

Case Study Series

InsightSquared and
Mojo Motors

How Financial Analytics Helped Mojo Motors Accelerate Growth



INSIGHTSQUARED

Introduction

Mojo Motors, a rapidly growing automotive classified website, was in many ways, moving too fast for its own good. With sales accelerating and revenue climbing, executives at the company discovered that the way they had been analyzing their business wasn't keeping pace with the company's growth. Before long, the company's leaders realized that they needed a solution; something they could use to help them track sales data and tie it to the company's financials in order to better understand their performance and make the right decisions to drive growth.

That's when they found InsightSquared. This case study documents how Mojo Motors started using InsightSquared's industry-leading QuickBooks analytics product to gain insight into its sales and financial performance.

So Much Time in Excel, So Few Insights!

Mojo Motors first began using InsightSquared's sales reports when CEO Paul Nadjarian hit a breaking point: He was wasting hours upon hours in Excel building reports from Salesforce just so he could cobble together a basic understanding of his sales team's performance. And he wasn't alone: Turner Parlin, Business Development, was also spending countless hours building his own set of ad-hoc financial reports. "Before InsightSquared, I was in Excel on an almost daily basis," Parlin explained.

Mojo Motors also wanted to grow their business, but they knew they needed better insights into their sales and financial data to do so. Luckily for them, InsightSquared, who was already providing Mojo Motors with sales analytics, entered the financial space and launched a new analytics product for QuickBooks. Executives at the company soon discovered that combining InsightSquared's Salesforce analytics and financial analytics was the perfect way for the company to see the full picture of Mojo Motors' performance.

With InsightSquared's Sales and Finance Analytics, Mojo Motors:

- Grew the company by 2.5x
- Improved customer satisfaction
- Saves 500+ hours a year not building reports in Salesforce and QuickBooks
- Avoids over 35 invoicing errors per year
- Can see and understand how revenue and collections are trending

Using InsightSquared's to Avoid Growing Pains

Mojo Motors began using InsightSquared's sales reports about 2 years ago to accelerate sales and increase the number of employees in the company. During those last 2 years Mojo Motors grew from a company of less than 10 people to a company of 25 full-time employees. "InsightSquared helped make this rapid growth less painful," said Sam Jackson, Marketing Coordinator. "The intuitiveness of the product makes it easy to train new hires and to make sure that everyone is using the tools effectively and efficiently."

"Once we started using InsightSquared, we gained a lot of perspective into things we were either ignoring or not doing correctly," said Daniel Harman, Vice President of Sales and Marketing. "InsightSquared is a system with best practice in mind. It gives us visibility into the types of things a more experienced sales organization would be tracking. So it has really opened our eyes."

InsightSquared also eliminated the painful hours the management team spent building Salesforce and QuickBooks reports. “I would say that by using InsightSquared I’m saving 2 hours every week, which adds up to over 100 hours a year! As a company, InsightSquared is saving us at least 10 hours a week,” said Parlin. This adds up to a staggering 520 hours a year, which the company can now spend on other, more productive tasks.

Real Financial Insights are Rare in QuickBooks

Mojo Motors is a data-driven company and power-users of InsightSquared, so when InsightSquared rolled out the beta version of their finance reports about 6 months ago, Mojo Motors was one of the first companies to sign up for it and provide feedback.

Mojo Motors had been using QuickBooks for a long time, but found it very difficult to operate. They wanted something that would enable them to glean sales, profit and loss and financial insights from QuickBooks easily and efficiently.

“QuickBooks is not easy to use and we’ve had it forever,” explained Harman.

“InsightSquared’s finance reports have been hugely helpful in allowing us to see how revenue is trending and how collections are trending.” InsightSquared’s finance reports officially launched this past February. Since then, the suite of financial reports has received positive feedback from existing customers who added the finance reports to InsightSquared’s other business reports, as well as new customers who purchased the finance reports as a standalone.

Improving Data Quality, Making Customers Happy

Paul Nadjarian, the CEO of Mojo Motors, is the heaviest user of InsightSquared’s finance product, which he uses on a daily basis. Nadjarian now has the ability to look at invoices and cash collected like never before. With the Invoices report he can see how company revenue is changing over time. The Revenue report compares invoiced versus collected revenue over time and by account. Nadjarian utilizes both the visual elements of the charts and the accompanying tables that are built in to every InsightSquared report to get a full picture of Mojo Motor’s financials. “InsightSquared gives us the ability to monitor data quality,” said Nadjarian.

With InsightSquared’s finance reports, Nadjarian can look at his company’s data as often as he wants, at any time and from any computer. “InsightSquared’s finance reports are like a daily check-in to see how things are going,” said Nadjarian.

“I like to look at the trending charts; I also drill down into the current month and the previous month within the reports. In the Account Receivables report, I tend to look at the Days Sales Outstanding (DSO) line.” DSO is a metric that measures the accounts receivable, or money waiting to be collected, relative to the company’s sales. The DSO report provides Nadjarian with insight into whether or not Mojo Motors is getting better at collecting revenue from their customers.

“The DSO report has helped us become more efficient at collecting revenue,” explained Nadjarian. “It helps us keep track of outstanding bills and gives us an idea as to whether we are doing better or worse than before.”

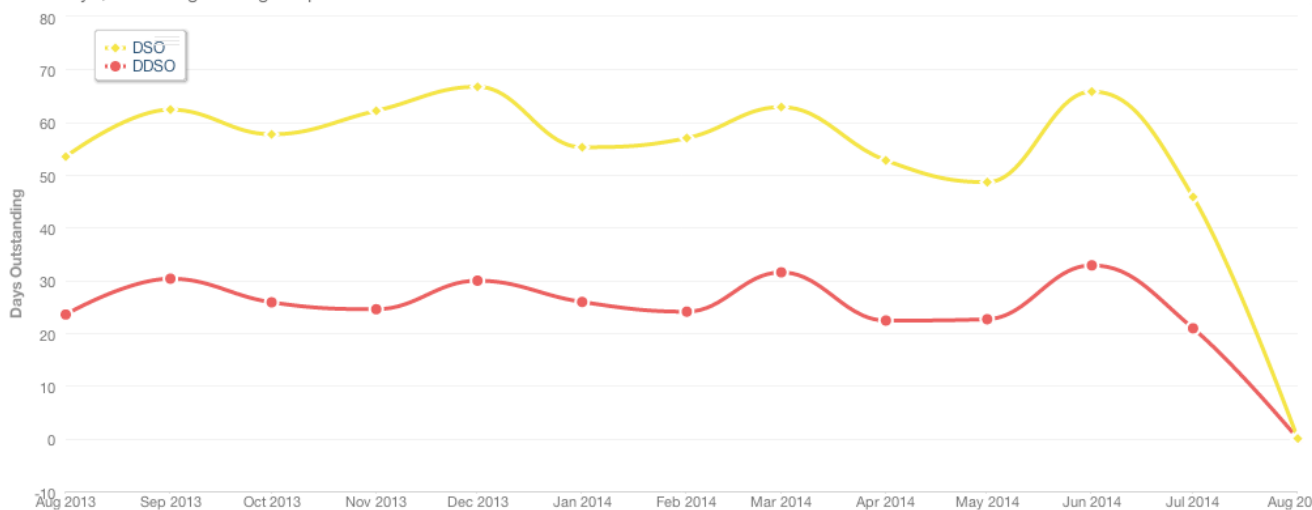
“Since we’ve started using InsightSquared, our monthly DSO has decreased by 70%” said Harman. “This decrease is from better insights driving improved processes in collections.”

How long does it take us to collect?

53.1 days, on average during the period selected

Custom Last This To Date **Trailing**

7D 30D 90D **12M**



SELECTION

INTERVAL

All Top 15 None Default Filtering

Export

Period Ending	Total AR	Total Overdue AR	Invoiced Sales	Days In Period	DSO	DSO
<input checked="" type="checkbox"/> 05 Aug 2014	\$1,178,067	\$565,538	\$0	31	0.0	0.0
<input checked="" type="checkbox"/> 31 Jul 2014	\$1,210,953	\$552,305	\$819,599	31	45.8	20.9
<input checked="" type="checkbox"/> 30 Jun 2014	\$1,547,378	\$772,288	\$705,724	30	65.8	32.8
<input checked="" type="checkbox"/> 31 May 2014	\$1,599,930	\$744,346	\$1,020,520	31	48.6	22.6

Image 1: An example DSO Report in InsightSquared that companies like Mojo Motors can use to track (and reduce) how long it takes them to collect customer payments.

Yearly, InsightSquared's finance reports prevent Mojo Motors from making over 30 critical errors in invoicing their customers, Nadjarian told us. "By using InsightSquared, we find at least 2 or 3 instances each month where a customer is being either overcharged or undercharged," Nadjarian further explained. "I can easily find those invoicing errors in InsightSquared's finance reports, which is a huge help when it comes to customer satisfaction. When you look at your business data daily versus weekly, it's easier to spot the anomalies."

The Accounts Receivable report is another favorite. This report allows the user to see their accounts receivable over time, broken down by how overdue they are. "There is nothing like the Accounts Receivable report in QuickBooks, and we've found this particular report to be very valuable," said Harman.

InsightSquared has also proven valuable in some unexpected ways. When creating his pitch deck for investors, Nadjarian takes screen shots of the DSO report, the Invoice report and the Customer Payments report. "These reports lend some credibility, especially because they come from our internal system and show exactly what the system says," Nadjarian explained.

Curious about how InsightSquared's suite of financial reports can help your business like it did Mojo Motors? Read the next page for a one-page guide to InsightSquared's new "Cash Waterfall Report," which has revolutionized the way business leaders understand their company's cash flow.

Cash Waterfall: A Cash Flow Report For Humans

Boiled down, the job of a CEO is actually quite simple: **Make sure your company doesn't run out of money.** If a CEO can track exactly how much cash is coming in, how much is going out, and most importantly, why, his job is a lot easier. Unfortunately, accurately measuring cash flow isn't so easy – especially in QuickBooks.

1 // The Problem: Cash Flow Chaos

If you've ever looked at a cash flow report, you probably ended up more confused than you started. And, sadly, the more time you spend with cash flow reports, the more perplexed you're likely to become. What's the difference between **indirect** and **direct** cash flow reporting? Why does **QuickBooks** show cash flow in one way, while the **Financial Accounting Standards Board** (FASB) opts for another?

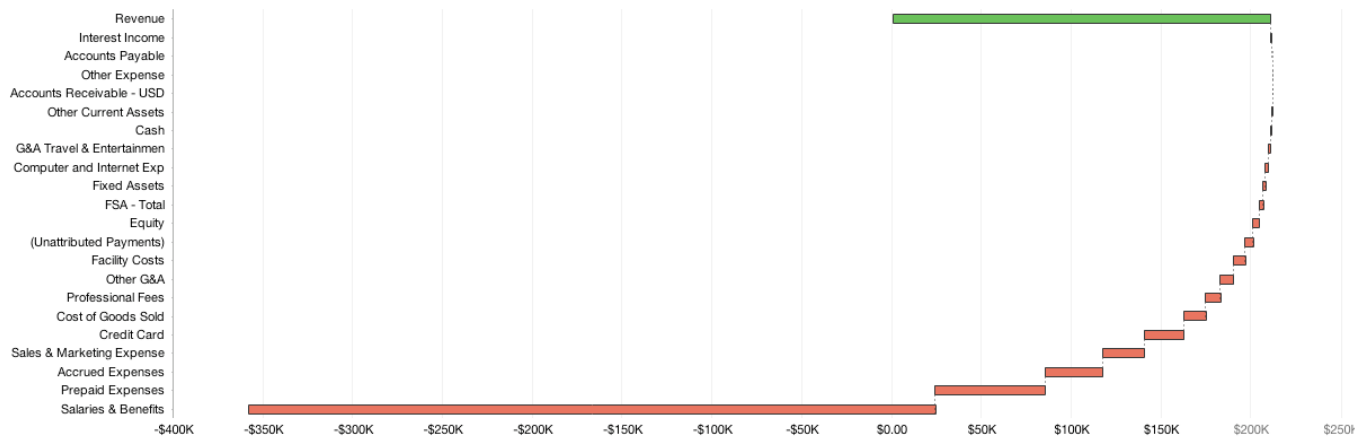
The short answer is that there has never been a good way to tell a coherent, straightforward story about exactly where a company's cash is coming from and going to. Instead, finance software like QuickBooks has been forced to display cash flow in a way that is only intelligible by full-time finance professionals (and often not even by them).

Until now. The new **cash waterfall** has all the benefits of a direct cash flow report. **And it's designed for humans.**

2 // The Solution: Cash Waterfall Report

How has our cash position changed?

-\$358,492 change in cash from 01 Jan 2014 to 31 Jan 2014



The Cash Waterfall is the ideal way to visualize and measure the direct method of cash flow reporting. First, it shows (in green) **where your company's cash is coming from**, and below that it shows (in red) **all of the places your company's cash is going**: marketing spend, facility costs, professional services, and so on. As any financial professional will tell you, allocating cash outflows to the right P&L categories is extremely difficult, but it is the only way to really understand where your cash is going. And the cash waterfall does it all for you.

It's really that simple: **your company's direct cash flow statement in a single visualization.** No more cobbling together your cash position from disparate (often contradictory) reports. No more relying on the indirect method just because it's the way QuickBooks has always done it. Instead, you have a complete, easy-to-understand story of exactly where your company's cash is going to, coming from, and why. All in real time.

Want to learn more about how financial analytics can help you understand your company?

sales@insightsquared.com



INSIGHTSQUARED

#1 for QuickBooks Analytics

About InsightSquared

InsightSquared is the #1 QuickBooks Analytics product for small and midsize businesses (SMB). Unlike legacy business intelligence platforms, InsightSquared can be deployed affordably in less than a day without any integration costs and comes preloaded with reports that real business people can use. Hundreds of companies and thousands of users around the world use InsightSquared's award-winning analytics to maximize sales performance, increase team productivity and close more deals. If you want to see how InsightSquared can help you, request a FREE trial today.

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