

Pet Supermarket Removes Barriers for eCommerce Growth with Vertex

Company Profile

Pet Supermarket offers pet lovers a one-stop shop to purchase from over 10,000 SKUs of premium pet food, supplies, and services. Their sales channels include over 200 brick-and-mortar locations across 48 states, their eCommerce website petsupermarket.com as well as multiple marketplaces such as Instacart and Door Dash. They also support an omnichannel business strategy comprised of BOPIS: buy online, pick-up instore, BORIS: buy online, return in-store, and curbside pickup.

“There is nothing more important than having a solution you can trust. This is one part of my tech stack that I don’t have to worry or think about. I can just set it and forget it and know that it’s working correctly.”

Matt Ezyk, Director of eCommerce at Pet Supermarket

Challenge

Pet Supermarket processes 100,000+ eCommerce transactions every year. However, with this volume comes a series of common barriers to growth including:

- 1. Tax and pricing inaccuracy:** Inaccurate tax calculation can hurt a business’ reputation, impact profit margins, and lead to audit penalties or even civil litigation. Pet Supermarket wanted to mitigate that risk as much as possible. In the words of Matt Ezyk, Director of eCommerce at Pet Supermarket, “If tax is not accurately calculated, we cannot transact.”
- 2. Increased abandoned carts:** According to the Baymard Institute, the average rate for cart abandonment seen by eCommerce businesses is 69.8%. Pet Supermarket wanted to ensure that nothing negatively impacted their transaction processing speed, contributing to incomplete purchases.
- 3. Loss of potential revenue (from regional tax holidays):** When regional tax holidays, such as the Disaster Preparedness Sales Tax Holiday pop up, they usually require making tax content updates last minute. Pet Supermarket wanted the agility to participate in regional tax holidays, which represent potential additional revenue.
- 4. Market competition:** Amazon has Prime Pet Day and Walmart has Walmart Plus Week. Pet Supermarket wanted the flexibility to be able to compete with other pet supply retailers during peak sales periods in the market.
- 5. Negative customer experience:** Consumers often prefer to shop across a variety of mediums and in a variety of ways. Pet Supermarket wanted to deliver an optimal customer experience by maintaining consistency, regardless of how, when, or where their customers choose to shop and transact.
- 6. Poor Record Keeping:** Tax returns and exemption certificates are required for tax audits. Pet Supermarket wanted to ensure an optimal purchase experience for customers (regardless of exemption status) while reducing risk of audits and penalties, by enabling access to relevant data, reporting, and documents.

Pet Supermarket

Company

Pet Supermarket

- Sells premium pet food, supplies, and services
- Been in business for 50 years
- 10,000+ SKUs

Location

- Headquarters: Sunrise, FL
- 200+ stores across 48 states

Transaction Volume

- 100,000+ transactions annually

Sales Channels

- E-commerce website petsupermarket.com
- 200+ brick-and-mortar locations
- Marketplaces including Instacart, Door Dash

Vertex Solutions

- Vertex for Salesforce Sales Cloud (CRM)
- Vertex for Salesforce Commerce Cloud
- Vertex Indirect Tax Returns-North America
- Vertex Exemption Certificate Manager

The Solution

Pet Supermarket integrated Vertex O Series with their Salesforce Sales Cloud and Commerce Cloud solutions to help optimize their invoice-to-cash and order-to-cash processes for B2B and B2C eCommerce.

With [Vertex for Salesforce Sales Cloud](#), Pet Supermarket can automate tax determination on every sales transaction in real time. They now have a method to support tax determination on opportunities, address cleansing, and multiple tax drivers. They can also customize custom objects and fields as well as the process flow to trigger the tax calculation.

[Vertex for Salesforce Commerce Cloud](#) enables Pet Supermarket to automate tax determination within the invoice-to-cash process. This integrator handles all complexities of wholesale transactions including varying customer taxability, easily integrating to Vertex Certificate Center (more on that below) for application of exemption certificates when needed — and when Pet Supermarket needs to purchase for themselves, they will be charged the appropriate taxes owed.

Once they automated their calculation process, Pet Supermarket also implemented Vertex technology to automate and improve the compliance process:

- They use [Vertex Indirect Tax Returns](#) to produce signature-ready returns for North America indirect taxes based on tax data files generated by the Vertex tax engine, and;
- [Vertex Exemption Certificate Manager](#) to electronically store, track, and collect sales and use tax exemption certificates.

The Results

1. **More Accurate Charges on Transactions:** Tax is calculated more accurately on each of Pet Supermarket's 100,000+ transactions they process each year, driving a 97% decrease in audit fines and penalties.
2. **Fast and Consistent Tax Calculation Speed:** Within milliseconds Vertex calculates tax rates, regardless of seasonal or unexpected spikes in transaction volumes, decreasing the likelihood of cart abandonment.
3. **Flexibility to Support Revenue Opportunities (from tax holidays):** "Most of our stores are in Florida where the Governor has expanded a hurricane relief tax holiday. Our Accounting Manager just takes a list of SKUs and updates them in Vertex to indicate they will be tax free and that flows through all of our jobs and makes it really simple for us. It's also obviously a sales boost to be able to offer that to our customers", said Ezyk.
4. **Scalability to Support Optimal Performance:** Regardless of the transaction volume, whether it's 1,000 or 100,000 transactions, Vertex easily scales to accommodate Pet Supermarket's needs while maintaining optimal speed and performance.
5. **Consistent Customer Experience Across Channels:** By streamlining tax-related processes, Pet Supermarket helps create a consistent and optimized shopping experience across various sales channels and methods, reducing potential friction for their customers during the purchase process.
6. **Efficient Management of Returns and Exemption Certificates:** Pet Supermarket can now electronically store exemption certificates to help ensure accurate tax determination and effortlessly generate signature-ready returns for North American sales taxes, all facilitated by the Vertex tax engine.

By connecting Vertex's tax engine with their Salesforce applications, Pet Supermarket saw significant improvements that span tax accuracy, operational efficiency, and customer experience enhancement. Ezyk underscores the importance of trust in the solution, stating, "There is nothing more important than having a solution you can trust. This is one part of my tech stack that I don't have to worry or think about. I can just set it and forget it and know that it's working correctly."

To discover how you can also see similar success, visit our Salesforce partner page: vertexinc.com/partners/salesforce.

Pet Supermarket implemented the following Vertex products:

- Vertex for Salesforce Sales Cloud (CRM)
- Vertex for Salesforce Commerce Cloud
- Vertex Indirect Tax Returns-North America
- Vertex Exemption Certificate Management

