

Microsoft Dynamics vs. NetSuite: A Taste-Test Challenge

Do you remember the Pepsi Challenge? Beginning in 1975, Pepsi set out to prove to Americans that they actually preferred Pepsi to the far-more-popular Coca-Cola brand. Poured into two identical and unlabeled cups, the caramel-colored liquid taste-test forced consumers to ignore branding and reputation and judge only one thing: taste.

Let's consider what a NetSuite Challenge would look like. It, like Pepsi, is trying to break into the market share of a software giant, Microsoft Dynamics. And it, like Pepsi, has to work to get potential clients to look beyond the stability and superiority associated with the Microsoft Dynamics brand.

So what would happen if we had a taste-test of sorts between NetSuite and Microsoft Dynamics? Let's see. . .

In the first cup, which we will call Software 1, we notice flexibility in deployment models. Software can be hosted (on-demand), on-premise, or a combination of both. A small start-up business may pay a low monthly fee to access software on the internet, and then, as the business grows and users are added, can create an IT environment on site. Software 1 allows a company to shift uses and implementations of its software. The first cup also boasts a low total cost output. Predictable payments, pricing choices, and an average payback period of 21 months (according to Forrester research), all contribute to the strengths of Software 1. Additionally, the brew in the first cup includes user access to KPIs and dashboards so that decisions can be made confidently, with data close at hand. Software 1 boasts a familiar interface that cuts down training time while also enabling an individualized task-centric experience. It's no surprise that Software 1, in the first cup, is also the product of a company that invests approximately \$5 billion dollars each year in R & D. And, with more than 2,300 certified solutions partners, the software in the first cup makes its consumers feel stable and secure. One of Software 1's most impressive distinctions, however, is that its data centers are self-owned in multiple locations. There are no third parties. There is no risk of data loss in the event of a natural disaster. Quite simply, consumers' data are safe. The first cup clearly houses a full-bodied drink.

Wow! That was an impressive cup of software! Now, cleanse your palate and ready yourself for the second cup, which we will call Software 2.

In this enticing cup, we notice the Software-as-a-Service model of deployment. Software 2 sells low upfront cost versions of its product, and then peddles upgrades to its consumers. It promotes a "self-implement" suite, which is offered in 8 languages, but can be risky if the consumer isn't an accounting expert. Unlike Software 1, Software 2 houses all data at a single third-party data center in California, right along the San Andreas Fault. Consumers can pay extra for data backup at an offsite facility. The beverage in cup 2 often offers heavy discounts to lure new clients away from the competition. After drinking from the second

cup, according to the Accounting Library report, only 31% of customers' basic feature needs are met. Yikes. This cup doesn't quite quench the thirst.

Now that you have taste-tested both NetSuite and Microsoft Dynamics, it is time to reveal the identity of each cup of software.

(Drum roll, please. . .)

Yes, Microsoft Dynamics was the delicious drink in the first cup. NetSuite, still trying to catch up, was the beverage in the second cup. Like Pepsi, it is still trying to rival the industry's biggest and best. Unfortunately for NetSuite, that did not happen here.

Like you, **Cold Stone Creamery** recently took the NetSuite Challenge. Executives there wanted to track 200,000 customers' birthdays, so that each would receive a free coupon on his or her birthday (through a Birthday Club website program). Cold Stone also wanted to manage information related to its 1,400 stores, franchises, and crew members. Its taste-test results matched ours; Cold Stone Creamery chose Microsoft Dynamics. Will you?

When it is time to choose the most satisfying software for your taste buds, we recommend considering the following questions:

- Is this software company profitable? What is its product roadmap?
- How secure are my data? What happens when outages occur?
- What if I want to move to an on-premise deployment in the future?
- How do I export my data to other systems?
- If I plan to use third-party solutions, what are the added costs?
- How will I receive customer support? Which partners will provide it locally?
- Are customers that have a presence outside of the U.S. and U.K. supported?
- What is the difference between long-term costs of software compared to initial license fees and maintenance?

We thank you for participating in the NetSuite Challenge!