SMB Emerging Trends in Accounting

2017 Report

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Introduction

As the most trusted open business network, Viewpost is empowering businesses of all sizes with electronic invoicing and payments that enable real-time cash management for anytime operating decisions.

Recently we set out to learn which transactions were most important for businesses to integrate with their accounting software and why, and what kinds of hurdles stood in the way of seamless electronic data synchronization. We surveyed entrepreneurs, business owners and finance professionals across a range of industries, and we found some compelling results.

Our survey revealed that an overwhelming majority of companies had concerns about integrating their accounting software with an invoicing and payments product. The biggest concern was security, followed by cost of procurement and the amount of time required to learn the software.

These results were surprising considering that more than half of CEOs and CFOs believe it is important to integrate accounting software with an invoicing and payments product. The top two reasons? Improvement of real-time reporting and tracking of transactions, and the increased efficiency that makes them better at their job.

In sum, businesses owners and finance professionals are increasingly short on time and in great need of simpler solutions for a better understanding of their cash flow.

Let's have a look at the data.

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Summary of Findings

Accounting Software

43% QuickBooks Desktop

28% QuickBooks Online

5% Microsoft Dynamics Desktop

3% Sage Desktop/Online

2% FreshBooks

2% NetSuite

2% Xero

Integration with Invoicing & Payments

68% Have concerns about integrating their accounting software with an invoicing and payments product

53% Of CEOs and CFOs believe it's important to integrate accounting with an invoicing and payments product

21% Have already integrated their accounting software with an invoicing and payments product

25% Plan to integrate their accounting software by the end of 2017

27% Have no plan in the near future for a streamlined, end-to-end payments process

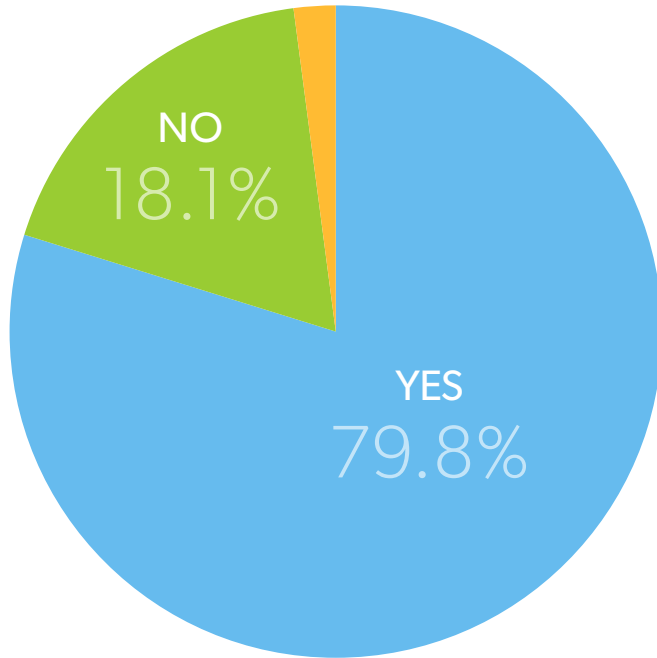**18%** Do not use accounting software

Simplicity & Control

65% Say integration improves real-time reporting and tracking of invoices and payments (#1 answer)

50% Feel that integration makes them more efficient and better at their job

49% Say ease of use and number of features are equally important when considering an integration solution

44% See integration as a way to help them avoid costly, manual data-entry errors

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Does your company use accounting software?

(select one)

	Response Percent
● Yes	79.8%
● No	18.1%
● I don't know	2.1%

Businesses improve their chances of profitability in the first year when they use accounting software.

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How big is your company in terms of annual revenue?
(select one)

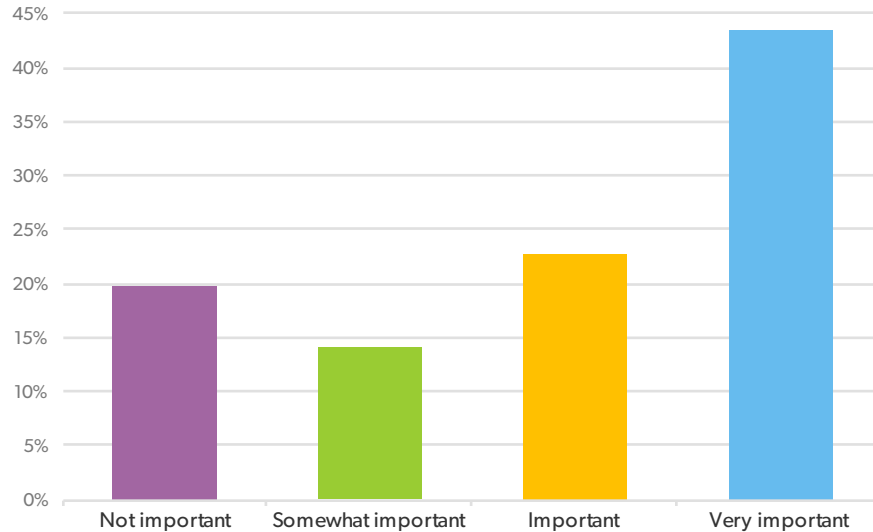|	Response Percent
Less than $500,000	51.8%
Between $500,000 and $1 million	15.4%
Between $1 million and $5 million	14.5%
Between $5 million and $10 million	8.3%
Between $10 million and $50 million	6.2%
$50 million or above	3.6%
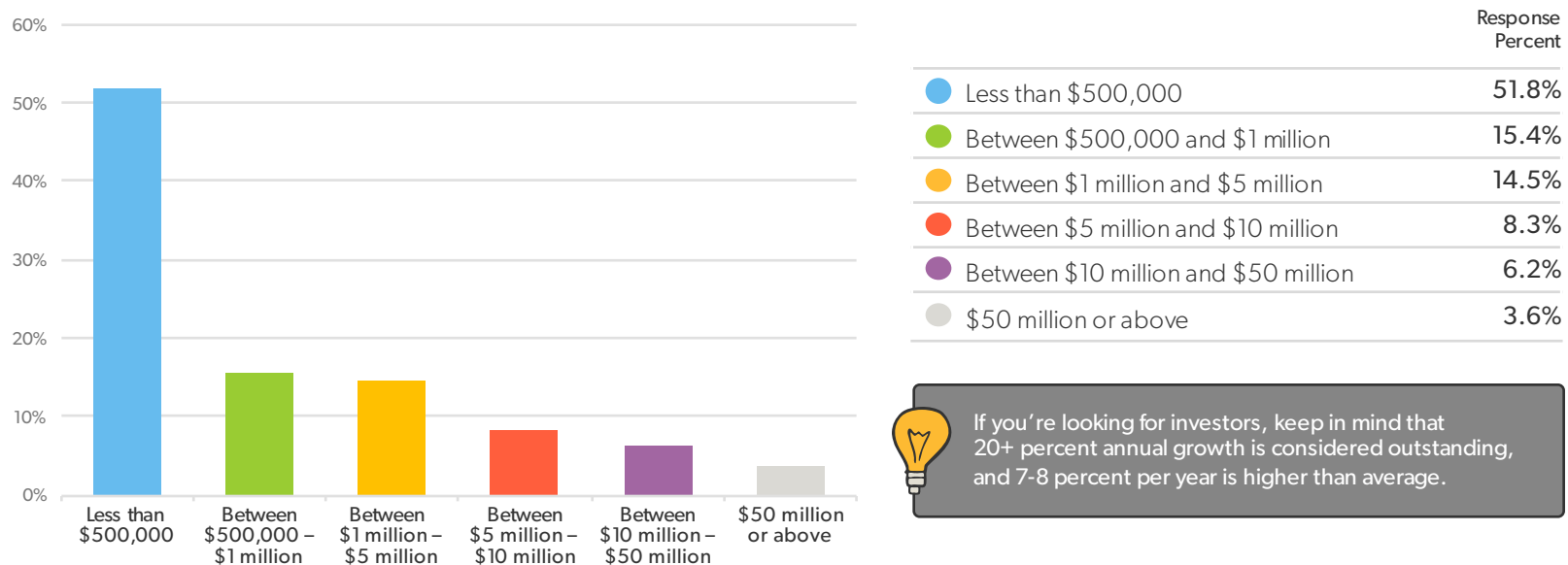
If you're looking for investors, keep in mind that 20+ percent annual growth is considered outstanding, and 7-8 percent per year is higher than average.

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How important is linking transaction data between your accounting software and an invoicing and payments product?
(select one)

|	Response Percent
Not important	19.7%
Somewhat important	14.5%
Important	22.8%
Very Important	43.5%

Know your working capital. More visibility into your cash gives you more confidence in your business decisions and more flexibility to move quickly on new opportunities.

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Does your CEO and/or CFO believe that it is important to integrate your accounting software with an invoicing and payments product? (select one)

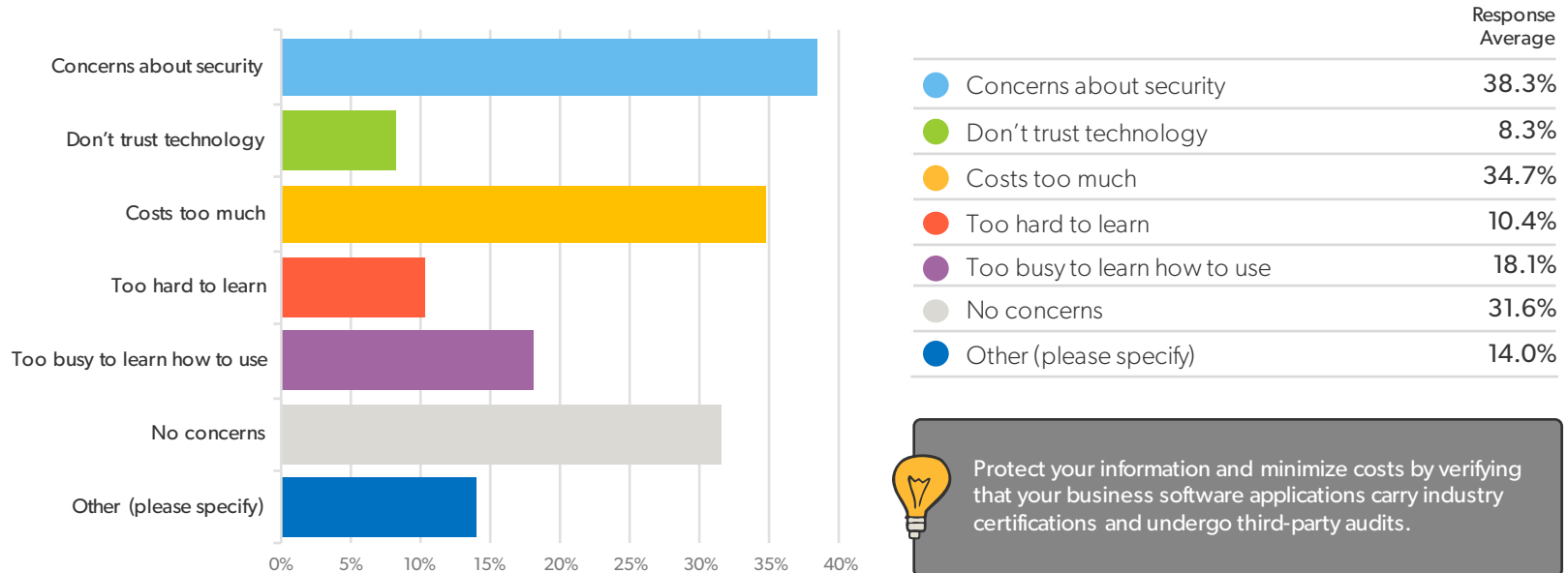|	Response Percent
● Yes, important to both my CEO and CFO	52.9%
● Only important to my CEO	4.2%
● Only important to my CFO	9.3%
● Not important to either my CEO or CFO	33.7%
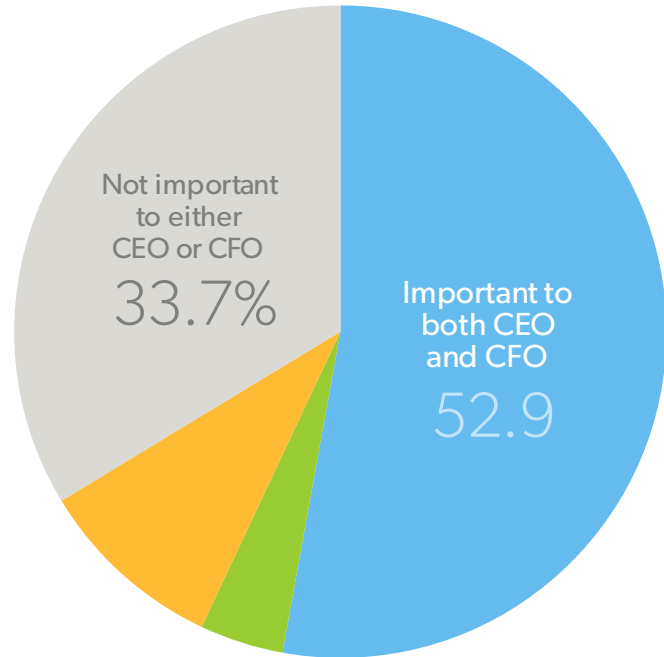
> During high growth, integrating software is a proven way to operationalize cost-efficiency and improve your bottom line.

Not important to either CEO or CFO
33.7%

Important to both CEO and CFO
52.9

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What are your biggest concerns about integrating your accounting software with an invoicing and payments product?
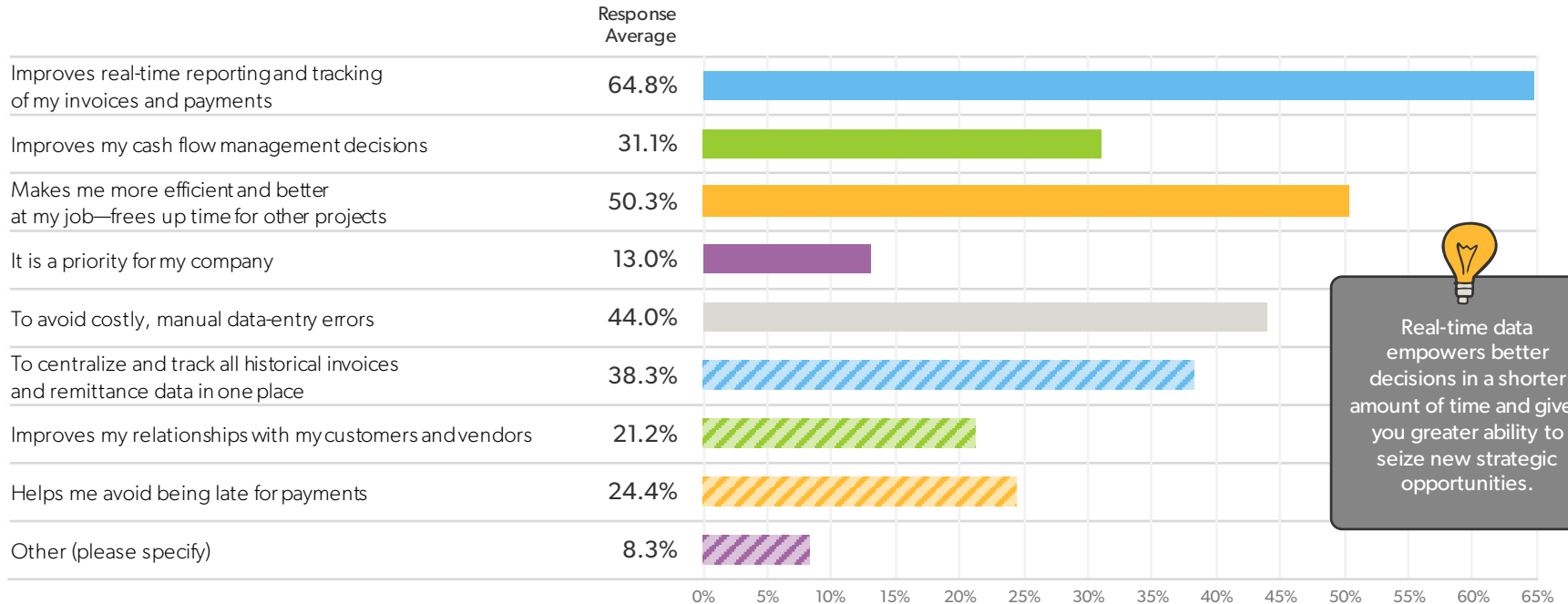
(select all that apply)

	Response Average
● Concerns about security	38.3%
● Don't trust technology	8.3%
● Costs too much	34.7%
● Too hard to learn	10.4%
● Too busy to learn how to use	18.1%
● No concerns	31.6%
● Other (please specify)	14.0%

Protect your information and minimize costs by verifying that your business software applications carry industry certifications and undergo third-party audits.

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What are the top reasons why you would integrate your accounting software with an invoicing and payments product?

(select all that apply)

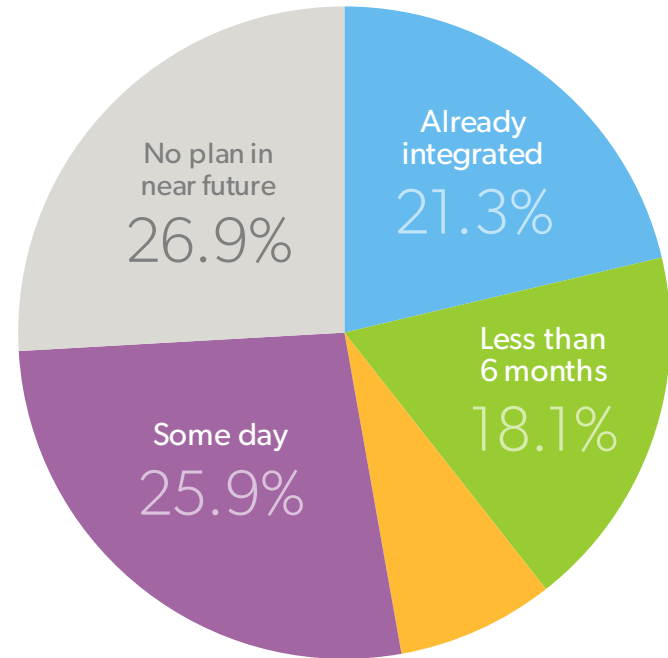|	Response Average	
Improves real-time reporting and tracking of my invoices and payments	64.8%	
Improves my cash flow management decisions	31.1%	
Makes me more efficient and better at my job—frees up time for other projects	50.3%	
It is a priority for my company	13.0%	
To avoid costly, manual data-entry errors	44.0%	
To centralize and track all historical invoices and remittance data in one place	38.3%	
Improves my relationships with my customers and vendors	21.2%	
Helps me avoid being late for payments	24.4%	
Other (please specify)	8.3%	

Real-time data empowers better decisions in a shorter amount of time and gives you greater ability to seize new strategic opportunities.

0% 5% 10% 15% 20% 25% 30% 35% 40% 45% 50% 55% 60% 65%

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When do you plan to integrate your accounting software with an invoicing and payments product?

(select one)

	Response Percent
● My accounting software is already integrated with invoicing and payments	21.3%
● In less than 6 months	18.1%
● In less than 1 year	7.8%
● Some day	26.9%
● No plan in the near future	25.9%

The hours of manual work you save per week from software integration can be reinvested into growing your business.

No plan in near future
26.9%

Already integrated
21.3%

Less than 6 months
18.1%

Some day
25.9%

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How are you using Viewpost today?

(select all that apply)
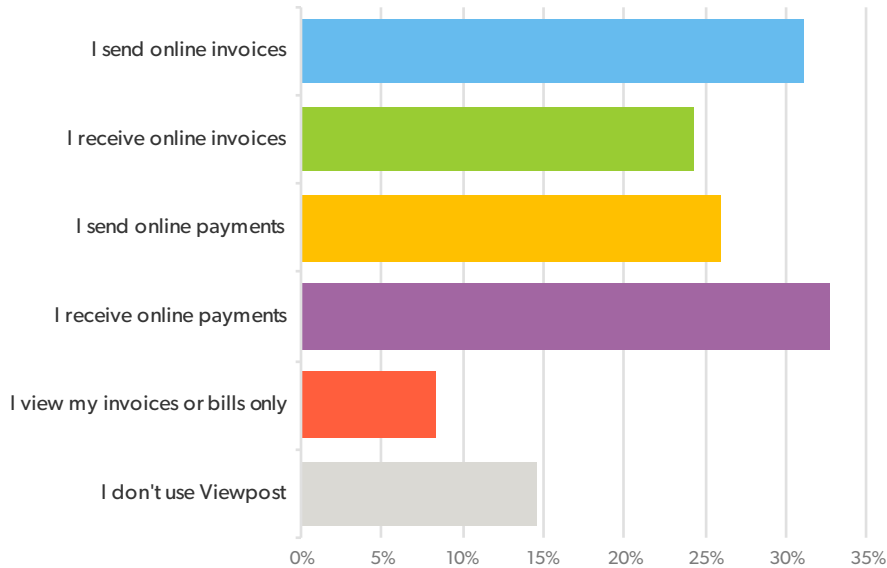
|	Response Average
● I send online invoices	31.1%
● I receive online invoices	24.4%
● I send online payments	25.9%
● I receive online payments	32.6%
● I view my invoices or bills only	8.3%
● I don't use Viewpost	14.5%

Viewpost securely connects you to your trading partners for quick and easy exchange of electronic invoices and payments, regardless of where you bank.

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Which accounting software product group does your company use? (select one)

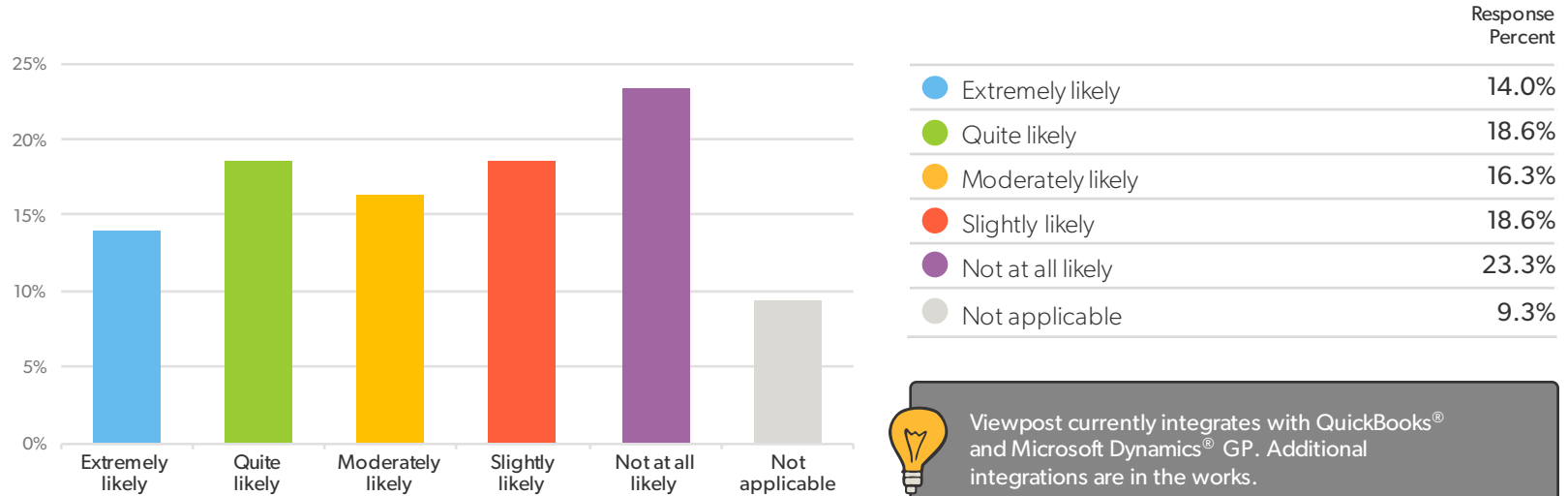|	Response Percent
⬤ FreshBooks	2.0%
⬤ Microsoft Dynamics Desktop Products (GP / Great Palins, NAV, etc.)	4.6%
⬤ Microsoft Dynamics Online Solutions	0.0%
⬤ NetSuite	2.0%
⬤ QuickBooks Desktop (Pro, Premier, Enterprise, Etc.)	42.9%
⬤ QuickBooks Online	27.9%
⬤ Sage Desktop Products (Peachtree / Sage 50, Sage 100, Accpac / Sage 300, etc.)	3.3%
⬤ Sage Online Solutions	0.7%
⬤ Xero	2.0%
⬤ Do not know what accounting software my company uses	0.0%
⬤ No accounting software used	0.0%
⬤ Other	14.9%
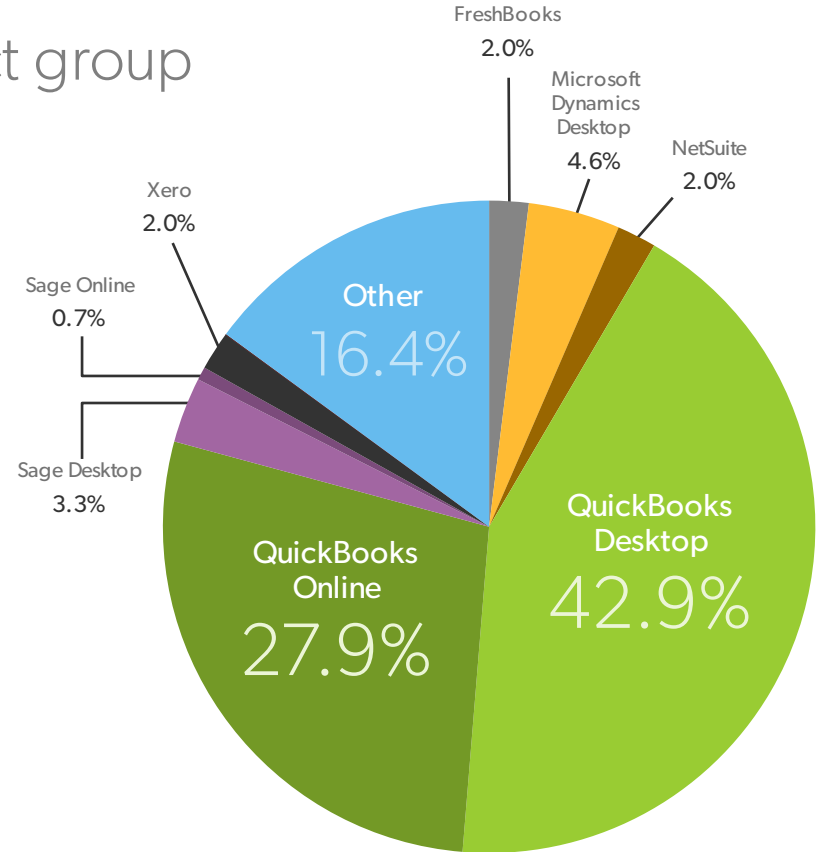
💡 Accounting methods vary across the SMB landscape, but all businesses have something in common: A clear view of when and how much they'll be paid.

FreshBooks 2.0%

Microsoft Dynamics Desktop 4.6%

NetSuite 2.0%

Xero 2.0%

Sage Online 0.7%

Other 16.4%

Sage Desktop 3.3%

QuickBooks Online 27.9%

QuickBooks Desktop 42.9%

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If Viewpost offered a direct integration with your accounting software, how likely would you be to integrate your Viewpost online invoices and/or payments?
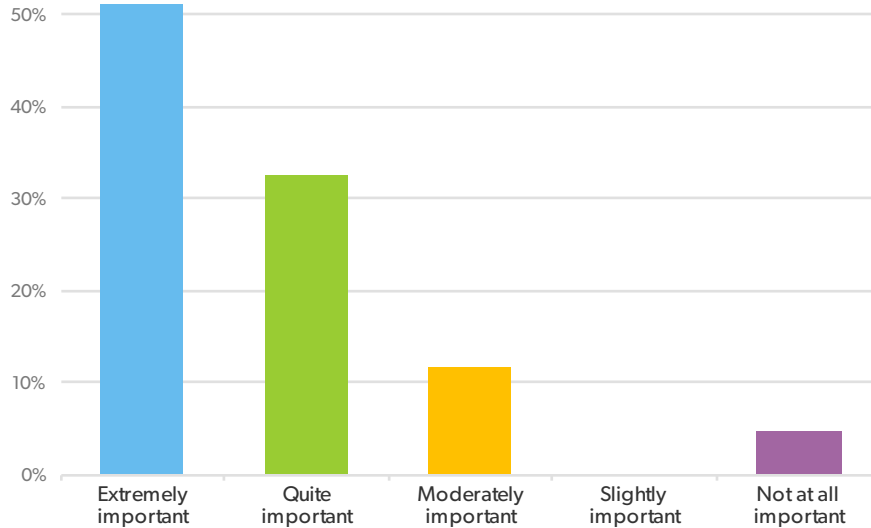
(select one)

		Response Percent
🔵	Extremely likely	14.0%
🟢	Quite likely	18.6%
🟡	Moderately likely	16.3%
🔴	Slightly likely	18.6%
🟣	Not at all likely	23.3%
⚪	Not applicable	9.3%

Viewpost currently integrates with QuickBooks® and Microsoft Dynamics® GP. Additional integrations are in the works.

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What is more important to you when choosing an integration solution?

(select one)

	Response Average	
Ease of use	34.9%	
Large number of features	4.65%	
Ease of use and number of features are equally important	48.8%	
Neither are important	11.63%	
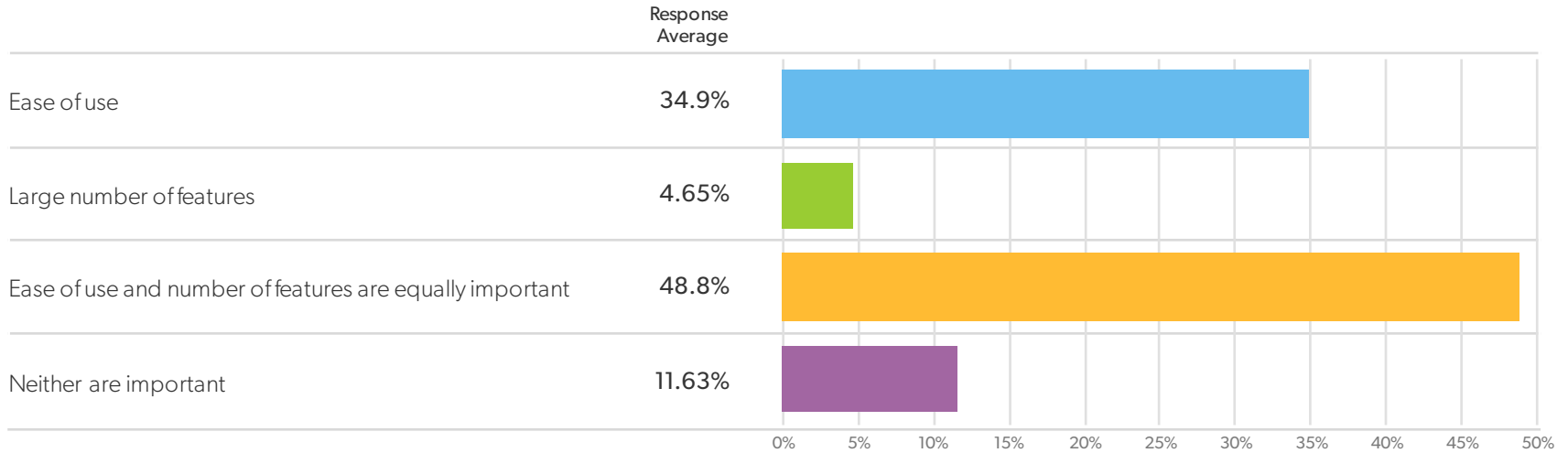
Viewpost is easy to use and packed with features, such as recurring invoices, early payment discounting, automated payments, and more.

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Methodology

Survey Timeline: January 10 to 16, 2017

Population: **20+ million**

- U.S. Businesses
- Sole Proprietor to Enterprise

Fielded: **5,000**

Total Responses: **147**

- 95% Confidence Level
- Margin of Error: + or – 8%

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About Viewpost

Viewpost North America is revolutionizing the way businesses transact with each other. Viewpost built the most trusted open business network to empower businesses of all sizes with real-time cash management for anytime operating decisions. On the secure Viewpost network, companies connect and exchange electronic invoices and payments with unprecedented ease and visibility, accessing working capital on demand.
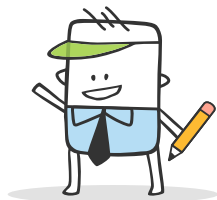
Enterprise clients are using Viewpost to cut costs, increase efficiency and improve cash management, including Accenture, Florida Hospital, Georgetown University, the Orlando Magic and Whole Foods Market. With enterprise-grade security, including ISO 27001 and SSAE16 audited certifications and the TRUSTe Privacy Seal and Skyhigh CloudTrust Enterprise-Ready Rating, Viewpost is partnering with financial institutions to bring cash management tools to business customers at U.S. Bank, Bank of America and Fifth Third Bank.

Viewpost innovation has been awarded Best in Show by Barlow Research, Best CISO/CSO by FireEye Cyber Defense Summit, CSO50 Award (four-time honoree) by IDG's CSO, and Best B2B Payments Platform by Tradestreaming.

Since Viewpost was opened to the public in early 2015, the total invoices presented and payments processed have reached $71.4 billion across the network. Founded in 2011, Viewpost is headquartered in the Orlando area, with additional teams in Boston, Minneapolis and San Francisco.

For more information about this survey, contact marketing@viewpost.com

To reach our Media Contact, contact Russ Stark at 612.325.3969 or media@viewpost.com

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Thanks. See you again next year.

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