

The logo for Campbell Rinker, featuring the company name in a bold, white, sans-serif font. The background of the entire page is a solid orange color with a pattern of overlapping, semi-transparent, chevron-like shapes pointing to the right.

Marketing Research for the Nonprofit World

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Nonprofit Accounting Solution Report 2011 edition

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Introduction and Methodology

This study was initiated and conducted independently by Campbell Rinker, a firm that specializes in marketing research for the nonprofit sector. The survey questionnaire was developed by Campbell Rinker and reviewed by industry professionals. This is the fifth edition of this study. The first was published in 2003.

The results reflect actual user opinions—not the opinions of Campbell Rinker. As an independent researcher, Campbell Rinker is not biased towards or against any of the companies or products mentioned in this report.

During August and September of 2011 Campbell Rinker e-mailed approximately 43,465 survey invitations to nonprofit employees (2.1% response rate). Records originated from Campbell Rinker's internally-managed database. From these sources, we collected over 910 qualified responses. To qualify to take the survey, a respondent needed to be employed by a nonprofit and either use accounting solutions or influence their purchase.

The number of responses to each question in this report, and within each subgroup, will vary. The following table shows how different levels of response affect the estimated sampling error...

Sample Size	Estimate of Error (95% confidence level)
910	±3.3%
700	±3.7%
500	±4.5%
300	±5.7%
100	±9.8%

Products Used

Combined:

Q. Which accounting solution product does your organization primarily use? &

Q. Which other accounting solution did you use? (within past three years)

The data on the following page is an attempt to calculate accounting solution market share for the nonprofit universe. The nonprofit universe encompasses an enormous variety of different types of organizations; from charities to schools to unions, from complex multi-national organizations to someone's weekend hobby. Thus, these numbers can vary greatly depending on the parameters used to define the nonprofit universe (size of organizations included, type of organizations included, etc.).

Calculating market share is especially difficult due the large number of very small not-for-profit organizations that exist. Presenting the data by revenue is helpful in that regard. The following table limits the results to not-for-profit organizations that are not foundations, charitable trusts, NGOs, educational institutions, churches, church auxiliaries, church associations, or subordinate church units/conventions.

See the demographics section for a clearer picture of what kinds of respondents are represented in this edition of the study. Products that are not used in great enough numbers are grouped into the 'Other' row at the bottom of the table.

Products	Revenue	
	\$1 Million or more (n=355)	Less Than \$1 Million (n=381)
AccountMate (Softline)	1%	0%
Automated Church Systems (ACS)	1%	1%
Datatel (Datatel, Inc.)	1%	0%
Daxko Accounting (Daxko)	1%	0%
Epicor (Epicor Software Corporation)	1%	0%
Financial Edge, The (Blackbaud, Inc.)	8%	1%
FUND E-Z Accounting (FUND E-Z Development Corporation)	2%	1%
FundWare (Blackbaud, Inc.)	4%	0%
GMS Accounting & Financial System (Grant Mgmt. Systems)	1%	0%
Microsoft Dynamics GP (formerly Microsoft Great Plains)	8%	1%
Microsoft Dynamics SL (formerly Solomon)	4%	0%
Microsoft Excel	0%	2%
MYOB (MYOB Limited)	0%	1%
Peachtree business versions (Sage Software, Inc.)	4%	3%
Peachtree nonprofit editions (Sage Software, Inc.)	3%	4%
QuickBooks for-profit software editions (Intuit, Inc.)	12%	22%
QuickBooks Nonprofit Edition software (Intuit, Inc.)	19%	47%
QuickBooks Online Edition (Intuit, Inc.)	2%	7%
Quicken (Intuit, Inc.)	0%	6%
Sage (other product)	1%	0%
Sage ACCPAC ERP (Sage Software, Inc.)	1%	0%
Sage Fund Accounting (formerly MIP)	11%	1%
Sage MAS 90 ERP (Sage Software, Inc.)	4%	1%
Serenic Navigator (Serenic Software, Inc.)	1%	0%
ShelbyFINANCIALS (Shelby Systems, Inc.)	1%	0%
Others	21%	8%

Recommended Products

Q. If an organization just like yours was thinking about adopting this product and they asked for your advice, would you recommend they adopt it?

1. Yes
2. No
3. Unsure

We asked users if they would recommend the solutions that they have used. Based on this question, two products received our Campbell Award for Customer Satisfaction.

HIGHEST
CUSTOMER
SATISFACTION



CAMPBELL
AWARD
2011

Award Winners

AccuFund Accounting Suite (AccuFund, Inc.)

Sage Fund Accounting (Sage Software)

The average number of ratings for each product considered for the awards was 142. The range was between 14 and 513 ratings each.

Products included in award consideration:

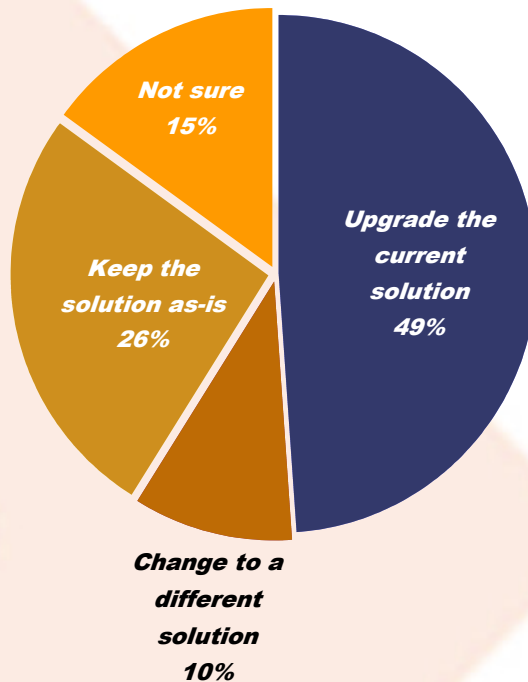
AccuFund Accounting Suite (AccuFund, Inc.)
Daxko Accounting (Daxko)
Financial Edge, The (Blackbaud, Inc.)
FundWare (Blackbaud, Inc.)
Microsoft Dynamics GP (formerly Microsoft Great Plains)
Peachtree business versions (Sage Software, Inc.)
Peachtree nonprofit editions (Sage Software, Inc.)
QuickBooks for-profit software editions (Intuit, Inc.)
QuickBooks Online Edition (Intuit, Inc.)
Quicken (Intuit, Inc.)
Sage Fund Accounting (formerly MIP)
Serenic Navigator (Serenic Software, Inc.)
Sage MIP Fund Accounting (Sage Software, Inc.)
ShelbyFINANCIALS (Shelby Systems, Inc.)

Expected Outcome of Next Evaluation

Q. The next time your organization evaluates the accounting solution it uses, do you think it will be more likely to...

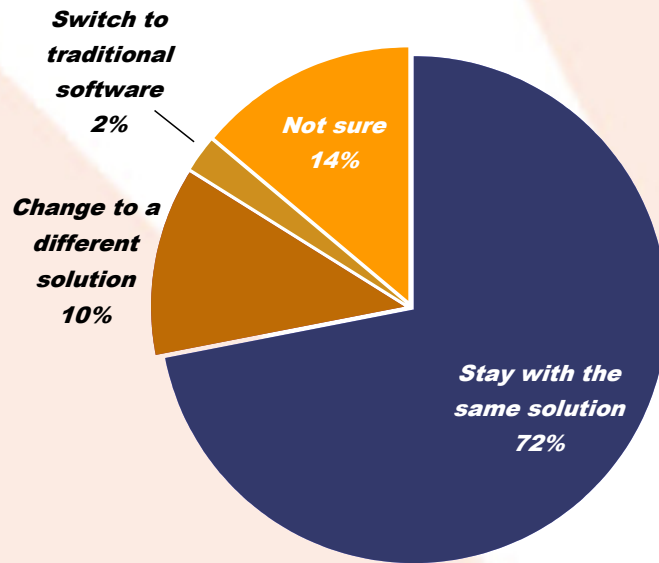
Customers of locally-installed software were provided a different set of options for this question than customers of online solutions. Below and on the following are each groups' responses to this question. The results from each are strikingly similar.

Locally-installed Software (n=663)



Note that the number of respondents to this question is only 50. So the margin of error for this question is much higher than for the rest of the data in this report.

Internet-based Solutions (n=50)



Online Solutions vs. Local Installations

Q. Which does your organization primarily use for bookkeeping?

About one-in-twelve nonprofits report using an Internet-based solution for their bookkeeping. This number is double the 4% that reported using Internet-based solutions just two years ago in a similar Campbell Rinker study.

Response	Overall (n=880)	Revenue	
		Less Than \$1 Million (n=377)	\$1 Million or more (n=341)
An Internet-based accounting solution	8%	8%	7%
A traditional software product	92%	92%	93%

Number of Times Contacting Support

Q. Approximately how many times have you personally contacted the technical/customer support department for this product over the past 12 months?

Customers at larger nonprofits tend to contact the technical/customer support for their accounting solutions more frequently than do customers at smaller nonprofits. This may be because more affordable accounting products often provide less support.

	Overall (n=824)	Revenue	
		Less Than \$1 Million (n=370)	\$1 Million or more (n=326)
Average	1.9	1.1	2.9
0	52%	58%	44%
1 to 2	30%	31%	33%
3 to 5	12%	8%	14%
6 to 10	4%	2%	4%
11 or more	3%	1%	5%

IT Staff Sizes

Q. How many full-time equivalent people (i.e., two half-time people equal one full-time equivalent person, etc.) do you have working in Information Technology (e.g. IT, Computer Support, Information Systems)?

On average, small organizations (under \$1m) have a half-time person dedicated to IT. To put it another way, for every small organization with one full-time IT person, there is a small organization with none.

Nonprofits with one million or more in annual revenue have an average of 3.4 people working in IT. About half have between one and three working in IT.

	Revenue	
	Less Than \$1 Million (n=327)	\$1 Million or more (n=311)
Average	0.5	3.4
Less than 1 full time	76%	31%
1 to less than 3	22%	49%
3 to less than 6	1%	11%
6 to less than 11	0%	4%
11 or more	1%	5%

Technology Spending

Q. In its last complete fiscal year, about how much did your organization spend on technology consulting?

Q. In its last complete fiscal year, about how much did your organization spend on technology, including all computers, electronics, software, phone equipment, technology-related services such as Internet access, etc.?

Q. In its last complete fiscal year, about how much did your organization spend on data management services beyond what is provided by your accounting solutions (systems integration, reports, list pulls, data hygiene, etc.)?

Several questions regarding technology spending were asked. Detailed results are provided below, presented by organizational revenue.

Revenue \$1 Million or Greater

Amount Spent	Technology Consulting	Hardware & Software	Data Management Services
Average	\$84,515	\$78,733	\$23,656
\$0	24%	1%	46%
\$1 to \$5,000	29%	20%	24%
\$5,001 to \$50,000	39%	61%	26%
\$50,001 to \$100,000	5%	7%	2%
More than \$100,000	3%	12%	2%

Revenue Under \$1 Million

Amount Spent	Technology Consulting	Hardware & Software	Data Management Services
Average	\$1,383	\$5,304	\$1,128
\$0	54%	8%	66%
\$1 to \$5,000	40%	72%	28%
\$5,001 to \$50,000	6%	18%	6%
\$50,001 to \$100,000	0%	1%	0%
More than \$100,000	0%	0%	0%

Respondent Demographics

Nonprofits of all sizes are represented in this report.

Annual Revenue	Percent
Less than \$100k	14%
\$100k to \$499k	23%
\$500k to \$999k	15%
\$1m to \$4.9m	26%
\$5m to \$9.9m	8%
\$10m to \$99.9m	10%
\$100m or more	2%

We asked respondents to specify the position level that best applies to them. The CEO/President/Executive Director level was most prevalent, representing about four-in-ten respondents.

Job Title	Percent
CEO/President/Executive Director	41%
Vice President or Director	26%
Manager/Supervisor	19%
Administration/Data Entry	7%
Others	8%

We asked respondents to specify their job areas. Executive management was the most frequent response.

Job Areas	Percent
Executive Management	39%
Accounting	17%
General Administration	15%
Finance	11%
Information Systems/Technology	9%
Development/Fundraising	5%
Others	5%

We asked respondents what areas their organizations focus on. They could choose multiple answers, so the percentages exceed 100% when added together.

Sector	Percent
Education	30%
Human Services	29%
Health	21%
Public, Societal Benefit	17%
Arts, Culture, and Humanities	14%
Mutual/Membership Benefit	14%
Religion Related	10%
Environment and Animals	9%
International, Foreign Affairs	2%
Others	13%

About Campbell Rinker

Campbell Rinker is one of a select few research firms in the United States that specialize in producing marketing research for nonprofits. Visit the following address to view our client list: campbellrinker.com/our_clients.html

Campbell Rinker understands...

- Attitudes, preferences, satisfaction, and motivations regarding intangible attributes and messages to donors, members, and alumni
- Attitudes, preferences, satisfaction, and motivations regarding services and tangible products for the nonprofit marketplace
- The meaning behind the numbers

Campbell Rinker delivers...

- Qualitative Research & Analysis - Live and Internet Focus Groups, Bulletin Board Groups, One-on-One Depth Interviews
- Quantitative Research - Internet, Telephone, Mail-to-Internet and Mail Surveys, Intercept Surveys
- Proprietary Tools and Statistical Analysis – Donor Satisfaction, Adoption Modeling, Message Testing, Alumni Segment Scoring, Gift Sensitivity Meter, Giving Club Benefit Testing, Member Benefit Assessment, New Offer Optimization
- Donor File Analysis – economical yet comprehensive donation history reports and projections
- Syndicated Research – Campbell Rinker publishes extensive research on American donors and a variety of nonprofit markets

