

#HelloDisruptors



NetSuite presents Bill Zerella
Chief Financial Officer, Fitbit





BILL ZERELLA
Chief Financial Officer
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MEASURING UP

FITBIT DRAWS FROM THE GAMING EXPERIENCE TO BRING DATA AND ENGAGEMENT TO HEALTH FITNESS

Fitbit was an early entrant to the wearables market with its fitness trackers, and has continually expanded their channels, products, and services to remain a leader in the space. [Bill Zerella talks about the inspiration behind Fitbit, its omnichannel strategy, and going the extra mile](#) to pump out more data for its users.

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– Bill Zerella



Why don’t you give us the Fitbit story? Tell us where it all started.

Fitbit was founded in 2007 by two young software engineers, James Park and Eric Friedman. Actually, the original inspiration for Fitbit—believe it or not—was the Nintendo Wii. Back then, the Wii was pretty innovative. They were fascinated by how Nintendo used software and sensor technology to create this new gaming experience. [They were interested in understanding how they could capture that in some portable form and do something good for people. That was the genesis of Fitbit.](#)



There are usually two facets to disruption: technology disruptions and business disruptions. Which does Fitbit fit under?

The context for all this disruption is that there are two major things happening around the world: rising obesity rates and more people really being interested in data to understand their own health. This all happened while there was a lot of technology innovation including new sensor technologies, microcontrollers and Bluetooth low energy. Then, of course, there’s the proliferation of smartphones around the world, which gave us a platform for data visualization through the app.



Can you talk about omnichannel strategy and how Fitbit goes to market?

It's an interesting story actually. The first product hit the market in 2009 and was sold online.

There was a bet between the two founders about how many orders they would get that day, one saying 50 and the other just 5. They received 2,000 orders that day and had to figure out how to ship. Of course, it's been off to the races since then. We started selling through channels you'd expect like Best Buy and other consumer electronics stores. Then, we got into sporting goods stores like Dick's Sporting Goods, Sports Authority, and of course, Amazon, one of our biggest customers. Over time, the company evolved and started selling products through mass market retailers such as Costco, Kohl's, Wal-Mart, and wireless carriers like AT&T and Verizon.

Lastly, a very interesting part of our business is our corporate wellness business in which we sell direct to corporations around the world. It's effectively a B2B business housed inside of B2C business in which companies distribute Fitbits to their employees to allow them to become more active and potentially lower their health care costs, post challenges, and create camaraderie within companies. Now, we're shipping millions of units. We're selling products in 54 countries around the world and have almost 700 employees.



Besides the business model, what else has been essential to Fitbit's success?

The customer experience is central to how we look at our business. It's what you experience from buying a Fitbit to the point that you power it up and participate. There's a common look and feel across all of our devices and platforms. Our devices connect to 150 different smart-phones from Windows to iOS to Android. It's important for us to have that consistency no matter where you are in the world, subject to language changes. It's the same experience no matter where you are. The social layer where you engage with people is a very important part of the experience as well.

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What's next for Fitbit?

We've introduced some new products to move up the pyramid into what we call active and performance users. These are people who are really into sports and performance measurements like triathletes. Even more recently, we've started focusing on providing people with more data. [The idea is to measure things so you can go about improving them.](#) We're looking at how we can go beyond that and put together a set of service offerings that help people achieve their goals.

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