

Accelerate out of the downturn with  
**Sage 200 Suite**



sage

## Executive Summary

There is no question that the current global downturn has presented businesses with the toughest economic conditions for several generations. However, innovative small and mid-sized businesses (SMBs) which are quick to react, adapt and find creative ways to accelerate out of the downturn, will not only survive the crisis, but will thrive in the long-run. Every downturn precedes an upturn, and those companies that prepare themselves now stand to win big when the upturn begins. Instead of sitting back and waiting for the global recession to subside, companies should look 'inwards' and set in place the correct tools and procedures for the business to take advantage of the upturn when it comes. This whitepaper examines how Sage is enabling small and mid-sized businesses to ensure that they are well-placed to succeed in the new reality of the post-recession marketplace.

## Introduction

Varying economists have indicated that the global recession is nearing the bottom and the prospects for national economies are optimistic.

- Although the recovery is expected to be sluggish, the IMF has indicated that the forces pulling the global economy down are decreasing in intensity.
- Since the US National Bureau of Economic Research (NBER) first announced the recession had started in December 2008, companies have been firefighting and reacting to the crisis with short-term tactical plans such as implementing drastic cost-cutting measures.
- Gartner, the world's leading information technology research and advisory company, advised recently that "due to the lag in time between the point at which the economy starts growing again and when it is officially declared to be growing again, companies simply can't wait for an official declaration before they begin planning over the long-term for better times ."

Figure 1 below demonstrates how official declarations regarding the end of the recession have taken up to 20 months to be formally announced in the past. Many economists will not be drawn on when the current recession will end but one thing is for certain - it will have finished before it has even been officially announced. Organisations cannot afford to wait until the turning point of this current crisis has been formally announced before preparing for the impending growth period. Now is the time to switch from survival mode to thrive mode and to prepare your business to accelerate out of the downturn. If not, you will most certainly be left behind.

Turning Point	Date of Turning Point	Date announced	Delay (months)	Turning Point	Date of turning point	Date announced	Delay (months)
Peak	Jan '80	June '80	5	Trough	July '80	July '81	12
Peak	July '81	Jan '82	6	Trough	Nov '82	July '83	8
Peak	July '90	April '91	9	Trough	Mar '91	Dec '92	21
Peak	Mar '01	Nov '01	8	Trough	Nov '01	July '03	20
Peak	Dec '07	Dec '08	12				

Figure 1. US NBER provides a chronology of the dates of peaks and troughs that frame economic recession or expansion



## The New Reality

A business can grow and profit during a recession if it understands the underlying dynamics of the marketplace. Crises tend to stimulate change in people. During a recession, buying behaviour shifts, changes and refocuses more than it declines. The challenge is for businesses to respond to these changes in a timely and direct fashion. A business that really knows what its customers need and understands their behaviour will be able to serve their customers better as well as manage their own business more effectively, now and as we enter the post-recession period.

Today's economic conditions have caused turmoil across every sector. So what has changed since the recession started? How has the current climate affected how companies operate and do business?

- Customers and potential customers are facing identical cost pressures – buyers have less disposable income while businesses have fewer lines of credit open to them, making it more difficult to attract and retain customers.
- Spending hasn't come to an abrupt halt but consumers and businesses are definitely far more discerning about potential purchases and suppliers. They are less brand loyal, more price sensitive and are more willing than ever to 'shop around' for value for money.
- Competition has also intensified as a result of these changing conditions. The current market pressure has forced businesses to become more opportunistic, placing huge emphasis on pricing and discounting in an effort to get ahead of their competitors.
- With tighter margins, evaporating lines of credit and a lot less internal resources and staff available than before the downturn, the pressure to perform is more intense than ever.

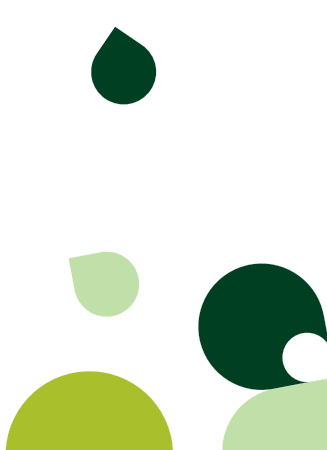
**If a company is unprepared for these challenges that the new reality poses, it will most certainly struggle to keep afloat when the recovery begins.**

## How you can prepare your business for the upturn?

**There has never been a more crucial time to invest in your business software. But why is the Sage 200 Suite the right choice for your business?** Sage 200 is built on a platform of industry leading financials, CRM and business intelligence, designed to work together to help your business to run more smoothly. With the Sage 200 Suite, you have the ability to seamlessly coordinate your whole business: from customer-facing systems, such as sales and service, through back-office processes, including accounting and project management; to activities such as retail/wholesale, construction and manufacturing. The benefits of the Sage 200 Suite are immediately obvious as processes flow into one another, staff collaborate more closely, and managers have an instant, accurate view of the whole company. Importantly, integrating back-office functions with customer-facing systems means that you have one view of your business so all aspects of your organisation can focus on delivering the excellent service that helps retain customer loyalty in today's highly competitive business environment.

## Accurate Business Planning

When the growth period returns, it's not going to be a case of business as usual. Companies will have to work smarter and harder for every bit of revenue they generate. The biggest mistake organisations can make is failing to adapt their business to address the new reality of the market and their customers' highly discerning needs. Faced with exceptionally volatile business conditions, previous years' plans should be consigned to the shredder as the business environment has changed drastically. Scenario planning and sales forecasting have become the priority for executives as they need to accurately capture a large enough spread of possible outcomes to cover future uncertainties. Going forward, companies need accurate and detailed insight on the performance of the business and employees at any given time so they can take advantage of any increase in demand and/or workload that improving trading conditions may present.





## How the Sage 200 Suite Can Help:


Business Intelligence comes as standard as part of the Sage 200 Suite giving you a unified and integrated view of all your data, with complete management dashboards, and analysis. Sage 200 Business Intelligence helps you to make better and faster business decisions by analysing metrics and KPIs that are not easily measured in a non BI environment. It helps you to embrace strategic planning for business growth, by identifying key trends and patterns in your data and gain a better understanding of your business, transforming data into actionable information. You are more responsive and can support future planning with the ability to identify opportunities to increase revenue or to reduce costs.

- Reporting and dashboards within the Sage 200 Suite provide instant insight into business and employee performance, facilitating informed business decision-making during the downturn and as we enter the post-recession period. By providing management with real-time analysis of the current situation, this enables them to monitor and take action on changing performance indicators.
- It allows quick access to your data, with multi dimensional analysis allowing data to be viewed easily from different angles. You immediately achieve greater control with increased visibility of your data and powerful analytic tools at your fingertips.
- Reports deliver at-a-glance sales information to enable executives to make critical business decisions and conduct effective business planning as trading conditions change.
- The Sage 200 Suite assists companies in accurately preparing sales forecasts; every day, senior executives can track exactly what deals are coming in from where, and identify emerging trends in different regions and market segments. This is critical in the new trading environment as it assists managers in identifying new and innovative revenue streams as the recovery gets underway.
- You get extensive central control over operations and budgets, helping senior management to control these areas more effectively in a highly cost-conscious post-recession world. Roles-based dashboards enable management to monitor staff performance and take corrective action if needed or address any increase in demand and work- or case-load.
- Sage 200 Suite is a fully integrated system which delivers a 360 degree view of the business from front-to-back office for maximum visibility of business performance, providing management with meaningful intelligence which can then be acted on to develop and maintain profitable relationships with customers.

## Focused Sales Management

Sales are the lifeblood of any organisation. Businesses cannot sit still in a downturn and wait for the recovery to commence, especially when generating revenue continues to be a priority.

Even though customers' current buying behaviour has made it even more difficult to sell in this environment, it's critical that organisations maintain focus and discipline around their selling strategies. Businesses can continue to drive sales results both now and when the upturn comes with the right processes, structure and tools.



## How the Sage 200 Suite Can Help:

The Sage 200 Suite empowers organisations to sell more effectively and efficiently, maximizing their ability to sell in a downturn and as the recovery gets underway.

- Automated workflow and pipeline management tools eliminate unnecessary paperwork so the limited number of sales resources in the business can concentrate on selling.
- Leads can be tracked from first contact to final closure ensuring that no valuable revenue opportunities are missed.
- Easy-to-use territory management ensures sales teams are well-positioned to capitalise on increases in opportunities.
- Sales pipeline management provides real-time information on revenue and sales team performance, ensuring that time and resources are invested in the deals most likely to close.
- Accurate sales forecasting helps identify growth opportunities, enabling management to accurately predict future performance.
- Mobile technology gives the ability to access customer information remotely or offline maximises the productivity of sales reps and ensures customers are managed effectively at all times.
- Sales dashboards enable management to monitor sales performance metrics in real-time and help identify revenue trends.
- The fully integrated system enables sales teams to maximise their revenue potential through the identification of latent cross-sell and up-sell opportunities within the customer base.

## Targeted Marketing Effectiveness

Marketing is often viewed as a discretionary expense by accountants and in tough times, many businesses are tempted to reduce, and in some cases eliminate, their marketing spend. However, businesses that work on keeping their brands alive during these challenging times are more likely to be perceived as successful and resilient. With the need to measure the effectiveness of marketing activity central to survival, the successful businesses will be those that re-focus marketing spend on activities that offer proven and measurable ROI. With careful planning and the right technology, these organisations can ensure they are well-placed to take advantage of a more fluid marketplace where customers are suddenly less brand loyal.

## How the Sage 200 Suite Can Help:

The Sage 200 Suite provides powerful tools for marketing teams to plan, execute and audit highly targeted marketing campaigns which is especially crucial when budgetary spend is at a minimum.

- It enables businesses to easily segment customers and prospects to ensure that tight marketing budgets are not squandered on those who are unlikely to buy. List segmentation and group management tools enable businesses to execute highly targeted campaigns on customer segments and sectors showing signs of recovery, thereby increasing response rates and ultimately revenue.
- Marketing executives can develop a deeper understanding of customer needs, enabling businesses to create tailored propositions to their customers and take advantage of spending as and when it increases in the post-recession period.
- By creating highly professional HTML email marketing campaigns, marketing teams can take advantage of a more cost effective way of communicating with customers and prospects.
- Every phase of every marketing campaign can be tracked, providing meaningful analysis and campaign measurement thereby ensuring maximum ROI and zero wastage. The Sage 200 Suite also provides effective controls for monitoring marketing budgets and enables organisations to calculate direct revenue yields per campaign, ensuring that the marketing budget is maximised and the return on investment can be measured with ease.

- What's more Sage 200 Suite provides marketing staff with a range of reports and fully configurable dashboards, which allow them to monitor marketing performance metrics in real-time.

## Exceptional Customer Service

It costs five times as much to attract a new customer, than to keep an existing one. In these challenging times, customers are more than willing to 'shop around' and look for the best value and service available, so keeping your current customers satisfied is more important than ever. Businesses therefore must streamline their customer service processes and concentrate on customer retention and loyalty as a means of safeguarding revenue. Identifying opportunities that exist within the customer base is a more cost effective way of increasing sales revenue. Businesses must ensure that customer service issues are dealt with seamlessly and effectively and that any leads captured are followed up accordingly - failing to do so will mean that highly discerning customers with heightened service expectation levels won't return when the upturn comes.

## How the Sage 200 Suite Can Help:

The Sage 200 Suite enables companies to capture and action customer service issues - ensuring a satisfying and consistent customer service experience for their customers. Establishing achievable service level agreements with customers is an excellent tool to help improve communications, manage expectations, clarify responsibilities between businesses and their customers and build the foundations for a win-win relationship.

- Workflow capabilities in Sage 200 Suite ensure that the exceptional customer service levels which are expected in the post-recession climate are consistently met every time.
- Triggers and alarms allow customer service teams to ensure that queries are followed up in a timely manner so that issues don't get 'lost between the cracks' and that demanding customers are served efficiently and effectively.
- Knowledge management capabilities make it easier to capture remedies related to specific issues which may recur over time, enabling users to find information quickly and easily, ultimately resulting in improved customer care.
- The fully integrated solution provides customer service agents with complete customer information enabling them to answer customer queries confidently and accurately.
- Real-time monitoring of SLAs ensures that customer service cases are progressed in accordance with SLA requirements, driving customer satisfaction and retention.
- The Sage 200 Suite reports and dashboards provide detailed analysis on metrics such as call volume, case resolution times, communications, follow-up statistics and escalations; enabling management to quantify the performance of their agents - a key requirement for companies entering the recovery with fewer staff on board.

## Conclusion

Businesses have very different sales cycles and operating structures but the customer is at the centre of each and every operation. Investing in a fully integrated solution provides businesses with instant capabilities for automating sales force management, marketing campaign management and customer service management. With Business Intelligence and CRM being at the heart of the Sage 200 Suite, your workforce will be fully equipped to be more agile, productive and over all drive your business forward in 2010.

Customising the solution to internal business processes to ensure a consistently exceptional customer experience can enhance every customer encounter and enable the company to nurture long and profitable relationships with each and every customer. Sage 200 Suite effectively addresses business requirements and equips organisations with the tools they require to navigate their business out of the downturn and prepare them to take advantage of the inevitable upturn when it comes.

With the upturn on the horizon and the recession nearing the bottom, businesses need to sit up and prepare themselves for the recovery by investing in the right technology now. Companies who see this challenging environment as an opportunity to redefine their business model and processes, will not only survive the recession but will accelerate out of the downturn. As the diagram below from Gartner illustrates, an appropriate time to prepare for the return to growth is before the recession bottoms out; the time to take action is already here and the Sage 200 Suite can help your business accelerate out of the downturn and take advantage of the impending recovery.

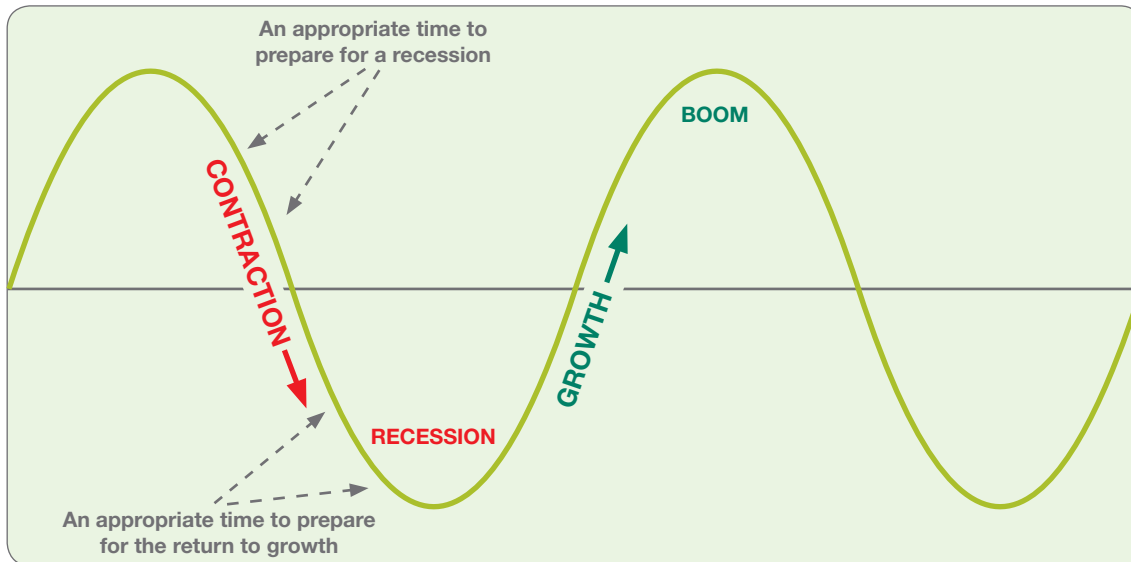


Figure 2: Prepare for the Return to Growth Before It Occurs: A Business / Economic Cycle Viewpoint  
Source: Gartner (2009)

## Why Connect with Sage?

Unlike any other company in our industry, Sage has focused exclusively on the business software needs of small and medium-sized organisations for the last 28 years. With over 5.8 million SMB customers around the world today, Sage is globally recognised as the market leader in this important segment.

Critically, we have worked closely with our customers to support them through previous downturns, and we continue to provide them with expert guidance and market-leading software as they face today's challenges. Cost efficiency and speed of deployment are central to the Sage 200 Suite – the total cost of implementation and ownership is half that of its closest competitors. Additionally, we provide a range of finance options to spread the cost of your investment over a term that suits you.

Finally, one of Sage's biggest strengths and competitive differentiators in the marketplace is our 160-strong certified Business Partner network, who each brings specialist technical skills, excellent project management and local support ensuring that you can always talk face-to-face with an industry expert and that you will leverage the maximum return from your software investment over its lifetime.



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