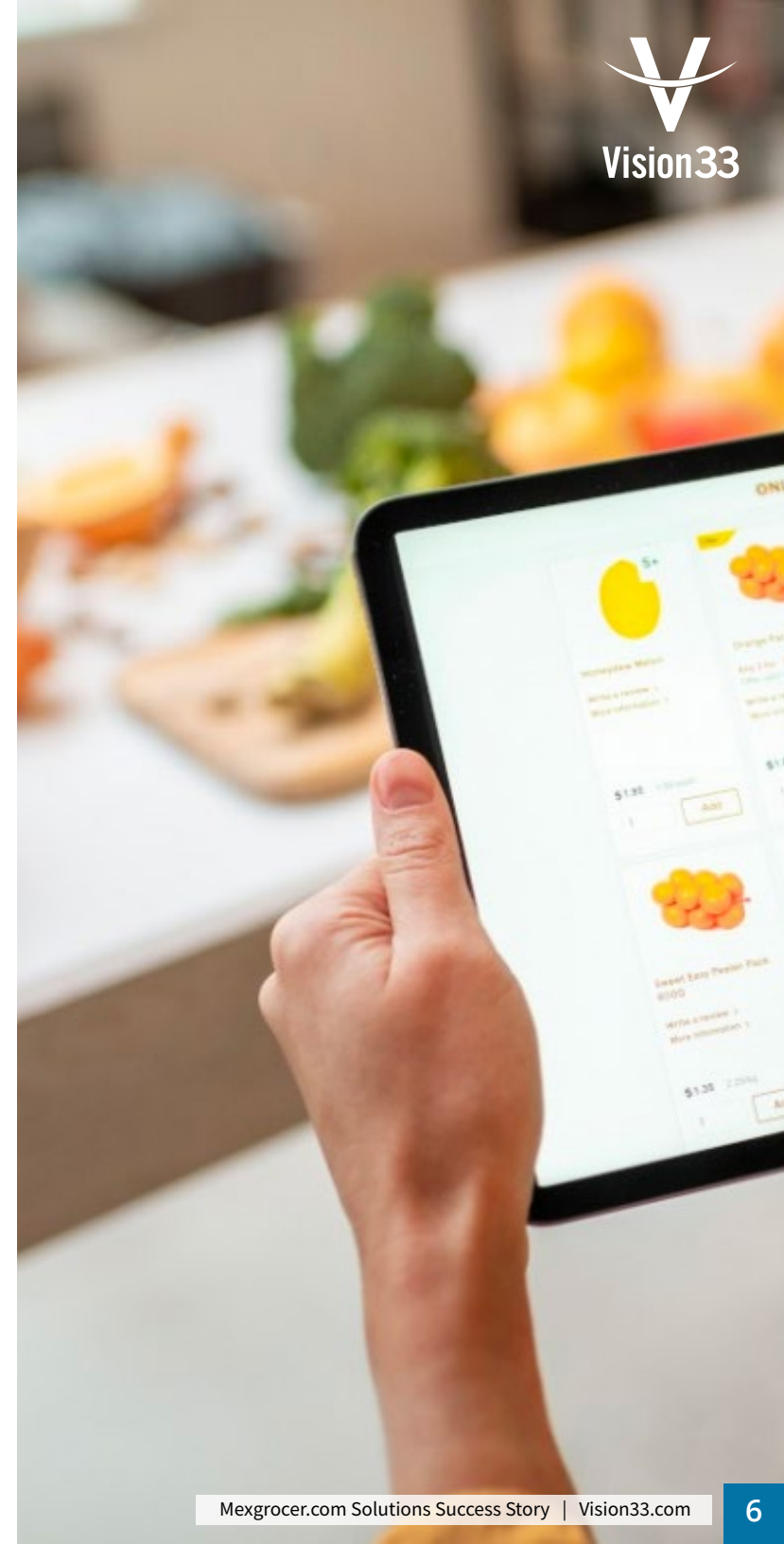
Ignacio Hernandez's previous positive experience with a large-scale SAP implementation at another organization influenced the decision to implement SAP Business One at MexGrocer.com.

"We were comfortable with the SAP brand," says Hernandez. "And we may be a small business now, but we won't always be—and SAP Business One can grow with us."

MexGrocer.com used the SAP Ramp-Up program to implement the latest version of SAP Business One—ahead of its public release. "We wanted the very latest technology to gain a competitive advantage over other online grocery stores. The SAP Ramp-Up program helped us by giving us access to its latest innovations," remarks Hernandez.

“ *We're providing a better customer experience, which has improved loyalty. If customers are happy with us, they'll purchase from us again—and tell their friends.*

Nacho Hernandez, co-founder and VP at MexGrocer.com





Smooth implementation

MexGrocer.com approached Vision33, a member of the SAP PartnerEdge™ program, to be its implementation partner.

After helping the MexGrocer.com team define project objectives, Vision33 planned a three-month phased implementation. “We didn’t want to disrupt daily operations, so we avoided a ‘big-bang’ approach,” says Alex Rooney, Vision33’s VP. “By phasing the implementation, MexGrocer.com could manage the transition without slowing the business down.”

Hernandez credits much of the success to the Vision33 consultants’ professionalism. “The deployment was controlled and well-organized,” he says. “Everything went smoothly, which would have been impossible without Vision33. They did a wonderful job.”

SAP Ramp-Up was also a critical success factor. The program ensured that Vision33 had a direct line to local product experts and SAP Ramp-Up organization members. When an issue arose, Vision33 consultants flagged the query as an SAP Ramp-Up issue, establishing a three-day deadline for its resolution and expediting project completion. The support team was very responsive, keeping MexGrocer.com on track.

For Hernandez, the SAP Ramp-Up organization's support was reassuring. "As this was an early rollout of SAP Business One's latest version, we knew we might encounter technical issues during implementation," he says. "However, the Vision33 consultants had access to SAP's expertise for fast, effective solutions."



Vision33's training was excellent, and SAP Ramp Up's online material was well put together. There's always a learning curve at the beginning of a project, but it didn't take long for us to get accustomed to the software."

Nacho Hernandez, cofounder and VP of MexGrocer.com

End-to-End processes

Thanks to integration using the SAP Business One Software Development Kit, order data from MexGrocer.com's website flows directly into SAP Business One. The information is then processed automatically throughout the order fulfillment cycle—from accounting and inventory record updates to picking and packing details. A seamless link to shipping software provided by the courier company enables MexGrocer.com to dispatch orders without staff manually reentering address details. And although new software was a significant change for the company's employees, Vision33-led training ensured that the MexGrocer.com team was up and running quickly.

MexGrocer.com also had access to online videos and other SAP Business One training materials through the SAP Ramp-Up organization's online education portal. "Vision33's training was excellent, and SAP Ramp-Up's online material was well put together," says Hernandez. "There's always a learning curve at the beginning of a project, but it didn't take long for us to get accustomed to the software."





With SAP Business One, we know exactly what we're selling and when products need replenishing—and we don't need to wait until the end of the month to find out if we're meeting our financial goals."

Nacho Hernandez, cofounder and VP at MexGrocer.com

Delivering a competitive advantage

With its seamless, end-to-end business processes, MexGrocer.com now manages its operations more efficiently. "We typically fulfill 50-200 orders per day. But SAP Business One's infrastructure will let us scale up to 500 orders a day when we need to. After that, we'll need a bigger warehouse!" laughs Hernandez. "But without SAP Business One, this would have been impossible."

Real-time data access gives MexGrocer.com's management improved decision-making support. "By consolidating our data, we have better insights and save time," remarks Hernandez. "With SAP Business One, we know exactly what we're selling and when products need replenishing—and we don't need to wait until the end of the month to find out if we're meeting our financial goals."

Better operational efficiency and information management have also improved MexGrocer.com's customer service. "We're providing a better customer experience, which has improved loyalty. If customers are happy with us, they'll purchase from us again—and tell their friends."



Foundation for growth

Hernandez predicts that MexGrocer.com will need to continue developing its IT infrastructure as it grows—but he knows SAP Business One has a solid foundation for expansion.

“SAP Business One’s scalable base will support us for many years,” Hernandez says. “Because SAP Ramp-Up made the latest software version available before its mass release, we’ve extended our usage period to the maximum.”

Hernandez concludes, “We’re confident we chose the right software, and with Vision33 and the SAP Ramp-Up organization to advise us as we grow, we’re confident we have a bright future.”

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Nacho Hernandez, Cofounder and Vice President, MexGrocer.com LLC





Vision33 transforms business processes and results for customers by delivering value through the promise of technology and its benefits for growing businesses. For over 30 years, Vision33 has helped companies integrate and automate their business processes and applications to better serve their customers, employees, and stakeholders. The technologies may have changed drastically in 30 years, but Vision33's mission has never wavered.

With over 1,000 customers worldwide, Vision33 helps manufacturers, distributors, service firms, and SaaS businesses outperform their competition and lead their industries with successful technology investments.

With nearly 500 employees, Vision33 offers product expertise, business experience, and innovative technology leadership. Whether a global company with 100 subsidiaries or a small business, Vision33 works alongside every customer to meet their goals.

Vision33 also has formal partnerships to resell, implement, and support leading ERP applications, is a leader in cloud deployment, and has developed exclusive products, including Saltbox (saltbox.io) and iDocuments (idocuments.io).

For more information about Vision33, visit www.vision33.com.

Contact your nearest Vision33 sales office to discuss how we can help transform your business.

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