

Decision of the ADVERTISING REGULATORY BOARD

Complainant	Sage SA (Pty) Ltd
Advertiser	Oracle Corporation (South Africa) (Pty) Ltd
Consumer/Competitor	Competitor
File reference	1099 – Oracle NetSuite – Sage South Africa
Outcome	Voluntary undertaking
Date	15 December 2020

The Directorate of the Advertising Regulatory Board has been called upon to consider a complaint lodged by Sage South Africa against an advertising campaign for Oracle NetSuite.

Description of the advertising

The advertising campaign consisted of the following:

- Promotion on LinkedIn of a “White Paper” using the statement: *“5 Reasons Why Companies Move From Sage”*. This “White Paper” is titled: *“Why Fast-Growing Companies Leave Sage and Adopt Cloud Financials to Accelerate Growth”*;
- Promotion on LinkedIn of an eBook using the statement: *“8 Ways Sage is Limiting Your Business”*. This eBook is titled: *“The Sage Switch Guide EIGHT WARNING SIGNS THAT YOUR ACCOUNTING SOFTWARE IS STIFLING YOUR BUSINESS AND THE WAYS TO BREAK ITS GRIP”*;
- Email marketing promoting the eBook; and

- Email invitations sent to South African contacts for a virtual event scheduled for 27 October 2020.

The Complainant highlighted the following claims/statements from the “White Paper”:

- *“Five Triggers that Indicate Sage is Failing Your Business”;*
- *“Best Practices for Transitioning Away From Sage”;*
- *“Sage was designed for an era when companies could wait until the end of the month to get the data they need. That’s not the case today – consolidated views and up-to-the minute reporting can make the difference between thriving and barely surviving”;* and
- *“As businesses grow, they have to use multiple manual processes to augment Sage”.*

The email communications contained the subject line: *“Outgrowing Sage? Switch to the World’s #1 Business Software”*. The invitation to the webinar on 27 October had the same subject line, and the webinar was titled: *“Learn why over 900 businesses switched from Sage to NetSuite”*. It also stated the following:

Switching from Sage to NetSuite's cloud solution enables companies to streamline business processes, boost productivity and gain complete visibility across the entire business.

Join the webinar to hear why Bidfood ME, part of the world's leading foodservice distribution, switched from Sage to NetSuite, as well as a live demo of NetSuite to see it in action.

Key reasons to rethink if Sage is the right fit for you:

It is impossible to adapt quickly enough to changing business conditions.

Team members waste time playing “Hunt for the Spreadsheet.”

Re-implementation required for migration and upgrades to new versions.

Maintaining third-party integrations and add-ons is expensive and disruptive.

Some of the other claims/statements highlighted by the complainant are:

EXPERIENCE #1

**TOO MANY APPLICATIONS
DOING DIFFERENT
THINGS WITH THE SAME
INFORMATION**

Does this sound familiar? You need to enter an invoice. What should take five minutes takes half an hour because you need to query three different applications—one to determine if the delivery you're invoicing has been fulfilled, another to see if the customer has made any additional orders and a third to create and send the invoice. For countless Sage users, this is the everyday situation. Two former Sage customers share their experiences:

EXPERIENCE #6

**WE KNOW LESS THAN OUR
COMPETITORS BECAUSE
OUR REPORTING IS SLOW**

Knowledge is power—that's a given. But for many Sage users, reporting (the route to knowledge) can be a painful experience.

Basically, all Sage software requires you to manage the hardware, servers and databases, in addition to upgrading, troubleshooting and maintaining the applications. These things carry a hidden cost.

Complaint

The Complainant submitted, in essence, that the claims/statements being made in these documents are misleading and disparaging of Sage.

Response

The Advertiser, in its response to the complaint, confirmed that it has pulled the advertising campaign from South Africa.

Application of the Code of Advertising Practice

The following clauses were considered in this matter:

Misleading claims – Clause 4.2.1 of Section II

Disparagement – Clause 6 of Section II

Decision

Having considered all the material before it, the Directorate of the ARB issues the following finding.

Clause 8.5 of the Procedural Guide to the Code of Advertising Practice states, *inter alia*:

“If, in response to a complaint, the respondent voluntarily undertakes to withdraw or amend the advertising complained of, and notwithstanding the fact that the

advertising has run its course, the Directorate may, at its own discretion, record the voluntary undertaking as a ruling.”

The Directorate is satisfied that the withdrawal of the campaign from the South African market addresses the Complainant’s concerns.

The Advertiser’s undertaking is accepted on condition that this campaign, including the claims/statements highlighted herein, are not used again in future.

The Advertiser’s attention is drawn to Clause 15.5 of the Procedural Guide.

The Advertiser is strongly advised to familiarise themselves with the advertising regulations in South Africa, and in particular the provisions of Clause 7 of Section II of the Code of Advertising Practice, as well as the provisions of the Trade Marks Act.