



**Volume 6
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What's Inside

Page Two

Increasing Customer Retention CONTINUED

Page Three

Improve Your Cash Flow
Tips & Tricks

Page Four

New Atlantic Software Alliance Customers
Customers For Life
FREE BusinessWorks Webcast

Headline News

Sage BusinessWorks v7 is not compatible with the recently released Microsoft Windows Vista operating system. Sage Software is conducting compatibility tests, but until this testing is completed the Vista operating system is not recommended or supported.

Sage Software encourages all customers to defer upgrading to Vista until full support is available for Vista. If you are purchasing a new computer, we recommend

Continued on Page 2

Increasing Customer Retention

Some industry analysts say that new customer acquisition is at least three times more expensive than customer retention. Wouldn't it be great if there were some magic formula you could use to guarantee your customers' loyalty—to ensure they would keep coming back for more of what you offer? While it may not be magic, customer satisfaction is the single most important factor in retaining your customers' business. Customers buy when companies offer the products they need backed by exceptional service.

Sage BusinessWorks Accounting supports your company's commitment to exceptional service. In this article we'll explore the hallmarks of good customer service and how Sage BusinessWorks can help you put them into practice.

Make Them Feel Welcome

Let your customers know you're thinking of them and you keep your company's products or services in front of your customers. Make it your goal to offer your customers assistance before they have to ask.

Use the **Custom Office Mail Merge** or **Instant Correspondence** functionality within Sage BusinessWorks to create a letter or e-mail to a group of customers or one specific customer. Build a library of documents to send at certain milestones in your customer relationships such

as a new customer welcome letter, credit terms awarded, credit limit increased, thank you for your order, or an announcement of a new sales representative. When you introduce a new product, send your customers who have purchased a similar or related products an e-mail product announcement.

Learn From Your Success

You can't be all things to all customers, so you'll want to focus on the kind of customer you can make—and keep—happy. Start by identifying your best customers. These are not necessarily the ones that have spent the most, but those that have made consistent purchases over a long period of time—at a profit to you. Next, analyze the similarities between



Excellent customer service is the key to retaining happy customers.

these customers and use what you learn to grab and retain other high-value customers. Are your best customers within a few miles of your location? If so, concentrate your marketing efforts there. All in a certain industry? Produce marketing literature that showcases your ability to address this industry's needs. Are they all the customers of one particular sales representative? Consider asking your top performer to present tips for success in a lunchtime presentation. Are the majority of your sales from a single referral source? Think of ways to acknowledge and reward that source to keep the leads coming.

Continued on Page 2

**FREE
Webcast**

See page 4
for more info!

Compliments of:



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Increasing Customer Retention CONTINUED

The **Accounts Receivable** module lets you define up to five custom fields that you can use to track information about your customers. If you are not yet utilizing these fields, consider doing so—they can provide valuable insights into your business. Create a Referral Source field to enable you to see where your business is coming from. For example, if you could discover that you won 25 new customers and \$50,000 of new business from your fall trade show—your decision on whether it is worthwhile to attend is much easier. You could create another field for Region, allowing you to analyze from where you are drawing your customer base. These custom fields can be included in Custom Reports, Custom Exports, Custom Worksheets, and Custom Forms enabling you to perform detailed sales analysis. Such knowledge translates into the power to focus your sales and marketing efforts.

By profiling your best, most profitable customers, you can focus your sales and marketing efforts more successfully and build long-term, high-value relationships.

Know Your Customers

If you give your customers exactly what they want, they'll find little reason to shop elsewhere. How can you know what they want? The obvious way is to ask them.

Survey your customers to find out what they want from your company, what they like and don't like about what they're getting. Be sure to ask them if they would recommend your company's products or services to a colleague. If not, you want to know why. Have your employees keep ongoing written notes of both compliments and complaints. Review these notes at staff meetings.

Sage BusinessWorks **Notes** feature is an excellent location for keeping bits of important information such as details of telephone conversations and shipping preferences. Remember, these notes are available from most locations; so encourage your staff to check these notes, and record new ones as appropriate, during each customer encounter.

Contact management software, such as **ACT! by Sage** is an effective way to track the details of your customer relationships,

and it now integrates seamlessly with Sage BusinessWorks.

Another way to find out what your customers want is to look at what they're already buying. By understanding their buying habits, you can work to sell these customers other related or similar products, or duplicate what you're doing right for them for the rest of your customers.

Sage BusinessWorks does an excellent job of retaining customer purchase history. Use this history to your advantage. Use the **Part History Inquiry** available when entering an order to view a quick history of the customer's item purchase history. The **Accounts Receivable Customer History Report** provides a snapshot of a customer's month-to-date and year-to-date sales, adjustments, average days to pay, and finance charges. Reviewing this report makes it is easy to identify a sales trend such as a significant monthly decline. By analyzing your customers' buying habits, you are in a better position to offer them what they need, when they need it—which equates to excellent customer service.

Make It Fast And Easy

Are you making it as easy as possible for customers to do business with you? Do you have a toll-free phone number? A Web site? Are your business hours convenient for your non-local customers?

Sage BusinessWorks is an excellent tool to support your efforts. The efficient **Order Entry** module makes it easy to provide your customers with quotes, and later to quickly convert those quotes to orders and invoices. With information at your fingertips you will be able to answer customer questions about account balances, overdue invoices, and purchase history. Add the **Statement Printing** and **Reprint Invoices** tasks to your shortcut bar. Then, while you are on the phone with a customer, you can generate a statement or reprint an invoice and send it to your customer by e-mail, impressing them with your immediate response.

In this era of online ordering and overnight delivery, you must strive to get your products into your customers' hands as quickly as possible. Half of this equation involves having the

appropriate quantities in stock at all times. The **Inventory** module, with its purchasing component, will help ensure you can meet demand. The other half involves getting the product out the door quickly and on its way to your customer. Consider using **StarShip** and the **StarShip Link** to Sage BusinessWorks. StarShip can help streamline the entire shipping process and add efficiencies that save both time and money. If you ship your products using any major carrier, StarShip can make this process faster and more convenient.

Offer Choices

We all like choices. One customer may prefer to receive invoices by mail, another via FAX, and a third may prefer to receive an e-mail version. Sage BusinessWorks makes it easy to offer these choices to your customers.

Do you have customers that prefer to pay by credit card? Sage BusinessWorks provides dedicated fields to hold customers' credit card information, making it convenient to offer this payment option.

Sage BusinessWorks can help you increase your customer retention by providing you with the tools you need to deliver exceptional customer service. Consider the suggestions here and incorporate your own ideas.

Let us know how we can be of assistance. ☆

Headline News

Continued from Page 1

that you request Windows XP Professional.

It is important to note that the compatibility issues with Vista are not isolated to Sage BusinessWorks, but Vista also impacts many third-party products including Crystal Reports®.

Sage Software recognizes the importance of supporting Microsoft Vista and is making significant investments to ensure Sage BusinessWorks v8 will be fully compatible with Vista.

Please check with us for the latest news on Vista compatibility. ☆

Ideas To Improve Your Cash Flow

Did you know that more businesses fail for lack of cash flow than for want of profit? Has your business experienced the cash flow crunch at one time or another? The root cause of the problem is simple—you assume the cost of purchasing or producing goods or services in advance of receiving payments from customers. The solution, while not quite as straightforward, is achievable with a little effort and focus. Here are our top suggestions:

1. Invoice More Frequently

If you sell products, mail the invoice the same day the product ships. If you are a service-based business, bill your clients twice a month or even once a week instead of at the end of the month.

2. Request Deposits or Multiple Stage Payments

For large orders or engagements, it is reasonable to request an up-front deposit of up to 50%. Cover your costs before fulfilling the order.

3. Offer Payment Discounts for Timely Payments

Encourage customers to pay early or on time by offering a discount for prompt payment. Even a small discount will motivate your customers to pay on time.

4. Check Credit References

Check credit references before giving payment terms. Set procedures with your staff regarding credit checking and make sure they are adhered to. Ask for e-mail addresses with credit references. The credit checking process can be greatly simplified by sending the references an e-mail template using the Sage BusinessWorks Accounting Mail Merge feature with the credit questions you need answered.

5. Understand Your Cash Flow Trends

Generate regular reports on receivable ratios and aging. Plot both the total amount of your receivables and past due amounts over time, so you understand your cash flow trends and can identify potential shortfalls and take action. The Consolidated Cash Flow Report in the Cash Management module is a great tool to help analyze your cash flow.

6. Add Late Payment Charges

Just like early payment discounts, late payment charges are a good motivator for customers to pay promptly. Send account statements at

least once a month and include the late charge information prominently on your invoices and statements.

7. Generate Mid-Month Payment Reminders

You can generate a mail merge list and send reminders by e-mail, or consider including your customers' open balance on quotes, orders, and invoices—a new feature within Sage BusinessWorks v7.

8. Accept Credit Card Payments and Deposits

Customers may be having cash flow problems. Accepting credit card payments gives them relief from their cash flow problem while allowing you to collect your money on time. Encourage credit card payments for deposits as well. You'll have the cash to begin working on the order, moving the entire transaction forward more quickly. And you can store your customers' credit card information securely within Sage BusinessWorks.

9. Adjust Your Prices

As the overall cost of doing business increases through rising fuel, labor, and insurance costs, your prices need to increase to keep pace. Smaller, more frequent increases will be easier for your customers to accept than one big one.

10. Charge For Items That You Now Give Away

Do you go out of your way to process rush orders, but fail to charge extra for the service? What about local delivery services? Does your service-based company too often “not bother” to bill for that five-minute phone call? Think about what types of services you might be giving away for which you can add fees.

11. Add Handling Charges

The cost of packing supplies and labor is significant. If you are not already adding a handling charge to actual freight, it's time to start. If you already have a handling charge, it may be time to increase it.

12. Reduce Inventory/Streamline Product Lines

Excess or obsolete inventory adds a heavy burden to your costs, including taxes paid on inventory assets and the cost of leasing the space it occupies. Can any of your excess inventory be returned to the vendor? Streamline your product line, reducing the total number of SKUs by eliminating low volume or similar items.

13. Negotiate Discount/Extended Terms

Suppliers who value your business will often be willing to offer special terms, especially for larger orders, giving you time to collect balances from your customers before paying your suppliers.

14. Renegotiate Bank Service Charges

Do you do all your banking with one institution? When you hold assets such as certificates of deposit with your bank, they should be willing to waive checking account and other service fees.

15. Consolidate Debt

If you have several loans related to your business, such as a car loan, an equipment loan, and a business line of credit, review the rates and terms on each one. You may be able to consolidate them into a single lower-interest account.

Which of these suggestions has potential to improve cash flow in your business? We suggest you prioritize the list according to the importance in your business and start working your way down. Your Sage BusinessWorks software has the tools and features to implement many of these improvements. Call us to discuss. ☆

Tips & Tricks

How To Post Bonus Checks

By law, bonuses are taxable—the employee is responsible for paying the Federal Withholding Tax. However, employers must normally remit both employer and employee FICA for all bonuses paid. Here's one way to do it:

1. **Open PR / Processing / Time Card Entry.**
In the Earnings field, select *Miscellaneous pay*. If any of the deductions should be set to inactive for this check run, select *Ded/ Other pays* in Time Card Entry window, and reactivate the deductions in **Maintain Employees** after bonus checks are printed.
2. **Open PR / Processing / Automatic Payroll Calculation,** and calculate the bonuses.
3. **Open PR / Processing / Print Payroll Checks,** and **Print** the bonus checks. ☆

Welcome New Atlantic Software Alliance Customers!

Atlantic Software Alliance would like to welcome the following new customers since the start of the new year.

Sage BusinessWorks

- ▶ Select Heating & Air

Sage MAS 200

- ▶ Audio Ethics

Sage MAS 500

- ▶ Trinity Manufacturing
- ▶ Scent Air

02

- ▶ Trinity Manufacturing

Sage SalesLogix

- ▶ Trinity Manufacturing
- ▶ Scent Air
- ▶ Commercial Defeasance

Sage Abra

- ▶ Trinity Manufacturing
- ▶ Gandy Communities



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Topics include:

- ▶ Flexible, Easy-to-Use and Painless Business Management—Making the Move to Sage MAS 90— BusinessWorks Edition
- ▶ Sage Payroll Services—Outsourced Payroll for Your Sage Software Solution
- ▶ Simplify Tax Reporting with Print-N-Sign Forms and eFiling