



# GetRank

ACCOUNTING IN THE CLOUD  
KEY TRENDS FOR 2016

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GetApp



# CONTENTS

## Introduction

3

## Industry Trends

ACCOUNTING IN THE CLOUD 7 ·  
USABILITY & AUTOMATION 8 · MOBILE  
APPS & INTEGRATIONS 10 · SECURITY 13 ·  
OPPORTUNITIES FOR THE FUTURE 16

5

## GetRank

WHAT IS GETRANK? 20 · ACCOUNTING  
23 · ACCOUNTS PAYABLE 24 · BILLING &  
INVOICING 25 · EXPENSE MANAGEMENT 26

20

## The Data Points

USER REVIEWS 27 · INTEGRATIONS 29  
MOBILE PLATFORMS 31  
MEDIA PRESENCE 33 · SECURITY 35

27

## Summary

37

## Appendix

SCORING FOR GETRANK 39 · GRAPHS 42

39



# INTRODUCTION

**I**t's increasingly difficult for businesses to navigate the crowded marketplace of cloud-based business apps. With a myriad of functions and use-cases, every solution has something different to offer, and for first-time buyers transitioning to cloud services, or those simply looking to make the switch from one cloud-based application to another, getting a grip on the market and its burgeoning trends can be difficult.

Along with GetRank, [GetApp](#)'s quarterly ranking of business apps, **this report aims to make the initial task of finding a cloud-based business software application easier.** It identifies trends in the accounting industry, with a focus on software that delivers accounting, accounts payable, billing and invoicing, and expense management functions.

## IN THIS REPORT, YOU'LL FIND:

- Accounting software industry trends, with expert analysis and industry commentary, providing insight into some of the most notable developments in this space over the past year.
- Unique insights from data collected through GetApp's research program, GetData, as it relates to user perception of cloud-based business software.
- The Q1 2016 ranking for **accounting, accounts payable, billing and invoicing, and expense management software**.
- A detailed explanation of GetRank and the five unique data points used to calculate an app's GetRank score. The data points will be explained in terms of their relevance to the ranking and their reflection of industry trends, as well as an explanation of how they are used to calculate an app's GetRank score.



# INDUSTRY TRENDS

**T**he concept of SaaS (Software as a Service) and a shift to the cloud continues to be one of the biggest trends in the business software industry. Contrary to traditional on-premise applications, cloud-based software solutions are hosted services managed by the application provider. These providers handle the infrastructure and platform to deliver the service, without the need for a business to have physical, on-premise servers to store the data and host the services. SaaS solutions are traditionally delivered on a monthly or yearly subscription basis, and are sometimes referred to as ‘on-demand’ services.

***“90 percent of software spending will be on cloud applications in the next six years.”***

A report published in 2014 by RackSpace shows that 90 percent of software spending will be on cloud applications in the next six years, with almost 90 percent of businesses already using some form of cloud-based application in their

business.<sup>1</sup> The reason? The cloud offers many benefits that aren't available through traditional enterprise software, including reduced costs for horizontal integration and less physical storage for housing servers, quicker implementation times, less maintenance, and more flexibility.

Keeping this shift in mind, the following sections will elaborate on trends within the accounting industry as it relates to software delivered via the cloud.

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1 Heath, G. (2014) The Cloud: Powering the Modern Business and Application (Powerpoint presentation). Rackspace Support Network. Retrieved from [http://www.rackspace.com/knowledge\\_center/whitepaper/the-cloud-powering-the-modern-business-and-application](http://www.rackspace.com/knowledge_center/whitepaper/the-cloud-powering-the-modern-business-and-application)

# ACCOUNTING IN THE CLOUD

**A**s a more traditional industry, accounting has been slow to get its start in the cloud. In recent years, however, accountants have come to embrace cloud technology, championing it as a way for accounting processes to become more streamlined and simpler than ever before.

Thanks to big players in the SaaS industry like Xero, Quickbooks and Sage, among others, accounting applications can provide companies with real benefits beyond just convenience and cost-savings. These benefits include usability and automation, mobile integration, and real-time oversight of its financial position. Along with these advantages comes a major risk, one that's more important for an accounting application than most other types of software: security.

Speaking with **Sholto Macpherson**, a business technology journalist, consultant, and analyst specializing in cloud accounting software, this next section covers trends in cloud-accounting, showing how accounting apps are no longer only for accountants, and pointing to some trends expected within the industry in the coming years.

# USABILITY & AUTOMATION

**M**any non-accountants may be wary of using ‘complicated’ accounting software, but the new generation of cloud accounting apps—contrary to their legacy desktop counterparts— are trying to make accounting approachable to the average user.

As Sholto Macpherson notes, “the advantage of the latest accounting software is that, for the first time, it is designed to be used by non-accountants. For example, you will sometimes see descriptions in plain English rather than accounting terminology, such as “Bills to Pay” [instead of] Accounts Payable.” It’s these subtle differences, coupled with a more friendly user interface, that help make the contemporary accounting process even easier than using a spreadsheet.<sup>2</sup> The biggest game changer, however, is automation.

Automation has taken a lot of the monotonous data entry out of traditional accounting, and it’s now widely available for many accounting tasks. According to Sholto, “once their online accounting software has been set up properly with auto-coding of recurring transactions, smaller

<sup>2</sup> Spear, T. (2015, January 29). Six reasons to ditch the spreadsheet in favor of an accounting app. GetApp Lab. Retrieved from <http://lab.getapp.com/five-reasons-to-ditch-the-spreadsheet-in-favor-of-an-accounting-app/>



businesses will have less need for monthly data entry.” The same can be said of accounts payable and billing and invoicing tasks, with apps like Xero and Quickbooks allowing users to categorize receipts and invoices and automatically organize accounts.

When it comes to actually paying these bills, the inclusion of bank feeds from local banks can show precisely the money coming in and out of any bank account that’s been linked to a software like Xero. As Sholto notes, “the widespread introduction of bank feeds has also automated a lot of the data entry that... chewed up the time of a new business owner or bookkeeper.”

But it’s not only bank feeds that play a role in instant accounting. Another factor contributing to the availability of real-time data and automation is mobile devices.

*The advantage of the latest accounting software is that for the first time, it is designed to be used by non-accountants*

Sholto Macpherson

# MOBILE APPS & INTEGRATIONS

**M**obile accessibility is one of the most significant trends in accounting software. Apps that can better streamline the accounting process by automatically saving and uploading data, or that can simply be accessed from a mobile device, are becoming crucial for cloud accounting software.

Expense management and billing and invoicing are functions that especially benefit from the availability of mobile apps. As Sholto points out, “at a minimum, business owners should be able to create and send an invoice to a client on the spot and record and photograph an expense receipt. Ideally, they should also be able to reconcile

***“At a minimum, business owners should be able to create and send an invoice to a client on the spot and record and photograph an expense receipt.”***

**Sholto Macpherson**

accounts on the go.” An expense management app like Xpenditure, which reconciles expenses and credit card statements with a photo of the

statement, has proven the usefulness of mobile apps for real-time accounting.

For this reason, it's not just business owners that require mobile apps for accounting, but other employees as well. "We are starting to see mobile apps for... users [other] than the business owner. The Xero Me mobile app is designed for employees to request leave and look up payslips (managers can also use the app to approve leave)," says Sholto.

Even further, new technologies like Apple Pay leave the door wide open for accounting apps to include yet another element of integration and automation in their software. "Payment systems are... starting to integrate more deeply with accounting software platforms. Users will soon be able to make payments in Apple Pay, for example, and see the transaction automatically appear in their accounting programs," says Sholto. In this regard, it's even more important to have an application that's useful for employees other than managers in order to further streamline the entire accounting process.

***"We are seeing the first deep integrations between accounting software platforms and banks and large enterprises."***

**Sholto Macpherson**



Beyond just mobile apps, however, integration with other entities including the aforementioned bank feeds and retail chains is starting to be injected into some accounting applications. As Sholto notes, “we are seeing the first deep integrations between accounting software platforms and banks and large enterprises. Accounts payable invoices will start to appear automatically in your accounting program thanks to an integration with large retail chains.”

Notably, with such deep integration and detailed financial data, however, the age-old concern of data security comes into play.

# SECURITY

**S**ecurity is probably one of the biggest concerns when it comes to cloud technology in the SaaS industry, but these fears become even more heightened when financial data is involved.<sup>3</sup> As a result, cloud-based accounting apps should be more open about the level of security available in their applications.

*“The biggest weakness in online accounting software is the lack of two-factor authentication, where users sign in with a passcode on their smartphone as well as a password. Once one vendor introduces this, we should see the others follow suit quickly.”*

Sholto Macpherson

When it comes to protecting financial data, businesses need to consider security measures that include – but are not limited to – the encryption of billing and payment information during purchase and at rest, data back-up in

<sup>3</sup> Sahin, S. (2015, February 24). Top 10 factors considered by small businesses when choosing cloud apps. GetApp Lab. Retrieved from <https://lab.getapp.com/new-research-getdata-top-10-factors-considered-by-small-businesses-when-choosing-cloud-apps/>

multiple geo-locations, and specifics about if and when financial data is retained after service cancellation.<sup>4</sup>

According to Sholto, however, there is a gaping hole in the security of accounting apps. “The biggest weakness in online accounting software is the lack of two-factor authentication, where users sign in with a passcode on their smartphone, as well as a password. Once one vendor introduces this, we should see the others follow suit quickly.”

FinancialForce Accounting offers two-factor authentication, but not many other accounting apps have taken the cue. Adding this extra layer of protection could be imperative for the future of the ever-increasing amounts of data being integrated into accounting apps.

Ideally, the future could see a scenario where security doesn't have to be as big of a concern from the beginning as it currently is for many companies thinking about switching to the cloud. “Security should largely be invisible in the same way it is

***“Security should largely be invisible in the same way it is with online banking. We trust the banks to use the latest technologies and processes to protect us... Accounting software... needs the same level of protection.”***

Sholto Macpherson

<sup>4</sup> Blaszkiewicz, Suzie. (2015, August 13). The ultimate guide to your accounting app's security. GetApp Lab. Retrieved from <http://lab.getapp.com/the-ultimate-guide-to-your-accounting-apps-security/>



with online banking. We trust the banks to use the latest technologies and processes to protect us from organized crime. Accounting software, which will become more deeply integrated with banking services, needs the same level of protection,” says Sholto.

# OPPORTUNITIES FOR THE FUTURE

**T**he shift from desktop to cloud accounting, while picking up steam, still hasn't seen close to its full potential for businesses. One report suggests that cloud-based accounting is only a drop in the ocean of accounting software, which represents a market of over 11.5 million small and medium sized businesses in the US.<sup>5</sup> Even Quickbooks, one of the leaders in the cloud accounting industry, only this year announced that it had surpassed its 1 million paid subscriber milestone, an impressive albeit relatively small number.<sup>6</sup>

*“In this transition to online accounting, many businesses are still using desktop accounting software to manage their finances. Accountants who are aware of the latest accounting technology are recommending their clients migrate...”*

**Sholto Macpherson**

5 O'Bannon, I. M. (2014, March 7). The SMB Cloud Accounting Market is Still a New Frontier. CPA Practice Advisor. Retrieved from <http://www.cpapracticeadvisor.com/news/11324496/the-smb-cloud-accounting-market-is-still-a-new-frontier>

6 Business Wire. (2015, January 4). Quickbooks Online Passes 1 Million Paid Subscribers. Retrieved from <http://www.businesswire.com/news/home/20150604006305/en/QuickBooks-Online-Passes-1-Million-Paid-Subscribers#.VYxhQBOqqko>

Interestingly, those not using cloud-based accounting software aren't necessarily using legacy software either; a GetData study shows that 36.6 percent of companies aren't using any type of accounting software, whether cloud-based or not, sticking instead to a spreadsheet or even physically recording their finances.<sup>7</sup> For accounting apps like Xero, Quickbooks, and Wave, much of this yet-to-be-tapped market is key to growing their market share of cloud accounting, and many accountants seem to be on the same side of the coin, driving usage towards the cloud.

***“Established online accounting software such as Xero is adding business intelligence features such as customizable dashboards with more comprehensive options.”***

**Sholto Macpherson**

As Sholto says, tech-savvy accountants are subtly pointing out the benefits of cloud accounting in order to nudge businesses towards simplifying their accounting processes. “In this transition to online accounting,” he says, “many businesses are still using desktop accounting software to manage their finances. Accountants who are aware of the latest accounting technology are recommending their clients migrate to software that gives them better visibility of how

<sup>7</sup> Sahin, S. (2015, May 26). Over a third of companies shun time-saving accounting apps. GetApp Lab. Retrieved from <http://lab.getapp.com/new-research-getdata-over-third-of-smbs-losing-up-to-7-hours-per-week-by-not-using-an-accounting-app/>



their business is performing. This can be through a more user-friendly and attractive interface or mobile apps.”

As time goes on, Sholto predicts that aside from the features already mentioned in previous sections, accounting apps will start leveraging more complex information, as some have already started doing: “established online accounting software such as Xero is adding business intelligence features such as customizable dashboards with more comprehensive options. Instead of showing basic information such as sales invoices due and bills payable, the next generation of online software will display KPIs chosen by the business owner or their financial advisor.” As with much of the SaaS industry, leveraging more and more data will play a huge role in the future of accounting.

As of now, the market for opportunity is huge for accounting app vendors to onboard more users. As features become more robust, integrated, and user-friendly, cloud accounting apps will only look more appealing to prospective users.

## TOP NEWS IN ACCOUNTING FOR Q1 2016

- ▶ [Sage SMB Accounting Gets a Modern Makeover](#) Small Business Computing
- ▶ [FreshBooks Introduces New Mobile Credit Card Reader for SMB Accounting System](#) CPA Practice Advisor
- ▶ [Abacus Partners with NetSuite for Real-Time Expense Management](#) CPA Practice Advisor

## KEY TRENDS FOR CLOUD-BASED ACCOUNTING SOFTWARE:

- Automated processes and simple, easy-to-use software have made accounting apps more accessible to non-accountants.
- Mobile apps are becoming imperative for functions like expense management and billing and invoicing to help contribute to real-time accounting practices.
- Integrations with banks and third-party retailers allows for more automation.
- A lack of two-factor authentication is limiting a potentially higher level of security for cloud-based accounting apps.
- There are big opportunities for accounting app vendors to tap into a large portion of the market that's still not using accounting applications.

# GETRANK

RANKING THE TOP CLOUD-BASED BUSINESS SOLUTIONS

## WHAT IS GETRANK?

**G**etApp's quarterly ranking, **GetRank**, is designed to help business owners and decisions makers narrow down the difficult task of finding the most appropriate cloud-based solution for their business. Segmented by product categories, GetRank highlights the top 25 cloud-based business applications in distinct categories. This report features the top 25 rankings for Q1 2016 in **accounting, accounts payable, billing and invoicing, and expense management.**

Unique to GetApp, each app's GetRank score is completely independent of commercial interests and existing relationships that GetApp may have with app vendors, maintaining a focus on giving businesses a reflective and comparative picture of leading apps in popular product categories. GetApp does not incentivize user reviews and has not asked vendors to pay in order to participate in the ranking. Each app earmarked for the ranking is a known industry-leader with some degree of market presence.

## THE RANKING

**G**etApp uses **five data points** to rank apps based on a combination of its own unique data, as well as data collected from third-party sources. Each data point was chosen based on its relevance to businesses in the process of choosing business apps, as well as its ability to provide tangible, numerical data. Each data point was scored out of 20, with a total potential score of 100.

The five data points used to rank each app are:

- **User reviews**– based on the number and quality of reviews on GetApp.
- **Integrations**– based on the number of integrations with other apps listed on GetApp.
- **Mobile Platforms**– based on the availability of an Android and iOS app and its rating in Google Play and the App Store, respectively.
- **Media Presence**– based on the number of followers and fans on Twitter and Facebook, respectively.
- **Security**– based on a security survey developed by GetApp, modeled on the Cloud Security Alliance self-assessment form.



It's important to note when considering the value of each app, that every data point should be considered in conjunction with one another. For example, many websites now focus solely on user reviews, and while it is a useful and important metric, it has to be considered alongside factors like security, in order for a business to be able to accurately make a preliminary assessment of a cloud-based business app.<sup>8</sup>

The following four tables reflect data collected during Q4 2015 (October 1<sup>st</sup> to December 31<sup>st</sup>). The rankings will be updated on a quarterly basis to account for new data.

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<sup>8</sup> Howlett, D. (2015, March 13). Crowdsourced end user software assessments – value or illusion? Diginomica. Retrieved from <http://diginomica.com/2015/03/13/crowdsourced-end-user-software-assessments-value-illusion/>

# ACCOUNTING

		GetRank Score	Reviews	Integrations	Mobile	Media Presence	Security
1	NetSuite	86	15	18	13	20	20
2	Xero	82	19	19	16	16	12
3	FreshBooks	78	18	18	19	16	7
4	QuickBooks Online	68	13	20	19	16	0
5	Intacct	65	20	16	12	4	13
6	Clear Books Accounting	59	19	4	7	16	13
7	Wave	57	16	4	16	7	14
8	FinancialForce Accounting	54	9	13	8	8	16
9	Zoho Books	54	12	9	17	16	0
10	Sage One Canada	49	14	2	15	18	0
11	MYOB	46	7	9	14	16	0
12	KashFlow	45	14	11	6	4	10
13	Sage One U.S.	36	0	4	14	18	0
14	FreeAgent	35	15	8	6	6	0
15	Saasu	34	14	11	6	3	0
16	Aqilla	29	9	2	0	2	16
17	Arithmo	28	18	0	8	2	0
18	Kashoo	28	9	2	14	3	0
19	Workday Financial	28	0	2	15	11	0
20	Nominal Accounting	27	11	2	12	2	0
21	Crunch	26	15	0	7	4	0
22	WinWeb Accounting	21	9	0	6	6	0
23	Yendo	20	11	0	7	2	0
24	Oracle Fusion Financial M.	20	0	2	14	4	0
25	LessAccounting	15	0	5	7	3	0

# ACCOUNTS PAYABLE

		GetRank Score	Reviews	Integrations	Mobile	Media Presence	Security
1	Xero	81	17	19	16	17	12
2	QuickBooks Online	68	12	20	20	16	0
3	Intacct	60	18	14	12	3	13
4	Zoho Books	53	11	8	18	16	0
5	FinancialForce Accounting	52	8	12	9	7	16
6	KashFlow	42	12	10	6	4	10
7	MYOB	42	6	8	14	14	0
8	Bill.com	38	20	6	8	4	0
9	Sage 50 U.S.	37	8	9	0	20	0
10	FreeAgent	33	14	7	6	6	0
11	Tipalti AP Automation	30	8	3	0	2	17
12	Rubberstamp.io	30	13	2	0	2	13
13	Saasu	30	12	10	6	2	0
14	Aqilla	28	8	2	0	2	16
15	Kashoo	28	8	2	15	3	0
16	Arithmo	26	16	0	8	2	0
17	Nominal Accounting	26	10	2	12	2	0
18	Sage 50 Canada	26	0	6	0	20	0
19	Procurify AP	17	0	2	13	2	0
20	LessAccounting	15	0	5	7	3	0
21	Gem Accounts	13	8	3	0	2	0
22	billfaster.com	12	10	0	0	2	0
23	e-economic	12	8	2	0	2	0
24	Anybill	12	0	4	6	2	0
25	eZ Account Import	10	8	2	0	0	0

# BILLING & INVOICING

		GetRank Score	Reviews	Integrations	Mobile	Media Presence	Security
1	Xero	83	16	19	16	20	12
2	FreshBooks	77	15	18	19	18	7
3	QuickBooks Online	68	11	20	19	18	0
4	Wave	65	13	6	16	16	14
5	Intacct	65	16	16	12	8	13
6	FinancialForce Accounting	64	8	16	8	16	16
7	Clear Books Accounting	59	16	6	7	17	13
8	Harvest	55	6	16	15	18	0
9	KashFlow	53	11	16	6	10	10
10	PaySimple	51	11	2	15	6	17
11	Chargify	51	10	16	7	5	13
12	Clio	50	0	9	14	14	13
13	Zoho Invoice	50	8	6	18	18	0
14	ChargeOver	49	13	13	0	6	17
15	MYOB	49	6	12	14	17	0
16	Fusebill	47	14	8	6	2	17
17	Paymo	47	20	4	12	5	6
18	Bill.com	46	18	10	8	10	0
19	FreeAgent	46	13	11	6	16	0
20	Chargebee	44	13	10	0	5	16
21	Fundbox	42	19	6	0	17	0
22	BigTime	39	0	9	14	3	13
23	Saasu	39	12	16	6	5	0
24	Intacct Subscription Billing	38	0	16	0	8	14
25	Zoho Subscriptions	37	11	8	0	18	0



# EXPENSE MANAGEMENT

		GetRank Score	Reviews	Integrations	Mobile	Media Presence	Security
1	Concur	70	14	20	20	16	0
2	Expensify	62	12	16	16	6	12
3	Xpenditure	61	14	19	13	2	13
4	Nexonia Expenses	54	0	19	17	2	16
5	SutiExpense	52	0	19	13	2	18
6	ExpenseBot	52	15	10	15	2	10
7	Shoboxed	52	12	19	16	5	0
8	Receipt Bank	47	10	16	16	5	0
9	ExpensePath	45	10	9	12	2	12
10	Cube	44	0	14	15	2	13
11	Zoho Expense	44	0	13	14	17	0
12	Timesheets.com	41	20	5	0	2	14
13	TriNet Expense	40	11	10	17	2	0
14	Abacus	38	0	10	15	2	11
15	Certify	33	8	7	16	2	0
16	Coupa	29	0	7	15	7	0
17	Entryless	27	13	5	7	2	0
18	Tallie	26	0	9	15	2	0
19	Databasics Expense	20	0	3	15	2	0
20	Shoboxed for Quickbooks	20	0	0	0	20	0
21	Unit4 Travel & Expenses	18	0	3	13	2	0
22	Sellsy Purchases & Expenses	16	0	0	0	2	14
23	Replicon WebExpense	15	0	0	0	2	13
24	WebExpenses	15	0	0	13	2	0
25	Chrome River EXPENSE	8	0	0	6	2	0

# THE DATA POINTS

The following sections will outline each data point as it relates to trends in the industry, as well as an explanation of how this data was used to score apps for GetRank.

## USER REVIEWS

**I**n a space where consumers are inundated with marketing pitch after marketing pitch, user reviews have emerged as a way of combatting obvious marketing tactics in order to get an accurate picture of a product. Instead of turning to a company, consumers are turning to their peers, where a pervasiveness of online reviews has created an indispensable step in the purchasing process.

This notion of peer reviews, known as social proof, has gained a lot of attention in recent years.<sup>9</sup> The term comes from the idea that when lots of people do (or buy) something, others will follow. Take the example of a restaurant: if you're

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<sup>9</sup> Sahin, S. (2015, January 27). Social proof & the psychology of consumer reviews. GetApp Lab. Retrieved from <http://www.getapp.com/blog/social-proof-psychology-of-consumer-reviews/>

looking for somewhere to eat and walk past an empty restaurant, you're less likely to go in than if it were full of people. An empty restaurant signals an unknown experience, presumably bad, while a restaurant full of happy patrons signals the potential for a better dining experience, despite both advertising themselves as the 'best restaurant in town'. The same can be said of online user reviews.

***“70% of consumers read online reviews before making a purchase.”***

A study from Power Reviews reveals that 70 percent of consumers read online reviews before making a purchase,<sup>10</sup> while a similar study by Search Engine Journal shows that 63 percent of consumers are more likely to buy a product from a site that includes product ratings and reviews.<sup>11</sup> On GetApp, applications that have 20 or more reviews get an average of 45 percent more organic visits than those apps that have between one and five reviews.

Of course, it's not just the number of reviews that is important; the reviews themselves and their attached ratings are what can make or break a product. There has been some criticism

10 Prata, M. (2014, November 6). The power of reviews. Power reviews. Retrieved from <http://powerreviews.com/power-of-ratings-and-reviews/>

11 Pierson, G. (2010, June 24). The Power of Social Proof. Search Engine Journal. Retrieved from <http://www.searchenginejournal.com/the-power-of-social%20proof/21896/>

about the real value of an overly positive rating, but the important thing is to consider the rating in conjunction with the number of reviews an application has and the value attached to them.<sup>12</sup>

### INTEGRATIONS

**B**usiness processes are becoming more integrated in their deployment. As a result, integration is becoming increasingly important for companies, especially when moving to the cloud, where there's huge potential for transferring and sharing data. The risk of vendors not having integrations includes a company creating cloud silos, making cross-channel functioning impossible and in some cases, duplicating work.<sup>13</sup>

As the transition to cloud-based solutions continues to gain prominence, companies want the ability to connect their applications in order to make that transition smoother. The current rate of cloud adoption puts it at almost 90 percent of

*“2/3 of SaaS vendors see integration as a critical part of their SaaS solution.”*

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<sup>12</sup> Howlett, D. (2015, March 13). Crowdsourced end user software assessments – value or illusion? Diginomica. Retrieved from <http://diginomica.com/2015/03/13/crowdsourced-end-user-software-assessments-value-illusion/>

<sup>13</sup> Mulesoft. (2014, December 16). The Cloud: The Cause and Solution to New Integration Challenges. Retrieved from <https://www.mulesoft.com/resources/cloudhub/cloud-cause-and-solution-new-integration-challenges>



businesses with at least some part of its operations in the cloud.<sup>14</sup> According to one study by Mulesoft and THINKstrategies, integrations are one of the biggest hurdles when it comes to the SaaS sales process, and two-thirds of SaaS vendors surveyed said that integration is a critical part of their SaaS solution.<sup>15</sup>

Eventually bringing all applications to the cloud offers great opportunities for data integration and analysis, making integration with other applications imperative, but even without the entire business infrastructure in the cloud, it's just as important that a cloud-based application can integrate with an enterprise solution.

A business needs to consider what they're currently using and whether or not it functions with potentially new products in order to get the most out of its cloud-based business solution. Imagining heavy-hitters like Salesforce without any integration would be almost impossible.

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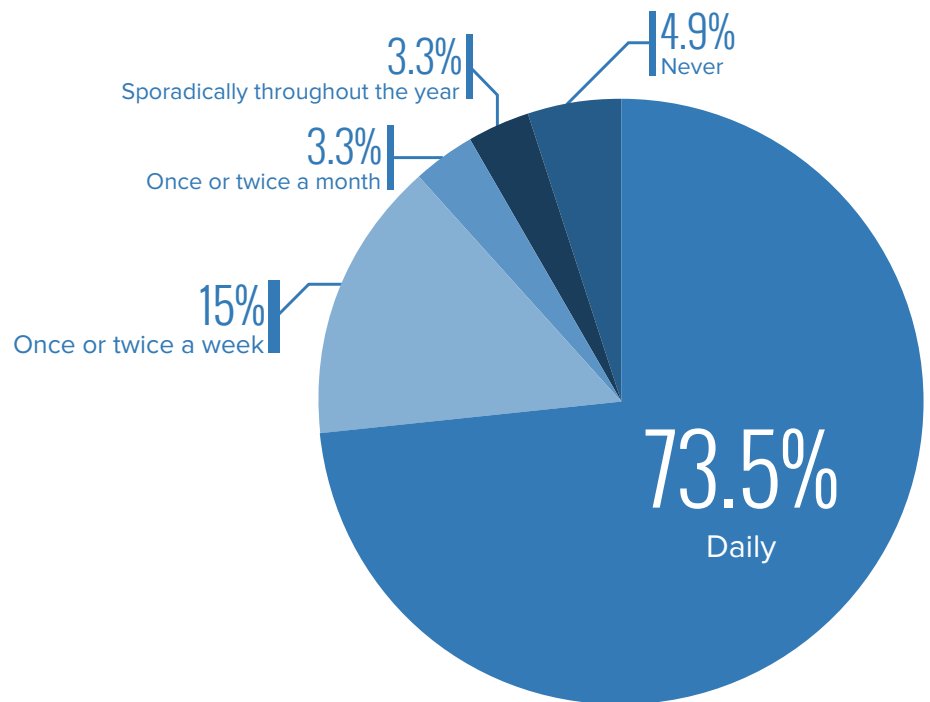
**14** Morris, F. (2014, October 7). Infographic: SMB Cloud Adoption Trends 2014. PC World. Retrieved from <http://www.pcworld.com/article/2685792/infographic-smb-cloud-adoption-trends-in-2014.html>

**15** Mulesoft & THINKstrategies. (2013). SaaS Integration Survey: 2012 Trends, Volume II. Retrieved from <http://resources.mulesoft.com/SaaSIntegrationSurveyThankYou.html?al-id=44621265>

## MOBILE PLATFORMS

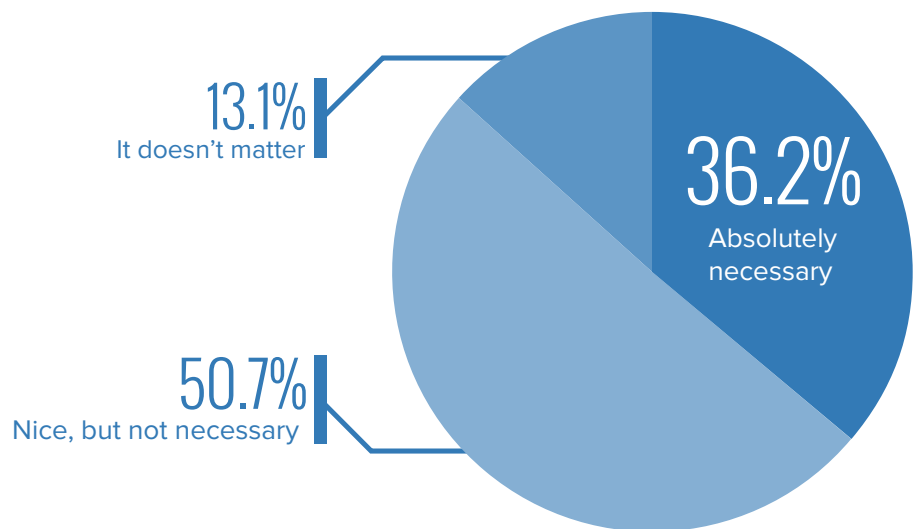
**HOW OFTEN DO YOU ACCESS YOUR WORK DATA FROM YOUR MOBILE DEVICE?**

Figure 2.1



**HOW IMPORTANT IS IT THAT YOUR BUSINESS SOFTWARE HAS A MOBILE APP?**

Figure 2.2



**I**t should come as no surprise that mobile integration is a necessity for business apps. With more and more work being conducted outside the office and on personal devices thanks to policies like BYOD (Bring Your Own Device),

employees are often required to access business data and software platforms from their mobile device. A GetData study shows that almost 75 percent of employers check their business data on their mobile devices at least once a day, while another 15 percent use their mobile devices to check work-related data at least once a week.<sup>16</sup> A similar GetData study shows that over 85 percent of respondents would like a mobile app for their business applications.<sup>17</sup>

More specifically, there's a huge difference between being mobile friendly, and having a mobile app. A study by comScore shows that app activity on a smartphone accounts for 88 percent of time spent on mobile devices, compared to only 12 percent on mobile web (websites accessed through a mobile browser), a number that's reflective of GetData's findings.<sup>18</sup> Similarly, tablet activity has an 82/18 split when it comes to using apps versus mobile browsing, respectively.

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<sup>16</sup> Sahin, S. (2015, March 23). GetData: 75 percent of managers use mobile every day to access business data. GetApp Lab. Retrieved from

<http://www.getapp.com/blog/new-research-getdata-75-percent-of-managers-use-mobile-every-day-to-access-business-data/>

<sup>17</sup> Sahin, S. (2015, March 24). GetData: More than 86 percent of business managers want mobile access to their business software. GetApp Lab. Retrieved from

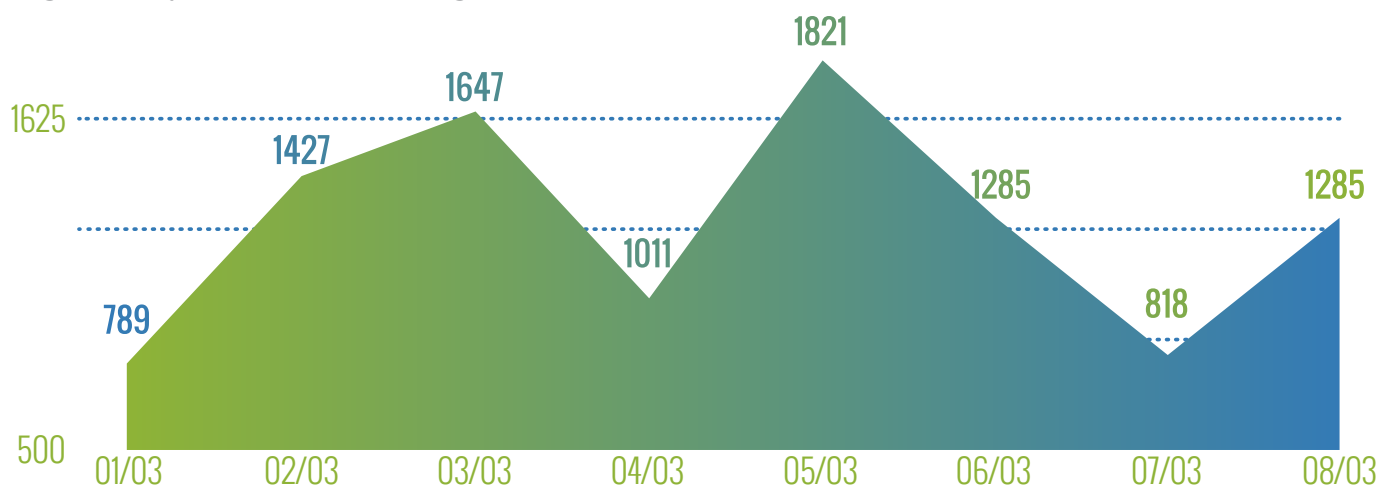
<http://www.getapp.com/blog/new-research-86-percent-business-managers-want-business-software-to-be-mobile-accessible/>

<sup>18</sup> comScore. (2014). The U.S. Mobile App Report. Retrieved from <http://www.comscore.com/Insights/Presentations-and-Whitepapers/2014/The-US-Mobile-App-Report>

In this regard, iOS and Android dominate the market, with more than 83 million Android users and roughly 67 million iOS users in the US, according to comScore's 2014 report. Having both a well-designed and properly functioning iOS and Android solution is essential for businesses to cater to the most popular and lucrative markets.

## MEDIA PRESENCE

**A** strong social media presence is a good indicator of the relative popularity of one product over another, and the business-app space is no different. While it might not be the most talked about industry, SaaS and business apps still garner a lot of traction in the media— a quick Brandwatch query of the term 'SaaS' shows over 10,000 online mentions in an eight-day period during Q1 2015.



**SAAS MENTIONS ON TWITTER  
MARCH 1- MARCH 8 2015**

Source: Brandwatch

Figure 2.3



As Laurie McCabe, Co-founder and Partner of SMB Group– and contributor to GetRank’s Customer Success report– has stated, the customer journey doesn’t start with the vendor, but with the online conversations taking place around that vendor. More specifically, the conversations taking place on social media can be a good indicator of popular opinion about an app. This is especially true for SaaS vendors, who don’t have a physical product but rely heavily on an online presence to promote their company and its offerings.

In this vein, social media has become an indispensable marketing tool, and a great way for businesses to interact with customers and garner leads, making it especially salient for a business to use. A study done by the Social Media Examiner shows that 79 percent of marketers have integrated social media into their traditional marketing activities.<sup>19</sup> The same study shows that 50 percent of marketers who have been using social media for over three years report an increase in sales, while 64 percent have seen lead generation benefits from the platform.

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<sup>19</sup> Stelzner, M. A. (2013). 2013 Social Media Marketing Industry Report: How Markets Are Using Social Media to Grow Their Business. Social Media Examiner. Retrieved from <http://www.socialmediaexaminer.com/SocialMediaMarketingIndustryReport2013.pdf>

While it's hard to directly correlate social media following with the quality of an app, it does give a good sense of the relative size and popularity of a vendor compared to its competitors in the industry.

## SECURITY

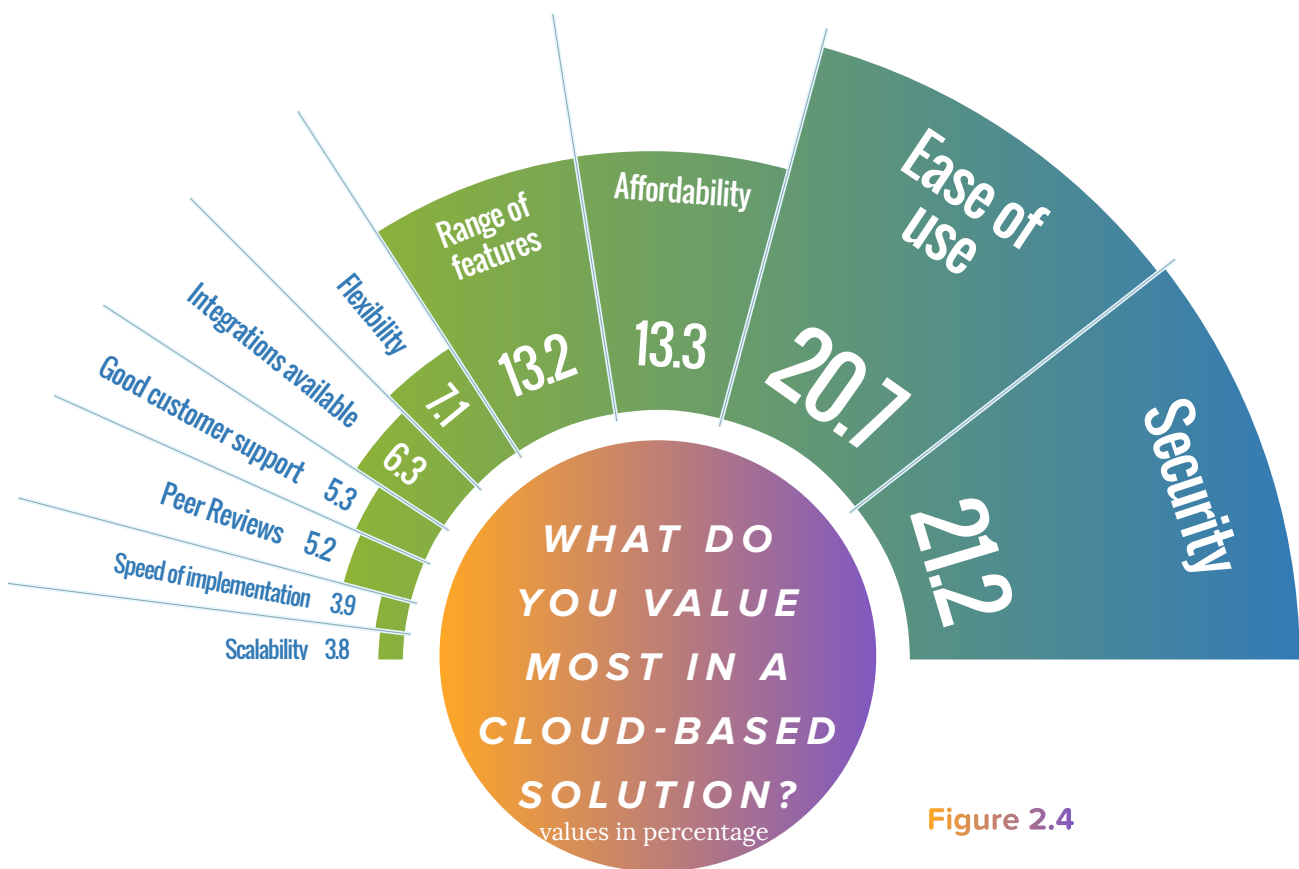


Figure 2.4

**S**ecurity has long been the biggest concern for any business looking to make a move to the cloud. Unsurprisingly, with very public data breaches consistently making the news, security continues to be a huge concern.

Another GetData study shows that when choosing a cloud-app, the number one consideration for a business owner is the security of the app.<sup>20</sup>

On top of that, trends towards mobile and the idea of BYOD, or Bring Your Own Device, make the situation even more complicated. When employees are encouraged to bring their own mobile devices to work, companies have to adapt their security policies to account for this trend. One study by the Ponemon Institute cites the risk of data breaches by both internal employees and external sources.<sup>21</sup> The study shows that 59 percent of IT professionals believe that data breaches are more likely to occur from negligent employees, while only 23 percent believe that they're more at risk from external attackers.

In light of these types of security concerns, organizations like the not-for-profit Cloud Security Alliance aim to provide security standards and best practices for cloud-computing. When considering the security of a cloud vendor's application, it's important to know things like the type of certification it has, the type of

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20 Sahin, S. (24 February, 2015). Top 10 factors considered by small businesses when choosing cloud apps. GetApp Lab. Retrieved from <http://lab.getapp.com/new-research-getdata-top-10-factors-considered-by-small-businesses-when-choosing-cloud-apps/>

21 Ponemon Institute Research Report (2014). Corporate Data: A Protected Asset or a Ticking Time Bomb? Retrieved from <http://info.varonis.com/hs-fs/hub/142972/file-2194864500-pdf/ponemon-data-breach-study.pdf>

encryption it uses, and where it stores and how often it backs up its data, as well as its access standards for internal users, and its protection against potential threats.

# SUMMARY

**D**espite being slow to migrate, accounting app vendors have proven the advantages of conducting accounting activities in the cloud. With accountant-backed software that helps create better oversight of the complete financial situation of a company, cloud accounting has reduced the need for manual input by integrating different facets of the accounting process into one technology.

Raw accounting has been made more accessible to non-accountants, while mobile apps play a pivotal role in consolidating expenses and billing to provide more real-time accounting information than ever before. While security continues to be a concern for some companies moving to the cloud, there is still huge potential for market share when it comes to the number of as yet uncommitted small and medium sized businesses who still don't use accounting software; the features available in the cloud point to it being their first choice.



As GetRank aims to demonstrate, looking at factors that reflect some of the biggest trends in the industry can help businesses make a valuable first assessment for a cloud-based SaaS solution. GetRank helps to answer five key questions that should be top of mind when deciding on a cloud-based business solution:

- **User Reviews:** How do other users feel about this product?
- **Integrations:** How can this application integrate with the applications already being used?
- **Mobile Platforms:** Is this application and its data accessible from my smartphone or tablet?
- **Media Presence:** Is this company well-known and trustworthy?
- **Security:** Will my data be safe in this company's hands?

Realistically, these are only the first steps in the decision-making process, but answering these questions will help reduce the list of potential applications and narrow down the search for a cloud-based business app that's most suitable for a business.

# APPENDIX: SCORING FOR GETRANK

Each data point is scored out of 20, for a total possible score of 100.

## USER REVIEWS

The GetRank score for user reviews is determined by product reviews listed on GetApp, which are verified using LinkedIn login details. The scores are calculated using a Bayesian Estimate, which is a weighted average that includes the number of reviews and the rating of the app, benchmarked against other apps in the category. This raw number is then scaled to represent a value between 1 and 20.

## INTEGRATIONS

Integration scores are calculated by scaling and adding two different averages for the number of listed integrations an app has on GetApp: the first 15 points are awarded for the total number of integrations, scaled against the average number of integrations for the top 25 percent of apps in the category. The final 5 points are awarded for the total number of integrations scaled against the leader in the category.

## MOBILE PLATFORMS

Mobile platform scores are calculated using data pulled from Google Play and the Apple App Store. In this case, a maximum of 5 points is attributed for having an Android App, and another 5 for an iOS app. The additional 10 points are calculated based on the ratings of the app in each store, each rated out of 5, for a total of 20 points.

## MEDIA PRESENCE

Media presence is calculated using the number of Twitter followers and Facebook fans a vendor has. Each social network contributes a maximum of 10 points to the total score. The first 5 points are awarded for total number of followers scaled against the average number of followers that each vendor in the category has, while the other 5 points are awarded based on the total number of followers scaled against the category leaders. The scores for Facebook and Twitter are added together for a total score out of 20.

## SECURITY

Security is calculated using answers from a vendor-completed survey. The questions in the

survey are based on the Cloud Security Alliance self-assessment form as part of the Security, Trust & Assurance Registry. With 15 questions, each answer is assigned a point value based on vendor response, with additional points given for security certifications, for a maximum possible score of 20.

# APPENDIX 2: GRAPHS

## FIGURE 2.1: SURVEY QUESTION: “HOW OFTEN DO YOU ACCESS YOUR WORK DATA FROM YOUR MOBILE DEVICE?”

- #1: Daily (736 respondents)
- #2: Once or twice a week (150 respondents)
- #3: Never (49 respondents)
- #4: Once or twice a month (33 respondents)
- #5: Sporadically throughout the year (33 respondents)

Demographics: 1,000 US-based respondents from a panel of managers of small and medium-sized businesses. Respondents are aged between 25 and 54 and have an average inferred annual income of \$50k – \$150k.

## FIGURE 2.2: SURVEY QUESTION: “HOW IMPORTANT IS IT THAT YOUR BUSINESS SOFTWARE (CRM, ACCOUNTANCY SOFTWARE, ETC) HAS A MOBILE APP?”

- #1: It would be nice but not necessary (508 respondents)



- #2: It's absolutely necessary (363 respondents)
- #3: It doesn't matter either way (131 respondents)

Demographics: 1,000 US-based respondents from a panel of managers of small and medium-sized businesses. Respondents are aged between 25 and 54 and have an average inferred annual income of \$50k – \$150k.

### FIGURE 2.3: 'SAAS MENTIONS ON TWITTER: MARCH 1 – MARCH 8 2015

- March 1st: 789
- March 2nd: 1427
- March 3rd: 1647
- March 4th: 1011
- March 5th: 1821
- March 6th: 1285
- March 7th: 818
- March 8th: 1285

Accessed March 10, 2015 via Brandwatch using the query hashtags:SaaS.

### FIGURE 2.4: SURVEY QUESTION: “WHEN CHOOSING A CLOUD-BASED SOLUTION FOR YOUR BUSINESS, WHAT DO YOU VALUE MOST?”

- #1: Security (212 respondents)
- #2: Ease of use (207 respondents)
- #3: Affordability (133 respondents)
- #4: Range of features (132 respondents)
- #5: Flexibility (71 respondents)
- #6: Integrations available (63 respondents)
- #7: Good customer support (53 respondents)
- #8: Peer reviews (52 respondents)
- #9: Speed of implementation (39 respondents)
- #10: Scalability (38 respondents)

Demographics: 1000 USA-based respondents from a panel of small and medium-sized business owners, between the ages of 24 and 54, with an average inferred income of between \$50k-\$150k+.

# GetApp



GETAPP IS A CLOUD-BASED  
BUSINESS APPS MARKETPLACE FOR  
SMALL AND MEDIUM SIZED-BUSINESSES  
TO DISCOVER, COMPARE, AND CHOOSE  
THE RIGHT CLOUD-BASED SOLUTION