



NUCLEUS
RESEARCH

ACUMATICA EXTENDS ACQUISITIONS AND PARTNERSHIPS IN 2022

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THE BOTTOM LINE

The Acumatica Platform's extensibility and usage-based pricing enable scalability to support customers' growth strategies, with some expanding operations and growing revenue by up to 50 percent without increasing headcount. With the Acumatica Summit in January 2022, Acumatica announced several updates centering on technology acquisitions and partnerships. Notable announcements include connectors for UiPath, Amazon, and Autodesk and the acquisition of IBS Imperium, a property management system. Acumatica's continued investments in its library of native connectors and ISV marketplace improve its positioning as an organization's central solution platform. Additional benefits include reduced operational costs, increased business agility, and improved productivity.

OVERVIEW

At Acumatica's user conference, the vendor covered several recent announcements and priorities for product strategy going into 2022 and beyond:

- **UiPath Connector.** This connector brings RPA functionality into the Acumatica environment. Customers can automate repetitive tasks, such as data entry and formatting, to enable more complex workflow automation.
- **Amazon Connector.** This selling partner API will allow merchants that sell via Fulfilled By Amazon and Fulfilled By Merchant to integrate with Acumatica ERP. The integration retrieves orders as they happen while also updating inventory levels on the marketplace.
- **IBS Imperium Application.** Acumatica announced the acquisition of IBS Imperium application, a property management system. While deepening the vendor's property management offerings, this acquisition is also poised to help drive additional growth for Acumatica Construction.
- **Autodesk Integration.** This integration provides financial visibility directly within CAD, PLM, and PDM drawings. Project managers and engineers will have a greater financial understanding of designs to better manage budgets and expenses.
- **Document Cloud in Partnership with Adobe.** The vendor now offers Adobe eSign functionality within its PDF Annotator bundle. Customers will no longer need to leave the Acumatica environment to add e-signatures to PDF documents.

Acumatica differentiates itself on the extensibility of its platform, underpinned by native integrations and connectors. Updates of the past six months have been focused on technology partnerships, allowing customers to extract greater value from their investments via productivity improvements, functionality gains, and reduced implementation costs. As Acumatica builds out its library of connectors and partnerships, it improves its positioning as an organization's primary solution vendor, centralizing a greater number of business operations and departments within a single platform.

TYPICAL BENEFITS

Through customer interviews, Nucleus determined that the typical benefits achieved post-Acumatica deployment are reduced operational costs, increased business agility, and improved employee productivity.

- **Reduced operational costs.** Many businesses coming onto Acumatica are deploying an ERP platform on the cloud for the first time. These organizations reduce and often eliminate their server maintenance and usage costs by migrating to a cloud infrastructure. Acumatica's ease of administration also reduces the IT burden, where many businesses operate without a dedicated IT department. Acumatica also offers a host of connectors and an extensive ISV marketplace so customers can extend their ERP platform while lowering the integration costs of third-party solutions.
- **Increased business agility.** Acumatica has specialized offerings for multiple industries, including distribution, retail, and construction. Dedicated functionality for those verticals enables businesses to operate with greater agility. For example, project management capabilities for construction allow a contractor to manage resources better and prioritize tasks to accelerate projects and maximize returns; retail organizations can quickly introduce new products supported with analytics and forecasts to guide launch decisions.
- **Improved productivity.** Virtually all Acumatica end-users report improvements to productivity. Configurable workflows standardize processes and guide employees through their respective tasks to reduce confusion and human error. Process automation capabilities, such as automated approvals, transaction matching, and order processing, free up bandwidth so businesses can continue to expand without relying on increased headcount.

One Acumatica customer grew by 50% without increasing finance headcount

CUSTOMER PROFILES

In addition to Acumatica announcements, Nucleus also spoke with several customers to understand how they leverage Acumatica to achieve value for their organization.

NON-PROFIT REPORTING GROUP

This is the primary reporting group for more than 50 non-profit organizations. They are responsible for managing the financials of these organizations and distributing funds. Being a non-profit, there are county, state, and federal requirements, resulting in complex reporting and compliance needs. In the past, the organization was using an on-premise

Sage ERP system, resulting in difficulties pulling information for annual reports. The pulled information was not consistent due to the manual nature and excel based practices. The organizations were also unable to do ad hoc reporting or analysis.

The RFP process came down to Sage Intacct and Acumatica. The organization found that Sage Intacct was too complex and found its configuration too difficult. The organization selected Acumatica because of its flexible design and the usability more accessible to varying levels of technology skills. The organization also felt that Acumatica better understood its non-profit use case.

The implementation was very straightforward, and the organization was able to migrate its data onto the Acumatica platform in three days and complete implementation across all its non-profit groups in a matter of months. Since deploying Acumatica, the organization has been able to standardize workflows and implement consistency by placing internal controls on reporting and data upload. They also have real-time visibility into data and audit trails to trace uses. This enabled the organization to track the performance of individual employees more accurately, identify those who were performing up to task, and redeploy those not currently meeting requirements. With visibility to the data of each non-profit group, the organization identified those that were not operating at efficient levels and their specific pain points. Increased compliance has also allowed the organization to be eligible for increased government funding and cost savings by reducing waste and ensuring its groups adhere to budgets.

ONLINE RETAILER

This online retailer started on Acumatica in 2018. The organization was rapidly growing and needed to modernize its accounting system to track financials. The organization did an RFP and considered NetSuite and Acumatica. The organization felt that NetSuite did not provide data ownership, and NetSuite was not native to the cloud, which would have increased costs in managing and using the system. The organization preferred Acumatica because of its open data source, meaning it could run analytics without paying outside consultants. In addition, Acumatica was also compatible the Google Analytics and Power BI. The organization expressed satisfaction with Acumatica's customer service model.

Since deploying Acumatica, the organization has grown by 50 percent without increasing the headcount of its finance department due to Acumatica's ability to scale. The retailer regularly configured dashboards to review metrics and manage the sales flow. In addition, the organization has a lot of seasonal business and regularly requires seasonal workforces. Acumatica charges by usage, not seats, enabling the retailer to expand its use quickly and scale back when needed. The organization also implemented a complex order processing system, increasing productivity and in-full delivery rates, enabling it to operate with a third of the seasonal workforce required under its legacy system.

LOOKING AHEAD

Acumatica continues to find success with its targeted industry offerings; 85 percent of all new ERP bookings have been with the Manufacturing, Retail-Commerce, Construction, or Distribution Editions. The Autodesk integration is an example of industry-specific functionality driving customer adoption. The IBS Imperium acquisition means we can likely expect a dedicated property management offering within the next few years. In addition to expanding in select verticals, Acumatica's contingent of enterprise-scale customers continues to grow, despite its mid-market focus. Large businesses or those with complex needs can extend their Acumatica deployment through the ISV marketplace to fill functionality gaps, such as inventory optimization, global tax management, and transportation management. Acumatica will continue gearing development towards asset-centric verticals, which industry-specific point solutions have typically serviced. As mid-market manufacturers have been traditionally underserved by comprehensive, cloud-native ERPs, Nucleus expects this approach to pay off as prospects prioritize platform deployments to consolidate their tech stack under fewer vendors.