a new customer got the new product. "We started inviting our existing customers to try out and switch to the new version. They would receive the invite, log into their ...

Gail Perry • Mar. 21, 2018

Until recently, FreshBooks, an accounting program designed for small businesses, particularly those in the service-based arena, has been a household name in accounting software circles for about 15 years. And then something changed. Okay, well the household name thing didn't change. But the FreshBooks program you have heard about for more than a decade is not your father's FreshBooks anymore. And to get to where it is today, this program underwent one of the most innovative change-ups that I've ever encountered in this space.

It was late 2013 when FreshBooks CEO Mike McDerment found himself looking back and forward at the same time. "We have this market-leading product, we were the easiest to use, but when I think about five years into the future, are we set up with our technology and our platform to win? Can we truly realize the vision we want for our target segment? I started to have my doubts," explained McDerment.

"Since we started, all the technology for people who've used products like ours had been created in the last 10 years. There were no smart phones when we started, no expectation of people using products on their phone as well as desktop. And it's not just using it on another device, but people expect today to push a button on their phone and have a car show up at their front door. As much as we had the easiest product to use, as much as we were the segment leader, I started saying you know what, I'm not sure if we're set up to win five years from now. So, we had better do something about that."

McDerment was convinced the technology used for the FreshBooks platform would not stand the test of time, and that the obvious solution was to redo the platform.

Not just improve it, but complete rewrite the platform. McDerment said he could

- The product had to be completed within a reasonable period of time.
- It had to perform better than the existing product.
- McDerment didn't want his competition watching him.
- He wanted to create conditions where his team could take enormous risks.

Also, McDerment wanted to be able to test the product before launching it. He considered launching in another country where he had a smaller footprint, but then thought, "What if we created a new company and competed with ourselves?" A new company could have its own name, brand, logo, website, articles of incorporation, user agreement, service staff – "We could use that to figure out if we could build a product that's truly better than the one we were offering."

And so, the FreshBooks team went undercover and created a completely new product. Two years later BillSpring was launched. "It was free for a long time," said McDerment. "If you have a free product, you can do anything you want including losing people's data (we didn't). I wanted to create a condition where the team could take risks, big scary risks, and keep people from watching us."

The secret had to be airtight. "We wanted to stay under the radar for as long as we possibly could," said McDerment. "We ran for nine months publicly until we got a call one day from a FreshBooks user saying he wanted to cancel his FreshBooks account. He said, 'I'm moving to this new company – BillSpring.'" It was then that McDerment knew he was doing something right.

When they were ready to fold BillSpring into to the existing FreshBooks client base, the team took extra care. "We wanted to introduce the revised product in a way that wouldn't upset existing customers or undermine their trust in us," said McDerment. "We had two goals – retain customers, and use this as an event to build trust, not diminish it."

Built into the new product was the ability to easily transition users and their data

familiar version of FreshBooks." FreshBooks plans to continue supporting the original version for the foreseeable future.

Amazingly, for over two years, 250 people on the FreshBooks team kept the BillSpring secret – even from family members. "My wife found out about this the day we launched it publicly," said McDerment. "That's true of my cofounder as well. It had been the biggest thing in our lives for two years and our wives didn't even know about BillSpring."

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Features in FreshBooks:

Invoicing

Customizable Invoices

Pick your template, add your logo, and even adjust colors and fonts to make sure your invoices wow your clients.

Payment Reminders

Got a client that has a hard time remembering to pay their invoices? Let FreshBooks do the awkward nudging with automatic, customizable Payment Reminders.

Automatic Late Fees

Easily set FreshBooks to automatically apply a late fee when your invoice becomes

Recurring Invoices

Automatically send invoices out on a schedule so you don't have to spend time creating similar invoices for the same client.

Due Dates

FreshBooks allows you to quickly set a Due Date for your invoices so your clients are always crystal clear on when you expect payment.

Received Invoices

Keep all your paperwork in one place with both the invoices you send to clients and invoices you receive from vendors all under the same roof.

Discounts

FreshBooks lets you easily add a discount to your invoice ensuring you have the flexibility that you need with your billing.

Deposits

Make sure you get paid for your work by requesting a Deposit on your invoice upfront.

Send your invoices in whichever currency you and your client prefer to work in.

Multi-Language Invoices

Have a client who speaks French? Send them an invoice in their preferred language.

Duplicate Invoices

Need to send a similar invoice to one sent in the past? FreshBooks lets you easily duplicate and adjust invoices.

Automatic Tax Calculations

Never worry about collecting the right amount of sales tax. Just apply it to your invoice and FreshBooks will take care of the math.

Simple Summary

Always know at a glance just how much is outstanding and if you have any overdue invoices.

Expenses

Receipt Attachments

Easy to Read Summary

Ensure that you're staying on budget with an easy to read summary of your spending by category.

Remembered Vendors

All your commonly used Vendors will be remembered to make logging your expenses fast and painless.

Multi-Currency

Track all of your business expenses–no matter the currency–to keep a close eye on your spending.

Easily Editable Expenses

Need to make a change? No problem. Expenses are easy to edit so you can always stay current.

Estimates and Proposals

Rich Proposals

Review and Accept Estimates Online

Not only can your client approve a project with one click, but you can view and respond to any feedback instantly within FreshBooks.

Send From Anywhere

Create and email an estimate from anywhere with the FreshBooks mobile app

Easily Convert Estimate to Invoice

Once estimate is approved you can easily transform your custom estimates into ready-to pay invoices.

Time Tracking

Daily Breakdowns

Sleep peacefully knowing how productive you've been thanks to the easy to read daily breakdowns.

Bill For Tracked Hours

Feel confident you're always charging your clients the right amount. Easily take the

Log Hours

Logging hours is so easy you'll actually want to do it. Just click the time you started, enter the time worked and voila, you're done.

Timer

Stop watching the clock and let FreshBooks automatically take care of the timing. Just press the play button and then get down to work.

Chrome Extension

With the Chrome Web browser extension, you can track time from inside popular apps like Asana, Basecamp, and Trello at the click of a button.

Track Time Against Clients

Never guess how much time you spent working on your client since FreshBooks lets you track time against specific clients.

Track Time Against Projects

Keep your projects on track by tracking time directly against them. Say goodbye to worrying about going over project budgets.

File Sharing

Need to share a document or prototype with your team? Upload it to your Project in FreshBooks and keep everything easily accessible.

Project Conversations

Keep all your team's discussions in one place for easy reference and speedy feedback.

Project Due Dates

Set a due date for your project so you and your team can keep everything on schedule.

Project Overview

Keeps tabs on what you and your team have on the go with the Project Overview screen.

Payments

Accept Credit Cards

Look like the pro you are by allowing your clients to pay their preferred way

Easy Setup

Automatic Expense Recording

Transaction fees are automatically recorded in your account so you'll always have an accurate view of your expenses.

Recurring Payments & Auto-bills

FreshBooks makes it ridiculously easy to automate payments recurring payments with auto-bills. In seconds, you can set up a billing schedule to automatically (and securely) charge your client's credit card. Your client will love the time it saves and you won't even have to lift a finger.

Fast Bank Deposits

Payments are quickly deposited into your bank account to make sure your cash keeps flowing.

Accept International Currencies

Need to bill in currencies other than USD or CAD? No need to fret, FreshBooks integrates with Stripe to handle global payments.

Late Payment Reminders and Fees

Safe & Secure

You can rest easy knowing that industry leading security protocols ensure your and your client's data stay safe.

Reporting

Summary of Profits and Outstanding Revenue

Know your business' health at a glance with simple reports showing your profit and outstanding revenue right on your dashboard.

Accountant Friendly Reports

Work with an accountant? FreshBooks Reports are simple enough for you to use but powerful enough for your accountant to love.

Profit & Loss

The Profit & Loss report shows your total income and your total expenses so you know exactly how profitable you are.

Sales Tax Summary

Expense Report

Keep your spending in check with the Expense Report. Get a detailed breakdown of where you've spent your money in any given time frame.

Invoice Details

Get an overview of your invoicing with a detailed history of every invoice you've sent that you can customize by date range, client, and even status.

Clients

Contact Info

All your important client contact information is available whenever you need it, from your phone or desktop.

Relationship Feed

You'll have an up-to-date log of all invoices and communications sent to each client for easy reference.

Internal Notes

Easy Editable Clients

Clients move and their details change. FreshBooks makes it easy as pie to quickly change your clients' info so you're always up-to-date.

Add Ons

https://www.freshbooks.com/integrations

Mobile

iPhone

Run your business right from your iPhone by sending invoices and logging expenses through the FreshBooks app.

Android

Don't let billing slow you down. Create invoices on the go and know right away when your clients have viewed them.

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