Award-Winning Digital Media Firm Centralizes Global Operations on Acumatica Cloud ERP

INCUBETA

OVERVIEW

The global digital media firm Incubeta Group continues to grow exponentially, recording a 20-fold growth rate in seven years. With acquisitions propelling most of their international growth, the South African-founded firm found itself navigating four legacy financial systems, 10 currencies, and a hodgepodge of disparate business support applications. The disjoined systems made obtaining a clear, accurate financial picture of the business nearly impossible. Incubeta deployed Acumatica Cloud ERP to gain real-time visibility into finances across all its branches, support and consolidate multiple currencies, and scale easily to integrate new acquisitions.

KEY RESULTS

- Gained a single connected solution, allowing it to seamlessly add acquisitions and grow
- Improved visibility, gaining a true picture of global operations
- Standardized financials, gaining deeper insight into 17 global offices
- Lowered technology budget, shifting IT to a third party and eliminating the need to maintain IT infrastructure
- Provided the ability to work from anywhere, improving productivity
- Reduced monthly close from seven weeks to 9 days, saving time and resources
- Accelerated training and increased user adoption with the easy-to-use, intuitive solution
- Cut paper and printer costs by eliminating the need to process and print invoices

CHALLENGES

Originally founded to digitize the White and Yellow Pages in South Africa, Incubeta substantially expanded its business services through diversification in other forms of digital marketing and multiple acquisitions, evolving into an award-winning, digital media powerhouse with operations and offices across the globe. Incubeta's international acceleration began in 2013 when it acquired Net Media Planet (NMPi) and continued with its 2015 acquisition of DQ&A, which extended Incubeta's geographical and product footprint into the UK and Europe. The company acquired creative specialist Joystick in 2018 and eCommerce expert Groundswell in March 2021. Today, Incubeta supports some of the most innovative clients in the world, including Google, Amazon, Disney, HBO, Charlotte Tilbury, and L'Oréal.

Incubeta boasts an international team of marketing, technology, data, and creative experts who are passionate about digital strategy, eCommerce, and creativity that supercharges growth. Their work spans many sectors including retail, travel, finance, FMCG, iGaming, entertainment, automotive, and app development.

The 20-fold growth in seven years shows little signs of slowing down. Incubeta plans to acquire three to four companies in 2021 alone. This rapid growth lead to many operational challenges.

"When I joined in 2014, I couldn't see any general ledgers; everyone had different charts of accounts, and I was dealing with 10 functional currencies," says Sean Reuben, Global CFO for Incubeta. "It was a very challenging way to run the business."

In addition to managing 10 currencies, Incubeta operated with four accounting teams that used four different financial packages: Sage 50, Sage 300, Exact, and Pastel. Getting even limited financial clarity required manually consolidating data from the four legacy systems into Excel.

"It was a real nightmare," says Reuben who operates from the company's office in the Netherlands. "A month-end close would take up to 7 weeks," he adds. "It was incredibly difficult. We were very old school, operating with just email and Excel."

As the acquisitions increased, executives realized the legacy systems couldn't handle the mounting transactions.

"Incubeta began looking for an ERP that was user-friendly, modern, scalable, and affordable. The team evaluated SAP B1, Oracle NetSuite, Sage Intacct, Sage X3, and Acumatica Cloud ERP, which Reuben found on Gartner's Magic Quadrant as an emerging leader.

"Ease of use was one of our top priorities," he says. "Change management is difficult and even more so with many different languages. We also needed something scalable and opted for a SaaS solution because we didn't want to host anything locally on-premises. Additionally, we wanted the flexibility to add users and companies efficiently."

Company
Incubeta
www.incubeta.com

Industry
Professional Services: Digital Media, Advertising & Marketing Services

Number of Employees
Approx. 500 full time employees

Location
17 Global Locations with head offices in South Africa, the U.K., and the Netherlands

Products
Acumatica General Business Edition with:

- Advanced Financial Management
- Fixed Assets
- Project Accounting
- Inter-Company Accounting
- Inventory Management

Customer Social Sharing Details

www.linkedin.com/company/incubeta

www.instagram.com/incubetaglobal

https://twitter.com/IncubetaGlobal

www.youtube.com/channel/UCnozDypc7kxyDrAXkpeRGpw

Partner Details

palladium
BUSINESS SOLUTIONS

Palladium Business Solutions
https://acumatica.palladium.co.za

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>
> —Sean Reuben, CFO, Incubeta

SOLUTION

Many of the ERP solutions they evaluated charged per seat, which made their licensing fees cost prohibitive for Incubeta, which employs 500 people. Acumatica's ease of use, unique pricing model, and open API, plus the robust Gartner endorsement, made it a natural choice, Reuben says.

"The cost of the solution was a key factor," he adds. "Acumatica's pricing solution aligned with our acquisition strategy, allowing us to add new users with each business acquired without having to concern ourselves about ballooning costs. We also needed to easily handle multiple currencies in one integrated solution."

Before Incubeta implemented Acumatica, its four accounting teams agreed on a single chart of accounts and developed a single system architecture for all operations. However, they encountered multiple challenges, exacerbated by their different languages. They eventually chose best practices from an array of different processes and learned how to connect homegrown solutions with functions not native to Acumatica via Acumatica's open framework.

Incubeta went live with help from Acumatica partner Palladium Business Solutions, based in South Africa. As Incubeta launched on Acumatica, they reconfigured the technology infrastructure and decommissioned many servers.

When the pandemic hit in 2020, Incubeta was fully prepared to transition to "work from anywhere" with no disruptions. "We didn't need VPN connections or to worry about the speed of our connections," he says. "We were seamlessly able to support the business on Acumatica."

BENEFITS

Once Acumatica Cloud ERP was fully implemented, "We could easily review general ledgers and access a lot more detail," Reuben says. "I could dive into a legal entity and look at an account to see what was going on, versus just seeing a trial balance and having to call and ask people for information."

Since each of the four accounting offices conducted business differently, the company conducted regular knowledge sharing sessions to developing new best practices and efficiencies.

"We have a standing meeting every two weeks between the financial team and (implementation partner) Palladium where we talk about business improvements and what if's, and some really good solutions have emerged," Reuben says. "We've started to use Power BI, and now have the ability to select & transform data from each currency and pull them into one dashboard. That's brilliant."

Data Visibility Drives Efficiencies

"Acumatica is flexible and allows you to do business the way you do," Reuben adds. The solution's drill-down features and ability to deliver a high level of data in real-time helped Incubeta "see where inefficiencies were and address them," he says. Making those decisions was impossible before Acumatica because Incubeta lacked access to that level of detail.

Acumatica allows Incubeta's 500 employees to work from anywhere seamlessly and not be tethered to physical infrastructure, which is "most compelling," Reuben says. "In addition, we didn't have a glitch or misstep when we went into lockdown because we were live on Acumatica. We've never been more grateful to have complete flexibility in running our global finance function from literally any location."

Streamlined Operations

Incubeta automated and streamlined operations with Acumatica. The Cloud ERP solution eliminated paper processes and handles more tasks automatically and digitally, saving Incubeta a lot of time and money.

The company's largest supplier routinely submits more than 2,000 invoices per month, which were previously printed and captured at different locations. These are now uploaded from csv files, saving time and paper. In addition, audits are easier, with auditors able to access data no matter which entity they need to see.

The cloud-based platform coupled with its unique licensing model allows Incubeta to rapidly and easily add acquisitions into the fold, he says. "Since launching on Acumatica we acquired two businesses, one in the U.S. and another in Northern Ireland. We've brought them on very quickly into our accounting structure, allowing us to visualize reporting, which was a massive benefit for us." Because Acumatica's licensing is not based on users, "When we look at acquisitions we don't have to worry about per-seat costs, the server loads, or the licensing," Reuben says.

"We continue to improve our utilization of Acumatica and derive efficiency through business process audit and finance process review within a program of continuous improvement," he says.

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