Hincapie Sportswear, a cycling and lifestyle apparel brand founded by professional cyclist George Hincapie, was looking to accelerate the growth of its two main product lines – custom for cycling clubs and organizations, ready-to-wear for end consumers – but was hamstrung by a lack of data visibility across the business.

"Previously our ecommerce front end wasn’t integrated with our ERP, so we didn’t have the ability to view any customer history, or understand that it came through another channel," said Jennifer Horstmann, CFO of Hincapie Sportswear. "Orders could’ve been entered under a previous customer number, so we lost a lot of customer information. If a (cycling) team opened its own store, there may have been 50 people on the team, but we’d only have information on the leader."

Horstmann said Hincapie also had a hard time assigning new customers to a classification tied to a specific revenue stream or segment of the business, limiting visibility into where sales were coming from.

Manual Data Entry a Problem

Manual data entry was also a time-consuming, laborious process for Hincapie, requiring the small company to hire an additional staffer just to key each new order into its legacy ERP, making it hard to keep up with customer growth.

“We had multiple platforms and software running different websites, and it was not integrated with our ERP,” Horstmann said. “Reconciling our books was exhausting, and a month-end close took 45 days. There was a large frustration over having access to information in a reasonable timeframe. We didn’t know how much was sold the next day, or how much cash was collected, or how receivables were turning. It took so long to compile..."
Hincapie Sportswear Hits Its Stride with Cloud-Based ERP

Going to the Cloud

After implementing a cloud-based ERP solution from NetSuite, Hincapie gained a single cloud-based ERP and ecommerce platform that enabled it to envision unlimited expansion. The company was able to decrease the time of its financial close at month end from 45 days to 4 days, and gained real-time access to KPIs so it could analyze sales trends and respond quickly.

NetSuite also enabled Hincapie to remove manual processes for order entry and payment posting. As a result, its B2B and B2C channels tie back into a single platform, providing end-to-end business visibility.

Horstmann said in 2017, Hincapie made a strategic decision to introduce retail products into team stores created for its custom clients, including cycling clubs as well as collegiate and corporate teams, with a goal of increasing average cart size. She said this was something that was not possible with its legacy ERP system. In six months, the company was able to increase the average cart size of online orders by 15%. “We have custom customers adding things like base layers and water bottles, etc.,” she said. “It’s a great way to introduce our custom customers to our retail products.”

Greater Revenue Visibility

Using its legacy ERP, Hincapie wasn’t able to assign its customers to a revenue stream segment. So even with a great sales month, there was little visibility into sales composition and what was driving margin up or down. “Now with NetSuite we can drill down into the makeup of the revenue stream and margin,” Horstmann said. “We can do a better job of understanding margin and targeting areas of growth and how they impact the bottom line.”

Hincapie has also streamlined its order entry process with NetSuite, giving employees the ability to enter product information to create the order, post the cash, and with advanced procurement send the purchase order immediately to the factory. “It saved us a whole position, which in a small company is a big deal,” Horstmann said. “It meant when someone left accounting we didn’t have to replace them, allowing us to do more with less. As the company has grown, we’ve been able to place people in marketing and add sales people.”

Instead of adding a data entry position, Hincapie has also recently brought on a director of digital, to help the company grow through increasing its web traffic, improving SEO and running digital advertising campaigns, among other tactics.

Using the increased visibility in customer data, Hincapie is now better able to cross-sell and upsell members of its Hincapie Cycling Society, as well as riders in the two Grand Fondo cycling events it sponsors in Chattanooga, TN and Greenville, SC. “We’re able to identify people in the clubs, at events, riders in the Gran Fondos and Hincapie Cycling Society and market directly to those that haven’t purchased clothing or accessories,” Horstmann said. “Previously, we couldn’t pull that data out of the system to cross-market.”

Now with all of its business segments connected in...
New Website Will Consolidate Brands

Horstmann said Hincapie is now looking forward to the launch of its newly redesigned website and e-commerce platform in February 2018, which will consolidate its brands in one place, as another driver of business growth. “It will bring together the Hincapie Cycling Society, all our virtual clubs and brand ambassadors on social media, using technology to communicate to all of them,” she said. “We’ll become a bigger, more connected family as part of what we’re able to create. It’s especially critical since we don’t have our own physical stores – it’s all done through the platform.”

With its NetSuite ERP resolving data issues and delivering business insights, and the updated site going live early next year, Horstmann said Hincapie is freed up to expand its horizons.

“One of the great things about working for Hincapie is, we’re constantly challenging ourselves to look beyond what we offer now,” she said. “We’re no longer limited by our platform, so we can dream up things like, for example, ways to increase the average cart size, and find a way to make it work. For us it’s allowed us to dream bigger. We’re a small company but we’re looking at things like new style introductions, and we’re confident that we’ll have the insights into what sizes and colors are best sellers. Previously we didn’t have access to that kind of data.”

real time, Hincapie is able to look at revenue by channel and work with the sales team on its goals, and have them align with where the revenue growth is coming from. “Now we can go back and tailor our sales goals and commission structure to align with what we want to achieve,” Horstmann said. “Once you have that available to you, the possibilities are endless. We have the opportunity to refine the business, focusing on what’s working and discontinuing things that aren’t functioning at the level they need to:”

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