

# Lithium



**Sage North America's ACT!**  
**Transparency Drives Increased**  
**Customer Loyalty**



## Sage North America's ACT! Transparency Drives Increased Customer Loyalty



### About Sage

Sage North America provides software applications to small and mid-sized businesses that cover a full range of business requirements, including accounting, customer relationship management and contact management, among many others. Sage North America is part of The Sage Group, which has over 14,500 employees and serves over 5.8 million customers worldwide.

ACT! by Sage is the #1 selling contact and customer management software worldwide. ACT! serves over 2.8 million registered users and an additional 43,000 corporate account customers worldwide.

### Getting Closer to Customers

In 2007, David van Toor, General Manager of Sage CRM Solutions for North America, launched a campaign to give ACT! customers direct access to Sage executives and give Sage executives a more dynamic view into issues most important to customers. He quickly decided to use an online customer community as the key strategic vehicle to achieve these objectives.

"The ACT! online customer community, simply put, is a way for ACT! leadership to have one-on-one conversations with hundreds of thousands of customers," says van Toor. "Customers who are angry, happy, or who just want free support. It really doesn't matter, because if they're not talking about us on our site, they're doing it somewhere else!"

While some executives would have been paralyzed by the unknowns of engaging in truly open dialogue with customers on a public site, van Toor saw opportunity.

"Yes, with the ACT! community we're giving our competitors a front row seat to ACT! customer issues and conversations about our products, but it's worth it for the benefit of getting closer to our customers," says van Toor. "It just means my team has to consume information faster, and act on that information faster, than the competition."

### Customer-Centric Strategy = Increased Customer Loyalty

During the first twelve months of operation, the community has had over 8.9 million pageviews and more than 266,000 searches, far surpassing Sage's expectations. More importantly, as a result of the community, ACT! has

seen a 20-point increase in its customer loyalty score (as measured by the Satmetrix Net Promoter score), experienced a 300% increase in participation in its product beta program, and received customer feedback that has resulted in highly impactful product, organization and process changes. Additionally, the ACT! community has become one of ACT!'s top marketing assets.

"Sage Marketing standing up and trumpeting its own ability is interpreted as self-serving. But having passionate customers who support our product and talk to other customers about it is a whole other thing."

### Great Technology is Necessary But Not Sufficient

Underscoring Sage's commitment and sense of urgency, the ACT! division kicked off its customer community project in October 2007 and had a live site to showcase by January 2008. In the evaluation process, Sage quickly

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**We went with Lithium to ensure success and mitigate risk. We couldn't afford for this project to fail, so we went with the customer-success leader in the space. It was about more than technology. It was about our confidence in the people at Lithium.**

David Van Toor  
General Manager, Sage CRM Solutions of North America



honed in on Lithium Technologies as the solution to beat after reviewing communities of peers and competitors. Sage understood that software alone could not ensure success, and knew that in conjunction with its leading platform, Lithium's expertise and best practices for launching and managing communities would be critical.

The ACT! community serves multiple audiences, primary among them customers. ACT!'s four main discussion boards are lively, and have established the community as a go-to resource for customers to connect with and support one another on a variety of topics. Customers mark on average more posts per day as "Accepted Solutions" (answers to questions) than the number of solution articles posted by the division's internal knowledge base team, showing the power of customer engagement.

Executive blogs are also an important part of the ACT! community. In particular,

David van Toor has used his blog to have an open dialogue with customers. And if a customer raises a deployment issue, van Toor uses the blog to address the issue or provides his direct contact information to continue the conversation with the customer offline.

Sage uses Lithium's moderation services to manage its community on a day-to-day basis, and the Lithium moderator provides weekly reports to the ACT! executive team, including activity statistics, analysis, and links to interesting posts.

"We decided to lean on Lithium's moderation expertise because communities were a new concept for us," says van Toor. "Lithium has best practices for establishing a community voice, culture, and customer relationships, and for enforcing trust and transparency. We plan to be self-sufficient over time, but Lithium's experience has been invaluable."

### **Imitation as the Sincerest Form of Flattery**

ACT! was the visionary Sage product team willing to take the leap into the world of enterprise social media. And now community has become part of the ACT! organization's DNA; whenever management discusses a new initiative they always ask what role the community will play. Based on ACT!'s success, customer communities are now spreading like wildfire across Sage product families, as they are through enterprises across industries that recognize the power of engaging customers for competitive advantage.

But harnessing that power is not as simple as turning on a site, and crossing your fingers that "if you build it, they will come." ACT! management was deliberate in identifying its objective of improving customer service by being a more transparent organization, and then

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building out a community and associated processes to align with that objective.

"I would recommend to any company with a customer community initiative that they consider first having a dialogue with Lithium about objectives," says van Toor. "Lithium can really help crystallize community goals, and you will be surprised what you learn that you didn't know. Learn from the best and a company full of smart people that are focused solely on building, launching, and managing successful customer communities. That's Lithium."

marketing, product development, sales and customer service assets. For more information, visit [lithium.com](http://lithium.com), or connect with us on [Twitter](#), [Facebook](#) and our own nation - the [Lithosphere](#). Lithium is privately held with headquarters in Emeryville, California.

### About Lithium

We help great companies build brand nations for their most engaged customers. With Lithium, clients such as Best Buy, AT&T, Research In Motion Limited (RIM), Univision, and PayPal turn their customers' passion into