# The Journey to Digital World Class® Starts Here
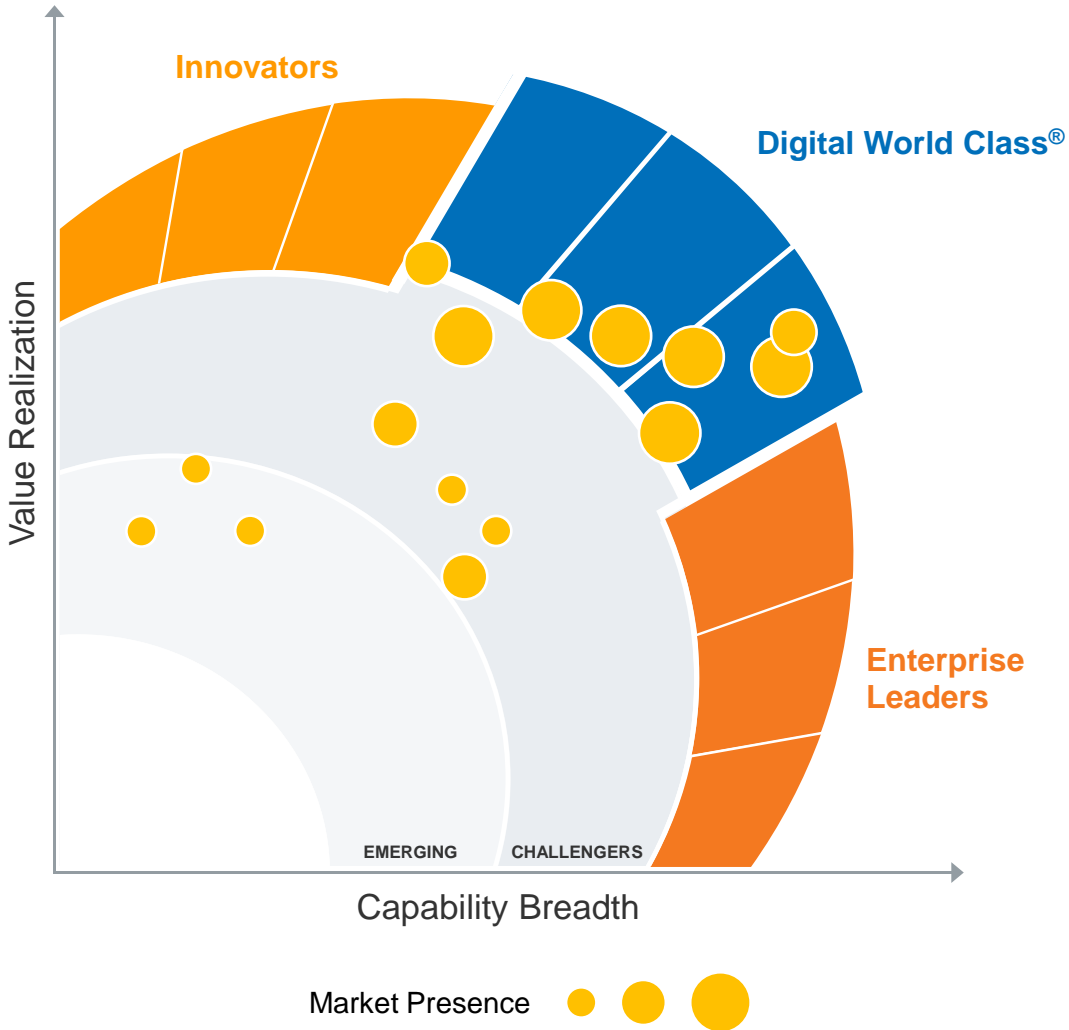
## The Hackett Group®
World Class Defined and Enabled

The Hackett Digital World Class Matrix™
Customer-to-Cash (C2C) Receivables Creation
Software Provider Perspective
**Licensed by Billtrust**

February 2024

# How the Hackett Digital World Class Matrix™ creates a paradigm shift in the industry

**1** The **Hackett Digital World Class Matrix** not only analyzes providers' differentiated capabilities, but it also assesses the value that organizations can expect software or services to deliver.

**2** **Value realization:** The missing piece in other vendor assessments and arguably the most fundamental reason executives invest in new software or service providers.

**3** The Hackett Group is the only company **uniquely qualified** to evaluate both software and service provider capabilities and quantify expected value realization.

**4** With **process-level performance metrics and best practice implementation intelligence** from more than 25,000 benchmarks, including over 2,000 best practices from Digital World Class® leaders, we know what process leaders can expect to gain and how to accelerate value realization.

**5** Quickly assess the unique capabilities and value realization impact to guide your investment decisions with **The Hackett Group Digital World Class Matrix**.

Please refer to the "Important legal notice" at the back of this report for further information.



**Innovators**

**Digital World Class®**

Value Realization

Enterprise Leaders

EMERGING    CHALLENGERS

Capability Breadth

Market Presence

# Why are these Hackett Digital World Class Matrix™ findings so crucial?

The Hackett Group's 2024 Finance Key Issues study identified "cash flow performance/liquidity/working capital" as the #2 top objective

## 2024 top 10 finance objectives

| | | | | |
|---|---|---|---|---|
| 1 | Cost management and optimization | | 6 | Reliable forecasting |
| 2 | Cash flow performance/liquidity/working capital | | 7 | Upskill existing talent |
| 3 | Data, insights, actionable analytics | | 8 | Business partnering |
| 4 | Profitability goals including margin expansion | | 9 | Regulatory compliance, including ESG reporting |
| 5 | Digital transformation/process improvements/technology modernization | | 10 | Capital investment allocation and deployment |

## Cash flow performance/liquidity/working capital – Considerations

- Customer-to-cash (C2C) process software can deliver significant rewards in terms of cash flow acceleration, liquidity and improved working capital.
- Software can deliver those rewards along with process cost savings and increased employee/customer experience.
- Selecting a software partner requires a detailed investigation to ensure your business case goals will be achieved.
- The C2C software market continues to evolve with new entrants and long-established players that continue to enhance and advance their platforms.
- Software providers are transforming their offerings from automation tools to digital process improvement applications providing:
  - Seamless data integrations
  - "Touch of a button" insight-rich dashboards
  - Machine learning and AI functionality are rapidly becoming standard capabilities and will be in the next generation of offerings
- The Hackett Digital World Class Matrix analysis identifies the software providers that are delivering true client value from implementation beyond stabilization.

# Value realization │ The "call to action" and Digital World Class® opportunity

C2C software can deliver reduced cost, increased productivity, accelerated cash flow, delighted customers

| **Value realization opportunity for $5B-$10B organizations** | **Value realization opportunity for $5B-$10B organizations** |
|---|---|
| **40%** ▲ Increase in automated transactions (credit, order management, billing) | **8** FTEs per $B ▼ Reallocation of full-time equivalent (FTE) staff through automation, increased accuracy and reduced cycle times |
| **3 days** ▼ Reduction in the cycle times to complete transactions | **50%** ▼ Up to 50% process cost savings potential with software optimized credit, order management and billing/electronic invoicing presentment and payment (EIPP) processes |
| **4%** ▼ Improvement in transaction processing accuracy (95%+ average) | **$7M** ▲ Value of annual receivables collected on time, avoiding collection costs, provisions, write-offs |

**When making a software provider selection, the "X factor" is client experience**

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# Executive insights │ C2C receivables creation software providers

## Key Software Provider Market Characteristics

**Pricing Models**

- Common pricing methods: One-time implementation fees, annual software license fee (SaaS), per transaction fees. Less common methods: Per seat license acquisition fees (non-SaaS) or end-user fees.

**Geography and Industry Support**

- Proven support within industry/geography is driving buying decisions. Geographical presence and local support are major differentiators. Currently, software providers are well represented in North America and Europe.

**Process Module Coverage**

- The market consists of single module providers, multimodule providers and full end-to-end module providers. The ability to minimize platform complexity and establish end-to-end data continuity are important selection considerations.

**Emerging Technologies and Advanced Analytics**

- Software providers are delivering a robust and "expected" out-of-the-box set of capabilities. Transaction automation is now entry-level functionality.
- Software is evolving to problem resolving, performance improvement platforms that make direct connections between technology and process.
- Software providers are leveraging dashboards that display real-time process and policy compliance analytics to showcase to the marketplace their platforms' advanced functionality.

## Software Provider Differentiation Focus Areas

**User-Friendly Interface and Functionality**

- Great emphasis on the visual experience through displays that offer:
  - Key information aligned to the account, transaction, event in scope for the user
  - Intuitive process-flow-based "next steps" options driven by advanced technologies
  - Consistency in display, functionally and ease of navigation, especially for providers offering multiple modules to support the end-to-end customer-to-cash (C2C) process.

**Integration Capabilities**

- Significant focus on API integration capabilities with other core software systems, enterprise resource planning and third-party databases.
- In order management and billing/EIPP, seamlessly digital integration with commercial and governmental portals is a significant differentiator.
- Strategies vary regarding expansion of industry vertical/geographic coverage with some software providers focused on deepening current penetration and others focused on expansion into new industries and geographies.

**Post-Implementation Support and Driving Speed to Value**

- Lack of adoption is a leading cause of project failure as defined through business case/ROI success criteria. This specifically applies to customer adoption of new order management and billing/EIPP platforms.
  - Software providers are addressing this challenge by offering onboarding training, and customer adoption campaign support.

**AI Strategy and Application**

- The leading software providers have had machine learning and AI technology embedded in their solutions for five years or more. Successful use cases will create additional segmentation among software providers.

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## Implementation Experience

### Implementation Services

- All software providers offer the following implementation services:
  - Program management
  - System testing
  - Deployment options
  - Test/go-live process
- While all software providers offer implementation services, some have preferred third-party implementors for consideration.

### Implementation Prerequisites

- Current state process evaluation and optimization is a best practice before any software implementation, including data source mapping, data cleansing and process-flow mapping. Some software providers offer to support these activities.
- Buyers should request relevant use cases and peer discussions during market discovery and requests for proposals.
- Involvement of the IT team from the planning stage is a prerequisite.

### Timeline

- Most software providers included in this report are achieving their estimate rollout times of three to six months; however, this timeline depends on organizations' business complexity, geographic scope and process readiness.

## Value Realization

### Accurate Automation

- Accurate automation has direct influences on cycle time, productivity, transactional accuracy, data integrity and customer satisfaction.
- Automation value is directly aligned with implementation prerequisites. Acceleration of bad data and poor processes is not a best practice.
- Immediate automation may not convert to immediate value realization. Speed to value realization will vary by process and metric. Business cases should incorporate goals to improve financial and nonfinancial metrics, which should be tracked over an extended period (12 or more months post-go-live) to determine success.

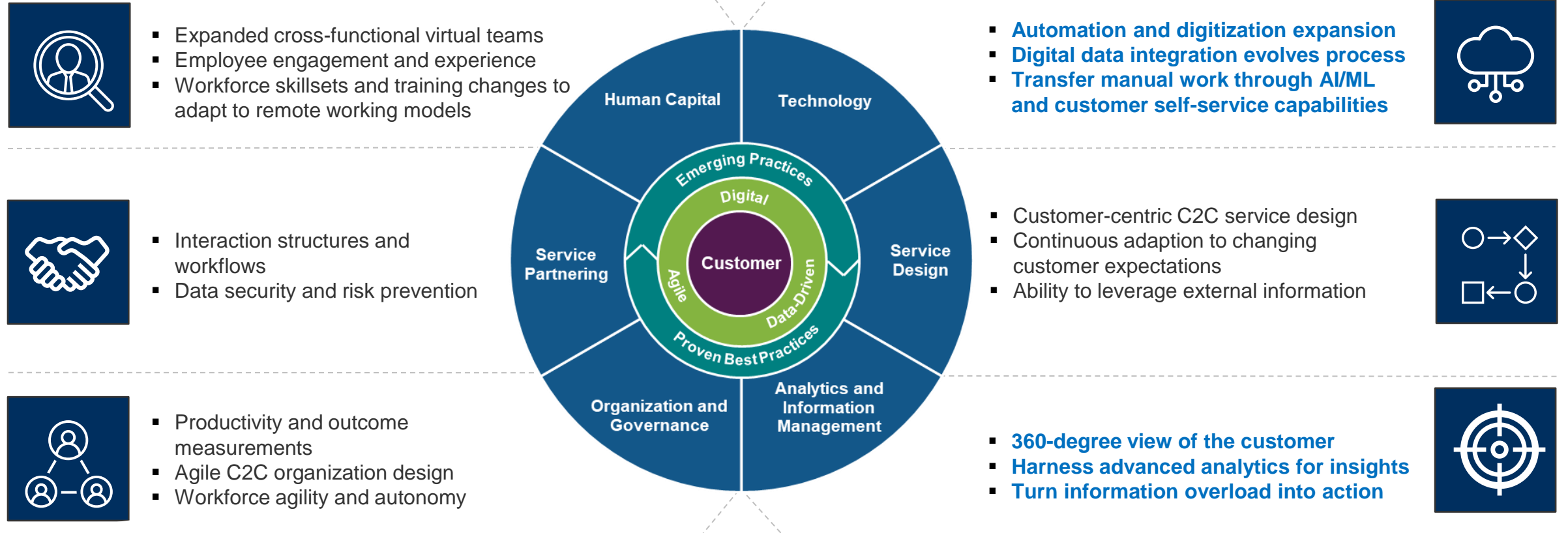### Reducing Cost Versus Business Growth

- Cost management and optimization is a top consideration to support software investments. Other benefits are equally important to consider: Will the software improve cash flow, enhance customer experience and/or enhance the quality of data analytics that can lead to business growth?
- Software business cases must consider cost, quality and service from both investment and expected benefits perspectives.

### Future-Focused

- Software is enabling many organizations to finally become compliant with current regulations and/or meet overdue customer expectations.
- Next-AI technologies are on every vendor's strategy and investment plan. Value realization from those investments are expected to be significant, but will not be quantifiable until these new solutions are in production.

# Software providers are positive, disruptive influencers within the technology and analytics/information management components of the C2C service delivery model

## SERVICE DELIVERY MODEL FRAMEWORK

- Expanded cross-functional virtual teams
- Employee engagement and experience
- Workforce skillsets and training changes to adapt to remote working models

**Automation and digitization expansion**
- **Digital data integration evolves process**
- **Transfer manual work through AI/ML and customer self-service capabilities**

- Interaction structures and workflows
- Data security and risk prevention

- Customer-centric C2C service design
- Continuous adaption to changing customer expectations
- Ability to leverage external information

- Productivity and outcome measurements
- Agile C2C organization design
- Workforce agility and autonomy

- **360-degree view of the customer**
- **Harness advanced analytics for insights**
- **Turn information overload into action**

**Framework wheel:**
- Human Capital
- Technology
- Service Partnering
- Service Design
- Organization and Governance
- Analytics and Information Management
- Emerging Practices
- Proven Best Practices
- Digital
- Agile
- Data-Driven
- Customer

# Defining Digital World Class® performance

# How to read the Hackett Digital World Class Matrix™ software provider placements

## DIGITAL WORLD CLASS®

- These companies provide top performance in business value and operational excellence and support multiple customers in attaining Digital World Class performance.
- These companies have an expanded mix of solution capabilities and are achieving high customer satisfaction ratings in value realized.

## INNOVATORS

- Innovators are delivering superior value realization to clients; however, they have limited scope and software/service features.
- While the companies in this space are focusing on a narrower scope, they are well-regarded by industry experts and users.

## ENTERPRISE LEADERS

- Enterprise leaders focus on building strong, broad function-level capability through operational excellence within their platforms and flexibility in software and services for end-to-end processes.
- Enterprise leaders have a wide breadth in capability but have opportunities to improve delivery against key process performance metrics.
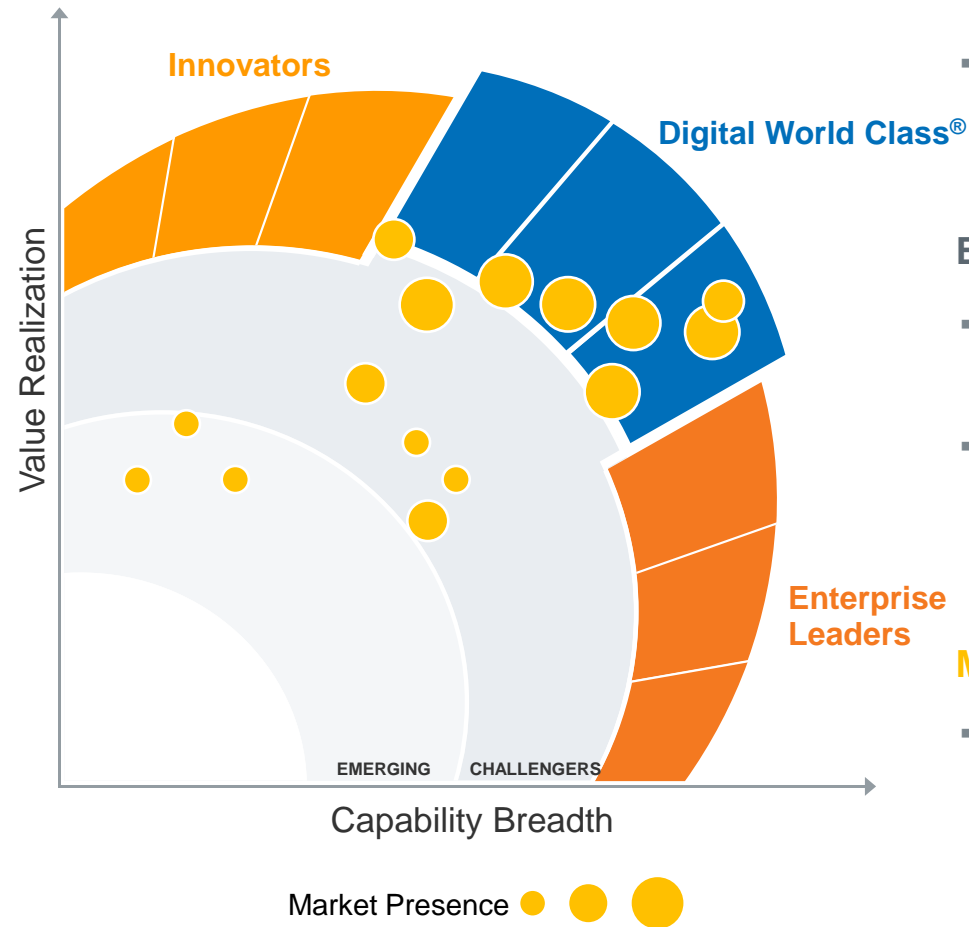
## CHALLENGERS

- Challengers are progressing toward delivering greater value realization and capability breadth.
- Capabilities and value realization are not yet fully established within the challenger's toolkit.
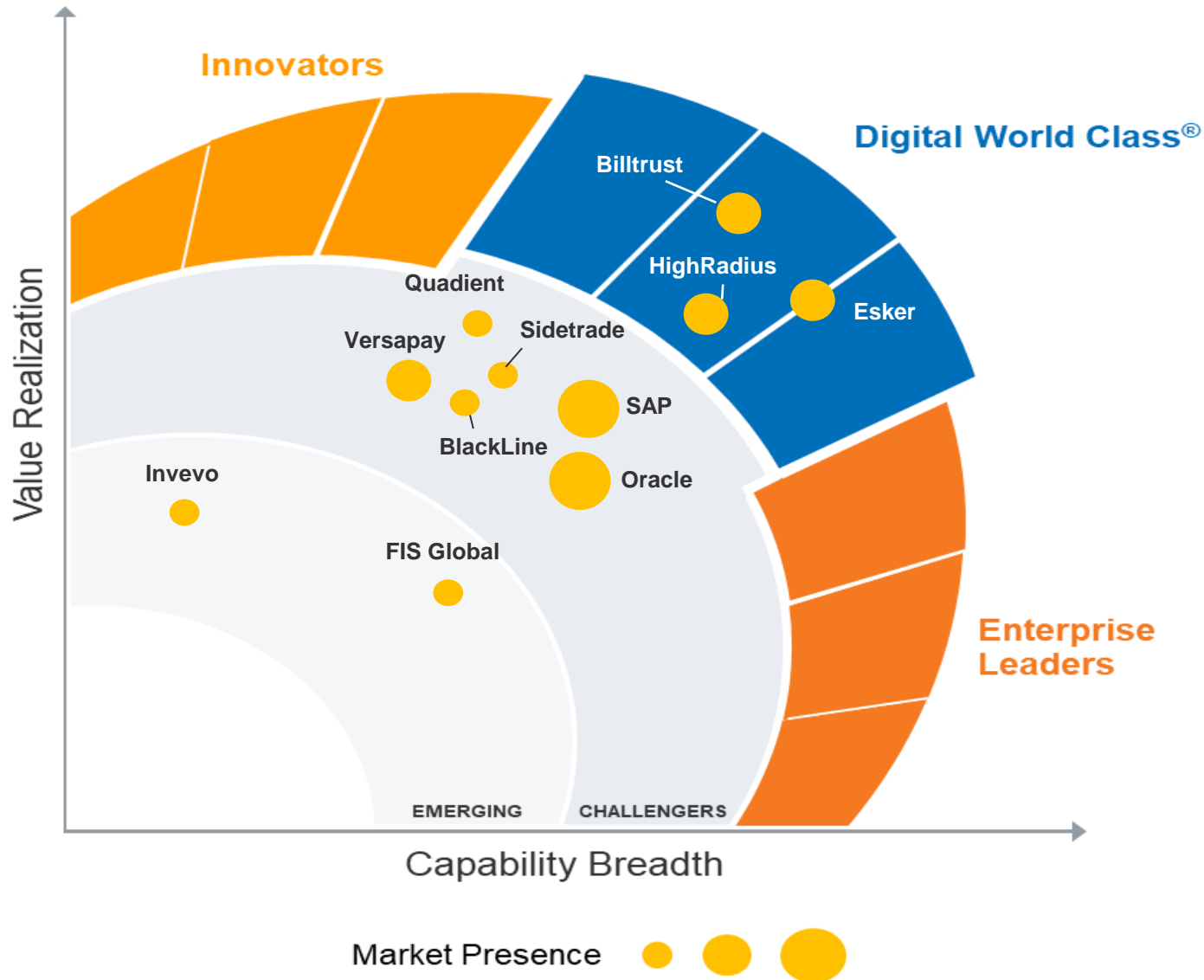
## EMERGING

- Emerging providers are still developing and defining their capabilities and go-to-market strengths.
- Emerging providers possess limited market share but display a vision for growth.

## MARKET PRESENCE

- Market presence is determined through the number of years in the C2C software market and the revenue generated for C2C software implemented.

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Value Realization

**Enterprise Leaders**

EMERGING   CHALLENGERS

Capability Breadth

Market Presence

# The Hackett Digital World Class Matrix™ │ Customer billing/EIPP software providers



**Innovators**

**Digital World Class®**

Billtrust

HighRadius

Esker

Quadient

Versapay

Sidetrade

SAP

BlackLine

Oracle

Invevo

FIS Global

**Enterprise Leaders**

EMERGING    CHALLENGERS

Value Realization

Capability Breadth

Market Presence

## Our observations

**Market presence is determined by revenue specific to the study focus and years in the marketplace**
- The customer billing market has several newer emerging offerings as established providers extend and supplement their capabilities.

**Capability breadth measures the scope and depth of software features and functions**
- Those landing to the right have developed more holistic offerings, including customer self-service portals, client-specific branding, invoice presentment, flexible payment options and the ability to apply surcharges offsetting the costs of the software.
- They have also applied greater focus and investment in prebuilt portal connections/connectivity, as well as business to government (B2G) global e-invoice regulation compliance.

**Value realization measures the ability of the software to positively impact C2C performance metrics**
- Software providers higher on the matrix received favorable customer ratings for touchless automation for shortening cycle times, improving data quality and billing accuracy (e.g., pricing, quantity, items, discounts and promotions).

For additional details on the software providers and the full research report contact advisor@thehackettgroup.com regarding the Executive Advisory Membership Program.
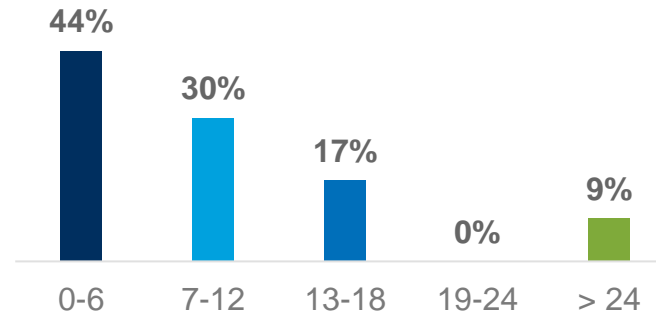
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# Customer billing/EIPP │ Business case improvement goals and speed to value

**Percentage of business case key process goals achieved**

| | |
|---|---|
| 81%-100% | 42% |
| 61%-80% | 44% |
| 41%-60% | 9% |
| 21%-40% | 5% |
| 0%-20% | 0% |
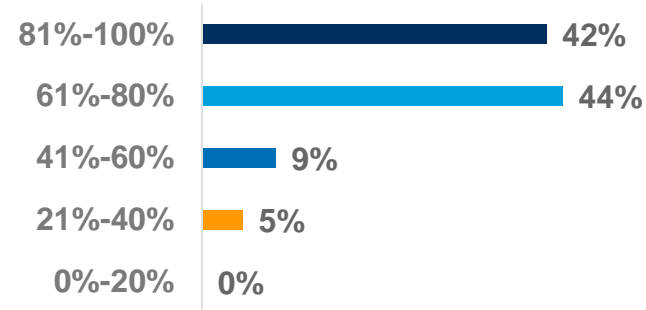
**86% of customers met 61% or more of their key process improvement goals for their billing software.**

**Speed to value (months to reach KPI improvement goals)**

| 0-6 | 7-12 | 13-18 | 19-24 | > 24 |
|---|---|---|---|---|
| 44% | 30% | 17% | 0% | 9% |

**74% of customer billing/EIPP implementations reached their KPI improvement goals within 12 months.**

**Business case ROI percentage achieved**

| < 40% | 41%-60% | 61%-80% | 81%-100% |
|---|---|---|---|
| 8% | 31% | 23% | 38% |
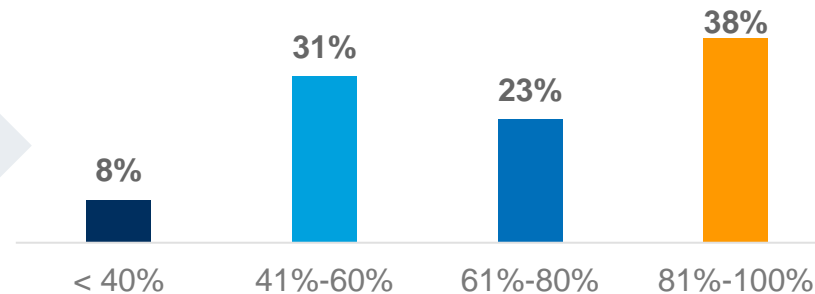
**38% of implementations met over 80% of their business case ROI percentage target.**

*Hackett tip: Customer adoption is a critical factor to achieve ROI. Consider industry and geography when setting goals.*

Source: The Hackett Group 2024 C2C Digital World Class Matrix Study

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# Key buyer/end-user selection criteria for C2C receivables creation software

- **Business objectives:** What are the primary objectives for your organization, such as improving automation, cycle times, scalability, ease of navigation, process or risk management?

- **Geographic scope:** What global complexity is involved in your business or where is your business expanding to in the future? If your geographic complexity is low, there is a wider range of competitively priced options, but those may not support organic growth or future acquisitions.

- **Process scope and ecosystem:** Are you supporting B2B, B2C or omnichannel customers? What internal and external systems (financial, supply chain, CRM, portals, etc.) will you be connecting to across those business channels?

- **Industry sector:** Are your customers concentrated in specific industry groups? There are software providers that offer turnkey solutions for certain industry sectors and others that provide greater flexibility to tailor their software to a variety of industry requirements.

- **Value realization:** Some software providers have process optimization support built into the implementation, post-implementation and/or ongoing relationship with their clients. These providers can bring expertise and guidance to optimize the value their software can deliver.

- **Integration and connectors:** While it's not the only a deciding factor, software with prebuilt connectors and proven experience with your specific ERP eliminate much of the technical complexity, allowing the C2C teams to focus on optimizing the software's impact to the business.

- **Information depth and breadth:** To optimize C2C processes, the software must provide connectivity to both internal and external financial data, third-party credit and insurance data, financial institutions, customers and payment providers. Ensure the connectivity options the software offers match with your customer mix, transaction channels and geographic requirements.

- **Investment appetite:** Not all businesses require the "horsepower" and extended capabilities these software solutions deliver. If you are a small-to-midsize organization with a tight budget, there are a number of emerging solutions that can provide solid value for less initial and ongoing investment.
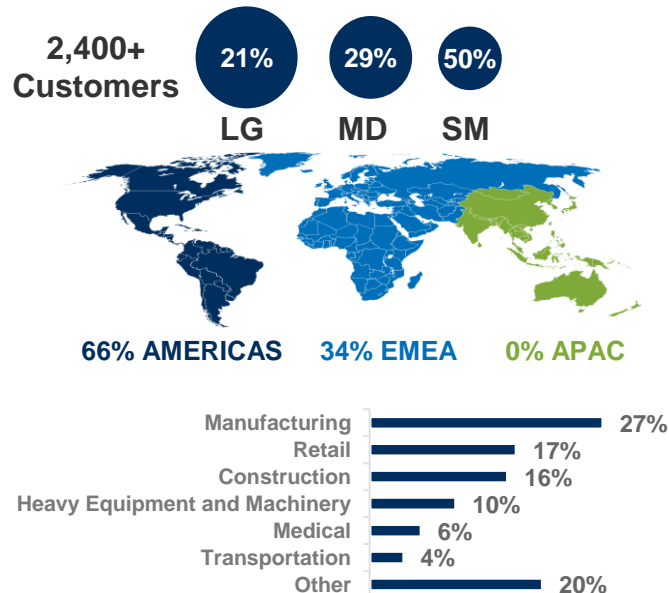


Source: The Hackett Group 2024 C2C Digital World Class Matrix Study

# Software provider profile | Billtrust

## COMPANY OVERVIEW

Finance leaders turn to Billtrust to get paid faster while controlling costs, accelerating cash flow and maximizing customer satisfaction. With more than 2,400 global customers and more than $1 trillion in invoices processed, Billtrust delivers business value through deep industry expertise and a culture relentlessly focused on delivering meaningful customer outcomes.

| Founded: | 2001 |
|---|---|
| Headquarters: | Lawrenceville, NJ |
| Ownership: | EQT |

**2,400+ Customers**

- 21% LG
- 29% MD
- 50% SM

66% AMERICAS    34% EMEA    0% APAC

Manufacturing — 27%
Retail — 17%
Construction — 16%
Heavy Equipment and Machinery — 10%
Medical — 6%
Transportation — 4%
Other — 20%

## REPRESENTATIVE CLIENTS

Ambu

Carter CAT LET'S GET TO WORK

GLOBALTRANZ

WORLDPAC
Wholesale Distributor of Original Equipment Automotive Parts

ACUSHNET HOLDINGS CORP.

## VISION

Empower finance teams to propel growth, guide and inspire their business.

## PRODUCT OVERVIEW

As a B2B order-to-cash software and digital payments market leader, we help the world's leading brands get paid faster while transitioning from expensive paper invoicing and check acceptance to efficient electronic billing and payments:

- 800+ customer invoice and payment portals
- $100 billion+ payment transactions
- $1 trillion+ in invoice dollars processed
- Expertise in 11 vertical markets and hundreds of industries
- U.S., Canada and European Union presence

## INNOVATION ROADMAP

- Generative AI and analytics platform enhancements.
- Credit/collections integration.
- eInvoice Connect buyer portal experience enhancements.
- Custom data feeds, analytics expansion.
- Expanded supplier payments in Unified Platform.
- Additional B2G/B2B, customer-to-cash channels.
- Enhanced autopay, surcharging grace period.

## MISSION

Develop solutions that dramatically improve financial processes, deliver transformative customer experiences and provide insights to enable faster, better decisions, all to create raving fans and long-term loyalty.
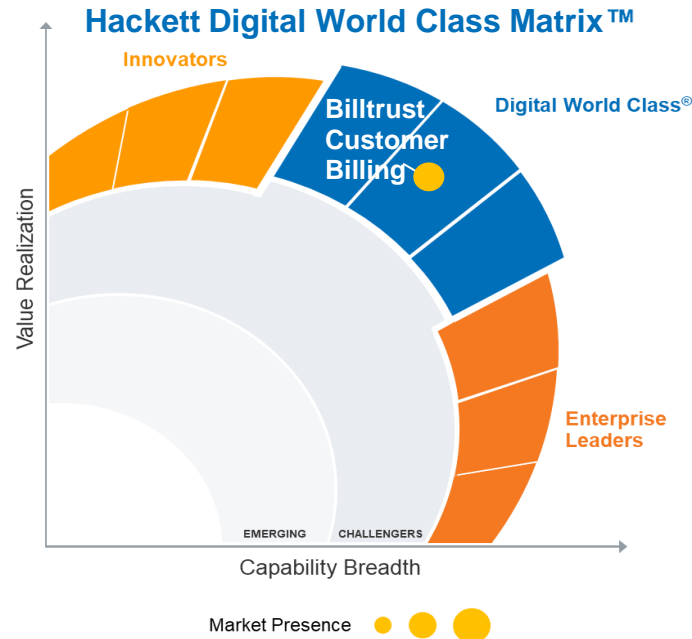
## KEY SOFTWARE FEATURES

Close deals faster with custom credit applications and workflows that enable auto-approvals and auto-decisioning.

Widest array of invoice delivery channels with global connections tailored for local requirements, guaranteed e-invoicing compliance and multilanguage and currency support.

A turnkey solution that provides a full catalog view with AI-customized product recommendations designed to help create sales.

# Hackett perspective │ Billtrust

**billtrust**

## HACKETT COMMENTARY

"Billtrust's suite of C2C process software features dynamic reporting and dashboards with modern looking and intuitive visualizations. Billtrust's AI strategy includes providing cognitive workflows and prescriptive analytics, such as its innovative "Days to Pay" index derived by data within its data ecosystem."

## HACKETT VALUE PLACEMENT

- The Billtrust ecosystem includes order management (eCommerce), credit management, customer portals, customer billing, receivables, collections and disputes.
- The well-integrated platform delivers Digital World Class® performance in customer billing/EIPP.
- The credit software rated favorably with customers for implementation, experience and satisfaction metrics.
- Order management capabilities are e-commerce-focused and fit well in trade industries, including distributors, manufacturers and wholesalers.
- Billtrust is also the exclusive e-commerce and PIM provider for the IMARK Group of 1,500 independent distributors.
- The navigation is intuitive, and customer collections and payment history is just one click away.
- The platform leverages AI/ML for decisioning, predictive analytics, product recommendations and data cleansing.
- Billtrust takes a transformational approach with clients to maximize value, leveraging its services, engineering, customer success, education and support teams.

## Hackett Digital World Class Matrix™



**Innovators**

**Billtrust Customer Billing**

**Digital World Class®**

Value Realization

**Enterprise Leaders**

EMERGING    CHALLENGERS

Capability Breadth

Market Presence

## HACKETT CAPABILITY PLACEMENT

### Hackett assessment

**C2C Receivables Creation**

- Billtrust delivers extensive implementation experience using a professional services team with both finance process knowledge and technology expertise.
- Billtrust provides a robust set of pre-build connectors for B2B and B2G (business to government) portals.
- Features excellent payment and presentment functionality along with strong customer self-service via a client branded and configurable solution.

## CAPABILITY ASSESSMENT (for in-scope modules)

| | |
|---|---|
| Ability to address globally complex clients | ◐ |
| Industry specialization | ● |
| User community, connected ecosystems | ◐ |
| Integration, prebuilt connectors | ◐ |
| Implementation services | ◐ |
| Customer service and support | ● |
| Information, dashboards, analytics | ◐ |
| AI/ML, automated intelligence | ◕ |
| **CUSTOMER BILLING/EIPP** | |
| Customer experience, self-service capabilities | ● |
| Presentment functionality | ● |
| Payment processing options, functionality | ● |
| E-invoicing regulations compliance, controls | ● |

● World Class  ◐ Challenging  ◕ Emerging  – – Not available or not evaluated

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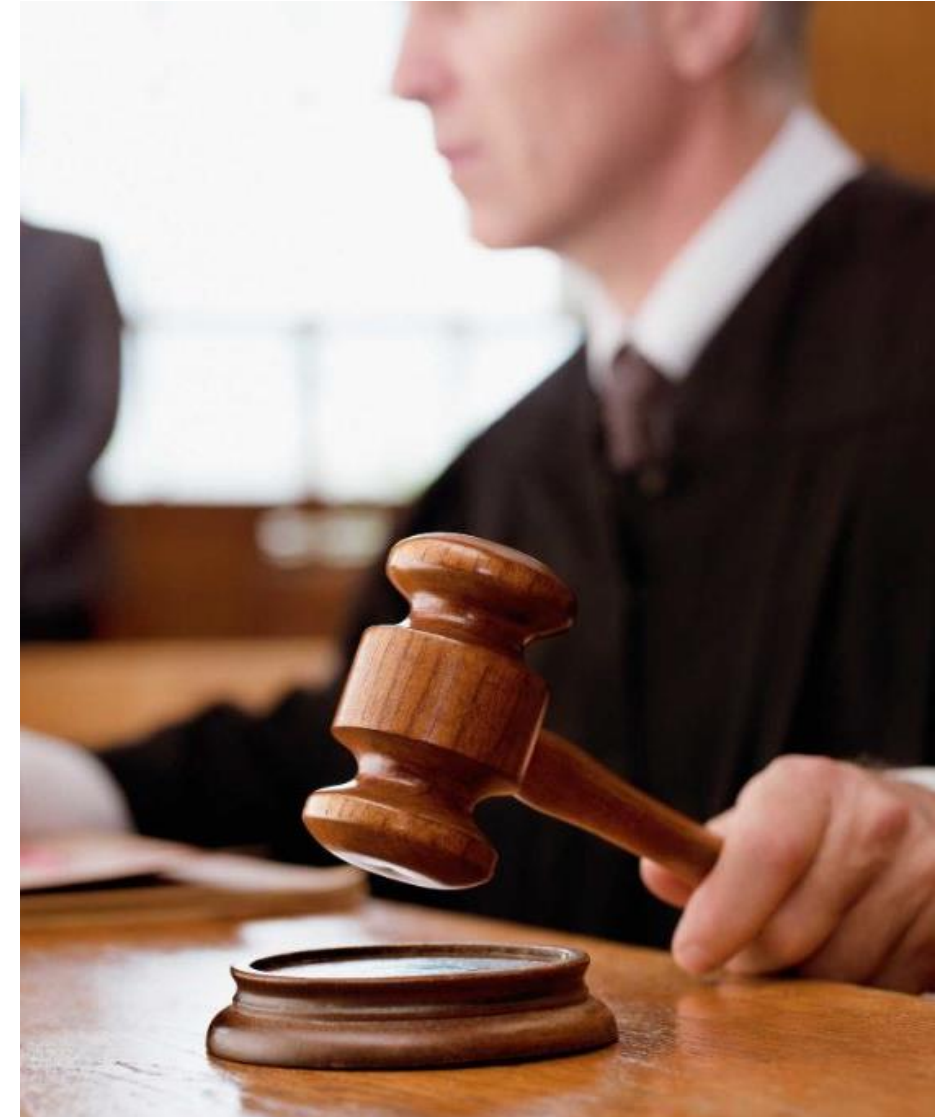
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