

Multi-year Software Subscription for a CRM

Should you purchase a multi-year software subscription for a CRM?

There are several schools of thought when it comes to multi-year subscriptions. One is that the company doesn't want to be locked into a subscription for more than one year unless they are absolutely sure that in a year from now they will still want that software. They want to be able to just stop using it or switch to another subscription software.

60% "60% of CRM users are still using the first CRM their business purchased."

[CRM Industry User Research Report](#)

Another perspective is that the benefits of getting a multi-year CRM subscription outweigh the flexibility of getting only an annual subscription.

Multi-year CRM Subscriptions

Companies Generally Stick with Their Current CRM

According to the [Capterra CRM Industry User Research Report](#), 60% of companies still have the same CRM as when the company started using a CRM. Of the 40% that switched to a new CRM, over one-third said it was because the CRM provider was no longer supported / went out of business.

What this says is that companies are unlikely to switch CRMs except in very limited circumstances.



Why Do Companies Keep Their Current CRM?

Implementation Time

The time to implement a new CRM is very high. According to the Capterra Industry Report, 60% of respondents said that the actual time to implement their CRM took 6 months to a year. According to the same Capterra Report, 40% of respondents reported that it took over a year to implement a new CRM.

Implementing a new CRM is a tremendous investment of time, money and personnel.

Satisfied with Current CRM

According to the Capterra Report, 71% of users said that they were satisfied or very satisfied with their CRM. Another interesting statistic is that users become more satisfied with their CRM the longer they had the CRM. This lines up with users being able to use the CRM more effectively.

1/3

"Nearly a third of second generation CRM users ... switched because their previous CRM was no longer supported."

[CRM Industry User Research Report](#)

Changing Technology is Very Expensive

Changing to a new CRM is a costly and personnel intensive endeavor. Your CRM is usually the center of your company and integrated into your accounting, marketing automation and ERP systems.

The decision to change to another CRM is not made lightly but with the knowledge that it is a big commitment of time, money & resources. It requires technical personnel, training and takes months to years to implement.

ADVANTAGES OF A MULTI-YEAR SUBSCRIPTION

Before you decide whether to get a one-year subscription or a multi-year subscription, let's investigate some of the ways getting a multi-year subscription can benefit you.

Avoids One-Year Subscription Annoyances

While getting a one-year subscription may seem better at first, with it having the illusion of being more flexible, this is not always the case. In fact, getting a one-year subscription can cause a lot of headaches and end up costing you more money in the long run.

This is because not only do you have to keep track of when the subscription ends and renew it every single year, but you also are subject to paying more if the price increases from year to year.

By signing up for a multi-year plan, you can set your company up for the long-term and not have to worry about renewing your subscription for however many years you wish. It also allows your company to invest in training, customization & process redesign.

Multi-year Software Discount

Additionally, you can usually get the subscription at a reduced cost when you sign up for multiple years. The reduced cost of the subscription can be a substantial amount and is usually more than the amount needed to pay for any financing of the entire subscription purchase including hardware, consulting and training costs.



71%

"71% of CRM users said they were satisfied or very satisfied with their CRM. The longer users had their CRM, the more satisfied they were."

[CRM Industry User Research Report](#)

Locks in a Lower Rate

If you purchase a multi-year subscription, you will be locked in at that price for as long as your multi-year plan lasts. This means you don't have to worry about price increases and can continue paying the same rate. So, if money is a concern, then investing in a multi-year subscription will end up saving you the most in the long run since you will be safe from price increases.

Convert Annual Subscriptions to Monthly Payments

With the right financing, you can convert the subscription to monthly payments including the implementation & training costs, the maintenance costs and the hardware & IT costs. This reduces all of your costs to a fixed monthly payment with the additional cost of financing being paid for by the reduction in the cost of the subscription because of the multi-year purchase.

Financing Can Get You a Net Savings

Financing can allow you to pay for a multi-year subscription at a large discount on the subscription. The net savings can cover the cost of financing and often results in an additional substantial net savings to your company.

Allows for Customization

Most companies keep their CRMs for many years and only change when the CRM no longer offers the features that the company needs or because their current CRM is no longer supported.

As stated above, the longer that a company has its CRM, the happier the company is with the CRM. This is probably at least in part because it allows the company to invest in customization, redesign and training. If you are only keeping a CRM for a year, it doesn't make sense to invest in customization.

A multi-year subscription makes it possible to customize your CRM and design it the way that works best for your company.



BENEFITS OF FINANCING A MULTI-YEAR SUBSCRIPTION

The upfront costs of implementing a new CRM is substantial. In addition to the annual subscription, there are implementation costs, training costs, third-party vendor costs, hardware and IT costs.

The cost of the annual subscription is often less than the upfront costs associated with purchasing the CRM software.

Convert 100% of Project Costs to a Monthly Payment

Instead of making an annual payment, through financing with Dimension Funding, you can turn the annual subscription and all of the associated costs into a fixed, low monthly payment.

Financing Covers 100% of Software Acquisition Costs



Subscription

Includes the CRM software and any software related to its implementation



Hardware

Covers all technology, hardware, servers, security technology.



Delivery & Maintenance

Almost any cost associated with the purchase including delivery & maintenance and implementation costs.



Training

Training costs including consultants can be a part of the financing.



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Dimension Funding works with equipment vendors and software vendors and their clients to provide fast & hassle-free financing solutions to help companies grow their business and be successful.

Dimension Funding specializes in providing financing for almost all types of equipment, software & technology across industries, all types of software, particularly subscription software.

Their commitment to providing excellent service & exceptional communication has earned them an A+ with the Better Business Bureau.

Take Advantage of Multi-Year Discounts

With financing, you can get the multi-year discount which covers not only the cost of the financing but results in a net savings to your company.

Bundle Services

Our financing solution combines a software subscription, services and equipment from different manufacturers for one easy monthly payment.

Finance Maintenance & Services Only

Services can also be financed on a standalone agreement for a term matching the length of the service agreement.

Up to \$500k in Application Only Financing

If your financed amount is \$500k or less, you don't need to supply financial statements. For financed amounts over \$500k, financials are required.



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