

Verlo Mattress

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Resting Easy: Saving Up to 80% of Administrative Time

For nearly 60 years, customers have turned to Verlo Mattress dreaming of a good night's sleep. The direct-to-consumer manufacturer has built a well-earned reputation for quality mattress craftsmanship at affordable, reasonable prices. It's all delivered with a smile and a satisfaction guarantee through its 41-and-counting franchises across the Midwest, Texas, and the eastern seaboard.

Transparency and integrity are part and parcel of Verlo's operations. So much so that the manufacturing facilities behind the showrooms at franchise locations even have a glass wall where customers can watch their mattress being fabricated and see the care and attention that goes into each product.

But for all the transparency its customers have into the mattress creation process, Verlo administrators never had the same level of visibility into the company's franchisees' financials and operations.

The need for a pot of coffee

Hand crafting comfortable, durable mattresses is a skill developed over years of practice and one that requires intense focus and dedication. As it turns out, effectively overseeing a growing franchise-based organization does too. Emily Espinoza, Verlo Mattress' Director of Franchise Administration, manages many of the company's most essential business operations — franchise agreements, lease agreements, and insurance collection, along with collecting all of the financials from the company's growing franchise footprint.

"I used to receive all these important documents — financial statements and the like — as saved PDFs, Excel spreadsheets, and even Word documents," Espinoza says. "If I wanted to get any information or insight out of them, I first had to manually enter the data into a different Excel document and individually create the formulas I wanted to run to get the information I needed."

Espinoza says that, on average, she juggled as many as five different spreadsheets, each with dozens of line items and columns for each franchise in a peer group she wanted to



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FRANCHISES



PROFITKEEPER BY PRIMEPAY

Initial Challenges

- Replacing time-consuming manual financial data aggregation and reporting
- Improve data accuracy and reporting granularity
- Accelerate P&L statements, financial projections, and per-franchise performance reporting

Solution

Verlo Mattress adopted PrimePay ProfitKeeper to streamline data management tasks like gathering and aggregating data across franchises to better visualize financial performance and enable franchisees to manage their business.

Benefits

- Reduced P&L creation from 15 minutes per report to less than 3 minutes.
- Reallocated as much as 90% of administrative time to other, higher-value business activities
- Enabled franchisee self-service to upload financial documents in a pre-approved, usable format for simpler processing
- Created custom peer groups to help franchisees compare their performance against franchises of similar sizes or geographical footprints

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report on. "Compiling a single profit and loss statement could take as long as 15 minutes per statement," she explains. "Multiply that by 39 franchises and with the knowledge that the information was only as good as my formulas...my stress levels were through the roof and I needed a pot of coffee just to get through the day."

Putting manual processes and data accuracy concerns to bed

A chance encounter with PrimePay ProfitKeeper at the International Franchise Association convention changed everything. One of Espinoza's coworkers dropped by the booth and gathered some information about ProfitKeeper, a leading franchise management software platform.

After a comparison with other options on the market, Espinoza—and Verlo Mattress as a whole—were sold. Unlike the other complex and more expensive options, ProfitKeeper makes it easy to aggregate, analyze, and mobilize data across multiple franchise operations in a standard manner from a single location.

ProfitKeeper's one-click design gives Espinoza access to a range of helpful visualizations, dashboards, franchise rankings and instant analysis of key performance indicators (KPIs). Now, Espinoza uses ProfitKeeper to quickly run periodic comparison reports, showing an individual franchise's performance year-over-year or quarter-by-quarter. Also, since data is collected and stored centrally, it's finally possible to report on historical performance, helping highlight trends over longer periods of time that may not be as obvious in simple snapshot reports.

She can also easily set up custom peer groups and share reports that allow her and franchisees to compare their performance with other franchises of similar size or in their geographic area—ideal for location-level decision making and network-wide collaboration.

A (pillow) soft landing

Incorporating ProfitKeeper has been a significant advantage to the Verlo Mattress franchise network and helped put Espinoza's mind (and worries) to rest.

She says new franchisees, in particular, have been eager to start using the solution as soon as their first quarter of financials is available because they're curious how their spending, revenues, and general performance compare with other franchises of similar sizes and regional locations as theirs.

The instant adoption has already paid significant dividends, helping many franchisees identify miscategorized or misappropriated records in their accounting ledgers that skewed results of various operational analyses. More importantly, ProfitKeeper has transformed Espinoza's work and better positioned the company for sustainable growth and success in the future.

"The P&L and reporting tasks were just so time-consuming. I used to spend 80% or 90% of some of my days just organizing paperwork and trying to get reports pulled together and my frustration level was a nine out of 10," she says.

“With ProfitKeeper, I spend less than three minutes creating P&Ls, which is maybe 10% of my time. My frustration levels have dropped to near-zero.”

Not to mention, she now only drinks a cup or two of coffee each day!

The company's newest franchisees have all adopted ProfitKeeper, along with several longer tenured ones. Espinoza anticipates as many as 49 more locations implementing it in the next two years as the business continues to expand. And, no matter what the business needs, Espinoza knows ProfitKeeper will be ready.

"There's really no telling what the business will look like or what our franchisees will need years down the line," she says. "But even if something isn't available right now in the many reports ProfitKeeper offers, I know that I can make a request with the ProfitKeeper team and they'll create and load what I need really quickly. It's like the platform grows when we do and I love that."



ProfitKeeper was super easy to set up, is appropriately priced, and features self-service tools so franchisees can upload their own financials in a usable format. We have consistency across accounts and terminology, so we can generate a range of reports in minutes.”

– Emily Espinoza, Verlo Mattress' Director of Franchise Administration.

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