

Success Story

Marketing agency improves bottom line and scales finance with Sage Intacct

Red Door Interactive

“Visibility is where we’ve recognized the biggest gains from switching to Sage Intacct—its drill down capabilities are night and day compared with Dynamics, and we love Sage Intacct’s permissions-based dashboards. I save days of report preparation each month, because we’ve created helpful self-service dashboards where our executives, client services team, and department heads can find relevant, timely business insight on demand.”

Natalie Bonczek

Controller, Red Door Interactive

Company overview

Founded in 2002, Red Door Interactive is a full-service marketing and advertising agency that’s known for its data-driven approach to driving brand awareness, improving customer experiences, increasing leads, and growing loyalty and advocacy. Named one of Advertising Age’s Best Places to Work, the company has two offices and over 80 employees across the nation.

Results with Sage Intacct + Sage Intacct Planning

- Improved profitability by 6%.
- Sped budgeting and planning by 85%.
- Saved ~55 hours on monthly workflows and reporting.
- Reduced A/P processing time by 83%.
- Scaled easily without adding finance headcount .

RED DOOR
INTERACTIVE

Company

Red Door Interactive

Location

California, US

Industry

Professional Services & Consulting

Sage Products

Sage Intacct + Intacct Planning

Sage



Switching out legacy ERP for flexibility and connectivity

As a full-service marketing agency, Red Door Interactive's entire business revolves around quantifying the time employees spend on client projects. And with the company's rapid expansion over the past 15+ years, tasks like time tracking, revenue recognition based on percent completion, and quarterly headcount budgeting have become increasingly complex and cumbersome. In the agency world, high turnover rates and new client contracts create constantly fluctuating headcount needs, so visibility into personnel forecasts is crucial.

Red Door Interactive previously used a disjointed mix of Microsoft Dynamics SL on-premises accounting software, along with FRx for financial reporting, AtTask for project resourcing and estimates, Concur for expenses, Paylocity for payroll, and Salesforce for CRM. Because these applications weren't integrated, the finance team struggled with duplicate data entry and error-prone invoicing. After evaluating several financial management software options, including Oracle NetSuite and others, they chose Sage Intacct for its flexibility and seamless connectivity.

By upgrading to a modern, cloud-based system, the agency uncovered key business trends and improved profitability by 6%, all while achieving impressive finance efficiencies amidst company growth. For instance, the finance team sped up budgeting and planning by 85%, and saved over 55 hours on monthly workflows and reporting.



Sage Intacct quickly streamlined all of Red Door Interactive's financial processes.

Process efficiencies and integrations free up weeks of staff time

Sage Intacct quickly streamlined all of Red Door Interactive's financial processes, in part by seamlessly integrating with other applications like Expensify for expense reports and Tableau and Domo for advanced data visualizations. Across the board, the software slashed tasks that used to take hours or days down to just minutes—including new project creation, expense report processing, invoicing, revenue recognition, A/P, and reporting. Intuitive workflows, such as improved time sheet entry and multi-level approvals, helped boost overall finance team productivity by 33%, while increasing invoice accuracy for clients. These significant time savings keep the finance team lean, even as the business' needs expanded with 28% growth.

A few years after this initial success, the company's controller, Natalie Bonczek, implemented the Sage Intacct Planning solution. This allowed the finance team to replace quarterly budget and re-forecasting cycles that previously involved entering data, making adjustments, and re-creating five different master Excel worksheets with tabs for each of the agency's 20 departments and separate office locations. By automating this tedious work with the easy-to-use Sage Intacct Planning solution, the finance team gained powerful functionality that eased the budgeting workload 85%. For example, the cloud native solution does the work of tying expenses directly to headcount and tagging everything against the correct general ledger dimensions.

"Sage Intacct Planning changed our process from a headache that took at least two days every quarter, to a simple two-hour task every six months," Natalie remembers. "Now, my team can better monitor headcount dynamics and easily run complex calculations and models to understand the potential impact of changing salaries or start dates. Since we create forecasts for leadership in half the time, we're able to run more scenarios, and can distribute final budgets a week before the period starts, rather than after the fact," said Natalie.



Timely insight helps boost agency profitability

Sage Intacct's descriptive tags on each transaction—such as the relevant project, client, office location, employee, or vendor—deliver invaluable operational insight by empowering Red Door Interactive to organize their financials and budgets across these dimensions. Leveraging the system's rich reporting capabilities, executives can see big picture revenue trends and targets with incentive plan reports that include gross margin by customer, customer group, and project category. The finance team also built a custom 'unbilled revenue' report, which tracks time and materials for retainer and hourly projects, so they can compare the agency's completed project work against target client budgets.

In addition, an executive summary dashboard in Sage Intacct displays the company's 12-week cash forecast, while Client Services dashboards feature sales reports, aging summaries, and invoices in process, and department dashboards show six-month budgets vs. actuals graphs for current and prior periods. "Our department managers are responsible for their own team's budgets, so having personalized dashboards in Sage Intacct is critical," shared Natalie. "This transparency helps us hold managers accountable, and we've even started tying their incentive plans to their budgets. Now that they can see how all spending impacts their team's profitability, they're better at managing costs," said Natalie.

Along with favorable market conditions, the visibility, agility, and improved decision-making enabled by Sage Intacct all contributed to a significant increase in Red Door Interactive's bottom line this year. According to Natalie, "Sage Intacct Planning creates a waterfall effect for the business. Since we can get budgets approved quicker, managers make decisions faster, and get employees on the right projects at the right times, so the benefits just keep on rolling forward. We can identify high and low-performing months faster, and react more quickly to focus on what we need to do to expand new business in certain target markets, or grow existing clients through other service offerings."

