

## Residential & Light Commercial Contractor Builds on Success with SolarNexus



Allterra Solar is a solar contracting company based in Northern California. In early 2012, Allterra adopted SolarNexus to improve their business management and help them handle their growth. One year later, Allterra has become the largest provider of residential solar systems in Santa Cruz County, California, and is now earning approximately \$84,000 per year more in margin. This case study reveals how Allterra has benefited so greatly from using SolarNexus.



### Company profile

- Allterra is a premier supplier of residential and light commercial photovoltaic systems in the Santa Cruz, California area.
- Established in 2004, Allterra began offering solar in 2008.
- Team Size: 16 solar-focused employees
- 2012 Sales: 460 kW<sub>p</sub>; Estimated 2013 Sales: 1.0 MW<sub>p</sub>

### Benefits of SolarNexus to Allterra Solar:

- Annual revenue growth attributed to increased sales specifically due to SolarNexus: \$250k
- Additional annual margin due to those sales: \$40k
- Annual cost savings due to SolarNexus: \$44k
- Annual cost of SolarNexus All Pro for 8 users: \$5.6k

“SolarNexus gives us the tools to make our business more profitable, our clients more satisfied, and our employees happier.”

James Allen, CEO  
Allterra Solar  
www.allterasolar.com

### Business situation

When Allterra began offering solar services to commercial and residential customers in 2008, leads were referral-based and came from existing customers and associates. As their solar services developed, they grew their marketing and lead generation efforts.

In 2011 Allterra conducted several marketing campaigns resulting in significant lead growth. However, by the first quarter of 2012, their lead generation efforts had become so successful that tracking and management of those leads became a true challenge.

At the same time, their project team was already busy and on the verge of being overwhelmed. Since 50% of Allterra’s solar employees are typically outside of the office at any given time, keeping their team organized and productive was paramount.

Allterra is also a SunPower Dealer and needed a way to manage their projects that were sold both through and independent of SunPower. About 20% of Allterra’s jobs were sold by SunPower, with Allterra acting as the installation partner.

Allterra recognized it needed to improve company communication, organization, and effectiveness.

	2011	2012
<b>Revenue</b>	\$300k	\$1.0M
<b>Market Rank*</b>	#3	#1
<b>Market Share*</b>	8%	20%
<b>Total kWp</b>	150	460
<b>Solar Employees</b>	6	16
<b>Full-Time Crews</b>	1	3

\*Based on CSI data for residential systems installed in Santa Cruz County, CA

#### Reasons for Choosing SolarNexus:

- Solar-specific workflow, fields, and design matches contractor needs
- Flexibility to manage and quote PV, solar thermal, and non-solar jobs in one platform
- SolarNexus adapts with industry changes, so no costly revisions required over time
- Training, documentation and support is included / unique solutions usually require self-support or consultants

#### Technical situation

To manage all of this information, Allterra had been using a combination of Excel, the SunPower Dealer Portal, Clean Power Finance, other tools from third-party financing providers, and white boards for sales, project management and tracking. Files were stored on a shared drive and paper files.

“We needed a solution to reduce the repetitive data entry and keep ourselves from investing more and more time into so many different solutions. We’re a solar company and wanted to focus on selling and installing,” said James Allen, Allterra’s CEO.

During the initial analysis of the company’s business management needs, Allterra began looking at cloud-based systems.

Nathaniel Allen, Allterra Chief Operating Officer, had the following to say on Allterra’s thought process:

***We did our homework and looked at a variety of CRM solutions like Salesforce. We knew of other solar contractors that had gone through such an implementation. Though the initial consultant estimates seemed reasonable, they did not account for the man-hours it took to deploy and set up such a system for a solar company. The development time was a key issue; setting up a CRM solution would be a huge distraction to our business. We’re a solar company, not an IT company.***

The ideal solution was to find an off-the-shelf platform that allowed Allterra to pull together their lead management, sales and project management operations all into one system. This is when Allterra discovered SolarNexus.

When the Allterra team listed out its core requirements, they increasingly found that SolarNexus already offered what they needed.

“We saw the potential in having an online solar project management system and believed committing to it would greatly improve our effectiveness over time,” said Nathaniel Allen. “Having our management, sales, design, and installation teams use one platform to communicate and track our projects has greatly improved our company’s operations.”

Allterra now tracks and manages all leads and projects with SolarNexus.

## Benefits

Allterra found benefits from using SolarNexus in three areas: reduced costs, improved revenues, and qualitative benefits that lead to better quality of work and reduced personal and organizational stress.

### Reduced Costs

Allterra executives estimate that they now save approximately 11 labor hours – or \$450 per project – on average. This is how:

**Better Lead & Client Management:** Allterra’s cost of sale is lower because prospect information is more efficiently prioritized, followed-up upon, and distributed to the right people within the company to take the opportunity to the next step. When accounting for all of the handoffs and drops of customer information, this saved approximately two hours per project just by maintaining information in a more streamlined way. Another two hours per project is saved during the sales process and other customer service-related benefits.

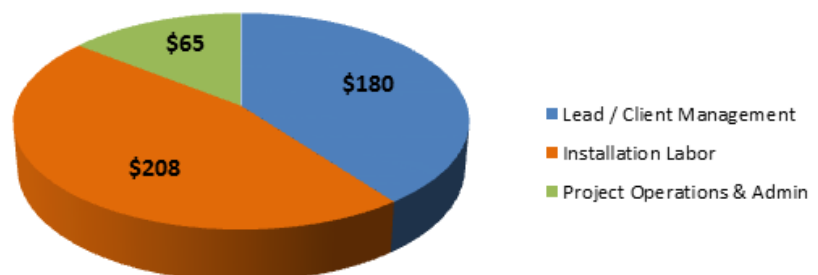
**More Efficient Handoffs:** Whether it’s viewing the most recent progress on a job, knowing immediately when the next phase of a project can get started, or accessing any relevant project documents or files within SolarNexus, Allterra’s mission-critical information can be accessed by those that need it, when and where they need it. About an hour and a half is saved on each project as the design teams can more rapidly get the data they need to appropriately engineer the system and by managing documents, drawings, and other project files online in a more seamless way along with the rest of the client and project information.

**Improved Installation Speed:** In the past, it was common for relevant site details, like truss spacing or roof obstructions, to not be communicated properly or consistently. This led to the need for extra or different parts. With SolarNexus, the site details are clearly outlined so the team knows what to expect when they’re onsite. This saves an estimated five hours per project through accessibility to key site and design data.

#### Savings:

- Cost savings of \$450 per project, or \$0.08/Wp in lower project costs
- Reduced sales and project labor by about 11 hours per project
- Allterra’s cost reductions over two months (not including the other financial and non-financial benefits) covered the cost of SolarNexus for the year

### Approximate Per-Project Savings Seen by Allterra Due to SolarNexus Efficiency Gains



### Significant Revenue Growth

Over the last year, Allterra's solar revenue grew from \$300k to \$1.0M. Part of this is due to the ability to sell more effectively to existing leads, and part of this is the result of being able to generate and fulfill more opportunities.

David Stearns, Allterra's Marketing Director, attributes this growth to successful marketing, a great sales team, and SolarNexus. "SolarNexus definitely played a major role in helping us ramp up as quickly as we have."

**Scalable Operations:** By putting SolarNexus in place as a standardized solution for all key personnel, Allterra's sales more than tripled in one year, and without the typical growing pains most companies experience. 2013 projections are to grow by another 100%. But Allterra won't need to double their number of employees to achieve this. And as Allterra grows and evolves, SolarNexus allows them to make the adaptations they need to evolve and painlessly hit their targets in the years to come.

SolarNexus provides them with standard processes so new employees can be more efficient and contribute more right away. The ability to assign projects to employees clearly defines responsibilities and expectations, improving operations overall.

#### Key Revenue Benefits:

- Scalability from SolarNexus enabled 3X growth in one year
- Faster project times & more effective sales tactics enabled by SolarNexus have led to approximately \$20k in extra revenue per month
- Annual bottom line contribution from SolarNexus due to increased sales: \$40k

**Targeted Sales:** Allterra has been able to optimize its sales process by using SolarNexus. With tools like Lead Quality tracking, the ability to instantly know when leads have been qualified, and automatic notifications to sales representatives when it's time for them to follow up with a prospect, Allterra has expedited its customer follow-up, improved conversion rates with long lead-time clients, and overall, improved its sales as a result.

Equally important has been the sales team's ability to mine customers for referral sales. By having better information about current clients, Allterra has been better able to follow up with happy customers to encourage and track referral business – the primary source of new sales.

**Greater Revenue Velocity:** As a result of completing projects more quickly, Allterra estimates that they generate approximately 10% more margin per month. At their current sales rate, that translates to about \$20k in extra revenue a month from increased sales due to productivity gains, and about \$3,500 in margin. That's close to \$250k in extra revenue a year, and \$40k added to the bottom line. Furthermore, these numbers will grow as Allterra's sales increase.

### Other Benefits

Although the quantitative benefits leading to direct margin improvement are important, some of the other improvements have helped make organizations like Allterra even more professional, customer-focused, and a better place to work.

**Better Customer Service:** In the past, when clients called with a question, an employee would take down their information and return the call. With SolarNexus, the customer service representative can instantly access client or project information, allowing them to answer the customer's question immediately. This leads to happier clients and reduces follow-up time.



#### Other Benefits:

- The team can work from virtually anywhere
- Deeper understanding of business through dashboards & custom-generated reports
- Reduced headaches and stress from uncertainty & lack of information
- Happier customers = more referrals

**Increased Business Insight:** Allterra used to manually track some of its important company metrics prior to using SolarNexus. Now, managers can pull custom-generated reports to determine how many leads they've acquired in the last month, what the sales pipeline and projected revenues look like, how many deals they have closed, how many kWp have they installed over a given period in a given location, and more. And when a warranty issue inevitably arises, they can just generate a report to determine which systems have that product.

**Improved Work-Life Balance:** It hadn't seemed like a big issue prior to using SolarNexus, but Allterra staff spent a lot of time in transit and at the office. Why? Just to better communicate with one another. Over the last year, sales and engineering employees have increasingly been telecommuting, meaning fewer hours in the car and more time in front of customers or getting jobs to their next steps. Flexible work schedules and locations allowed Allterra to keep their existing offices, even with an increase in the number of employees. And because employees can work from virtually anywhere, they can better manage their workload, making everyone happier.

#### Conclusion

The SolarNexus platform provided Allterra with the processes, automation and communication tools they needed to scale rapidly and professionally. The benefits Allterra received accumulated over time.

After just 3 months of use, Allterra was able to generate an extra \$3,000 a month through increased sales. Since then, as adoption throughout the company has expanded, processes have been optimized and sales volumes have increased, this has improved to \$20,000 in incremental revenue per month, with \$3,500 in additional monthly margin, and another \$3,500 in monthly cost savings. This amounts to a total of \$84k in bottom line additions within a year due to adopting SolarNexus.

By using SolarNexus, Allterra is a more responsive, collaborative, connected and productive team. "We look for ways to scale for the long-haul," explains James Allen. "SolarNexus gives us the tools to make our business more profitable, our clients more satisfied, and our employees happier."



**Solar 3.0**

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#### Learn More at

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#### About SolarNexus

SolarNexus Inc. provides solar business management software that makes it cheaper, faster and more profitable to sell, install and maintain solar systems. Designed specifically for the solar industry, the solution streamlines sales, operations, and administrative processes, thereby increasing sales and lowering costs. SolarNexus is web-based and facilitates collaboration among team members and externally with key suppliers and partners. For more information, visit [www.solarnexus.com](http://www.solarnexus.com).