

Acumatica Review by Sheldon Needle

** Portions provided by Chuck Schaeffer -

Target Market—Acumatica is a strong fit for middle market organizations which require deeper functionality, more flexibility, decision support and more technology options for integration and customization.

The product is developed in .NET and takes advantage of the Microsoft stack. This can deliver integration and customization flexibility (via Visual Studio), scalability (via clustered web servers/databases), workflow automation (via Windows Workflow Foundation), information access (tons of tools) and even information analysis (via Analysis Services, etc.) Acumatica leverages JavaScript for its presentation layer and multiple browser support.

User Experience—The ERP software uses a rich user interface (UI) and flexible on-page navigation that contributes to a positive user experience (UX). The dashboards are strong and the information reporting is far better than many other cloud ERP systems.

Software Flexibility—Early ERP systems are often inflexible and infamously known to require companies to change their business processes rather than delivering software that can change to accommodate those processes. While many times it's only those unique business processes that cannot be handled by the ERP software, those are the processes that the C-suite will be the first to tell you represent their competitive differentiation. Acumatica is breaking this trend by leveraging an underlying development platform with Acumatica Studio which empowers business process changes while also enabling software extensibility and software customization.

Cloud Portability—Acumatica offers customer choice in software delivery, be it on-premise or on-demand, and goes further by also offering cloud portability. Acumatica uses MS Azure for its own cloud hosting, but customers are not locked in to a single cloud, and, may choose among multiple cloud providers based on the cloud delivery services most important to them (i.e. proximity to the data center, data privacy or information security, Service Level Agreement (SLA), price, third party attestations such as ISO 27001 or SAS70/SSAE 16, etc.) Further, being able to switch cloud providers on demand delivers portability with the benefits of lowering the cost of exit and maintaining investment protection. Customers that have extended their ERP software investment with custom development or similar proprietary firmware are able to take and reuse those investments in any cloud environment.

Partner Channel—Acumatica is sold exclusively through a Value Added Reseller (VAR) and OEM channel. By partnering with VARs the company is able to remain focused on advancing their application software while customers are normally left in the competent hands of mature partners who have been deploying ERP systems for many years.

ERP Pricing—The company uses a very unique pricing model that avoids the typical "per user per month" Software as a Service (SaaS) subscription fees in favor of an ERP suite-based consumption model that determines monthly pricing by transaction volumes, storage utilization, processing and similar benchmarks. SaaS pricing is generally between about \$1K and \$11K per month. Alternatively, customers can bypass SaaS subscription pricing and choose to purchase a more traditional perpetual software license with an annual maintenance plan.

Acumatica Limitations

Cloud Architecture—the ERP system does not use a multi-tenant database architecture, which many SaaS advocates suggest is essential to deliver several SaaS benefits. It is undoubtedly true that multi-tenant architectures better share compute resources for superior economies of scale and facilitate more frequent innovation by making it much easier to release new upgrades and versions to all customers in parallel. However, Acumatica is clearly one of the more cost effective ERP systems and delivers significant upgrades twice per year, somewhat defying these arguments. Whether the company will be able to continue this upgrade pace with scale remains to be seen.

Acumatica vs. Netsuite its chief competitor - Both are solid products for financial and distribution. Netsuite has the edge on CRM but Acumatica is stronger for straightforward repetitive manufacturing and professional services. A critically important distinction is that custom changes to Netsuite will not be available if you want to port over to a new cloud ERP solution. So choose carefully.

Verticals—At this point in time the Acumatica ERP software is only available as a horizontal product. No vertical market or industry specific editions are offered. The company is building an ISV partner channel, and a bit of an online ecosystem.

Global Reach—While the Acumatica ERP software does offer multi-currency support and multiple languages, it's not yet a global-ready solution. Sales and support resources are almost entirely focused on the U.S. market. The company is growing its international channel partners (both VARs and OEMs) however it will likely be some time before multi-national companies will find acceptable global support.

CRM—As is typical with cloud ERP software solutions, the CRM software is decidedly behind the rest of the application. It handles the basics of account, contact and activity management, but doesn't equate to the CRM-only systems. Company management suggested that CRM may see an upgrade in the forthcoming version 4.1 release.

Social Enterprise—The company has yet to leverage social media within its application. While it's often the CRM software providers which offer the social CRM tools, pioneering ERP providers are in prime position to enable their customers to become social enterprises. While social CRM has become table stakes, enabling the [social enterprise](#) is still a somewhat nascent but increasingly requested disruptive technology that several leading analysts firms suggest will see dramatic growth over the next five years. At this point, few ERP providers

are delivering the tools to support social strategies, but this is clearly starting to change and it will be interesting to see if Acumatica acts as a leader or a laggard in enabling this change.

**<http://www.socialerp.com/acumatica-review.php#sthash.QaPMcVSG.dpuf>

Anybody that's been in this industry for a while knows that having the best ERP product doesn't create a sustainable company. I often say that the software technology companies with the best combination of the 3 P's—people, product and promotion—win. Acumatica has smart people, in fact much smarter than most. They also have a solid product which can compete favorably with any cloud ERP system bar none.

Portions of this critique are taken from

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