

Kasa Living Case Study

NetSuite Cloud ERP Helps Hospitality Company Manage 200,000+ Unique Reservations



Employees: 200
Industry: Hospitality
Head Office: San Francisco, CA
Website: kasa.com

The Client

Kasa is a real estate technology company that is building a global accommodations brand. The company partners with owners of multifamily and boutique hospitality properties, transforming underutilized real estate into stylishly-furnished, professionally managed units that cater to business and leisure travelers seeking trustworthy and comfortable accommodations. Kasa was founded in 2016 by a team that includes technology and real estate professionals who previously drove growth at firms, including Airbnb, KKR, and Apollo. The company is headquartered in San Francisco.

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Working with CEBA Solutions, innovative short-term rental organization Kasa Living implements a cloud ERP system that helps it manage dozens of properties and hundreds of thousands of reservations.

Founded in 2016 on the idea that short-term rentals were largely hit-or-miss in terms of customer experience and satisfaction, San Francisco-based Kasa Living took the market up a notch by specializing in stylishly-designed, professionally-managed apartments and hotel rooms at sensible prices.

A Stanford business school graduate who previously worked for KKR’s real estate group, Kasa’s Founder Roman Pedan focused on short-term rentals that were more standardized but also less expensive than many hotels (its typical rental costs about \$130 per night). Initially run out its founder’s college dorm room, the idea took off. Kasa has since received multiple rounds of outside financing and experienced revenue growth of 50% in 2020, as people sought out short-term options outside of U.S. city centers.

Having previously worked with CEBA to merge another short-term rental company’s reservations database into its own financial system, Kasa knew it was the right choice for its ERP implementation project. “That was a pretty complex project that CEBA managed well, and that’s been continuously evolving over time,” said Corona. “CEBA has been our consultant the entire time.”



Breaking at the Seams

Today, 125-employee Kasa appeals mainly to business travelers and families looking to balance luxury and value. One of just two leading companies within its market segment, Kasa has been steadily growing its property portfolio over the last few years. Up until 2019, it relied on QuickBooks to manage its finance and accounting function.

"As we grew our number of units, that system was definitely breaking at the seams," said Antonio Corona, Senior Manager of Finance. When the company began working with an outsourced accounting partner, that partner introduced it to the NetSuite cloud-based enterprise resource planning (ERP) system.

"We were expecting rapid growth over the next few years and we needed a tool that could grow right along with us," said Corona, whose team also explored other options, including Xero. "When our outsourced accounting team presented NetSuite, we felt confident that the platform would grow with us and allow us to track our profitability by location and unit, both of which are very important to us."

Managing a Growing Enterprise

With properties across the U.S., Kasa manages a high volume of transactions ranging from single-night stays to multiple weeks or months at a time. So far, it has booked 200,000 reservations, which—based on a 6-night stay for each—comes out to roughly 1.2 million transactions (based on a per-night metric). "We needed software that could manage that volume," said Corona, "and even more, as we continued to grow."

Corona said the company also wanted to be able to integrate its new ERP with other, existing software that Kasa was already using. For example, it wanted to be able to seamlessly feed information from its accounts payable and expense reporting systems into its new accounting platform.

Working with CEBA Solutions, the company has been able to achieve these goals (and more). "With NetSuite, we've been able to sync a large number of solutions into our system," said Corona.

Ready for What Comes their Way

Kasa uses NetSuite for all of its general ledger (GL) transactional recordkeeping. On a daily basis, all daily reservations are automatically fed into NetSuite, which then translates those reservations into transactions. A process that was previously handled manually, one reservation at a time, this daily task became cumbersome when Kasa hit the 200,000-reservation mark.

"Recording 200,000 reservations into our GL is close to impossible for our very lean team," said Kasa. "What CEBA developed for us helps us focus both on that recordkeeping process, and on the financial analysis of our organization."

CEBA also created a reservation IT customization that allows Kasa to embed physical property location data in its records and create the financial reporting that it needed to be able to segment its financials in a very detailed manner. "We're able to do calculations based on occupancy rates, average daily room rates, and other financial terms that are important to us," said Corona.

Today, Kasa is always ready to manage audit requirements. "NetSuite's search function has been a real blessing during audits," said Corona, who in the past would spend hours assembling financial transaction trails that auditors were requesting. "It's not just for audits either," he added. "Anytime we're conducting research, we can just key the terms into the search bar and usually find exactly what we need."