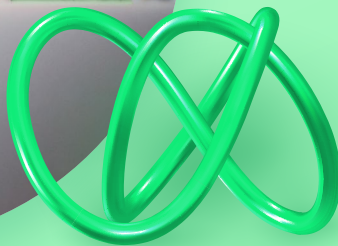


Your AR processes are a mess. Here's how data can fix them.



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of companies exploring automation see **positive outcomes** in reduced operating expense, quality control, customer satisfaction, and employee experience.⁹

Source: McKinsey

Data: The key to AR efficiency¹

Spreadsheets and ERPs and reconciliation, oh my! If you're like most businesses, your accounts receivable (AR) processes are a mess.

Disconnected, disparate workflows dominate, and reconciling payments with individual line items can take a miracle—and a tedious reentry of information.

Fortunately, through developments in order-to-cash software, these processes can be streamlined with data. Technologies like robotic process automation (RPA) and artificial intelligence make it possible for tasks to move from manual to mainline without human intervention.

But just how does data clean up the AR mess? By providing finance leaders with insights that will help you accelerate your cash flow and reduce DSO, control your costs, and increase customer satisfaction. On top of that, data provides opportunities for automation, enhancing your organizational efficiency.



Data delivers faster payments

USE CASE:

Kinepolis

To show data's potential to clean up AR messes, look no further than the largest cinema chain in Belgium: Kinepolis. With more than 110 branches worldwide, the company offers much more than daily film screenings in the form of events, commercial space rentals, on-screen advertising, voucher sales, and more.

That plethora of paid activity historically has meant that the AR team had to chase down payments for distinct services rendered, many times with a one-time-relationship buyer, creating a lengthy invoice-to-cash cycle. But, when the company leveraged its data to centralize the collections management process in a digital platform, it decreased DSO from 41 to 28 days, and the number of overdue invoices decreased by 33%.¹⁰



For starters, data can help in creating faster payments, which means an improved cash flow for the business. Expedited receivables have a positive impact on the company in two ways: what data provides to your buyers' payments and what it can do for yours.

1. **What data means to your buyers' payments:** With aggregated data fueling dashboards, your buyers gain line of sight into outstanding invoices, relevant details, and full transparency into the payments process, helping to simplify their AP operation. It can make a clunky process more efficient for them, and in turn, gets you paid faster.
2. **What data can do for your payments:** That same data gives you a better view of your buyers' behaviors. For instance, data helps you target the customers who are the more likely adopters of digital solutions, so you can prioritize where to start your e-invoicing outreach and streamline your work in the process.

Ultimately, both efforts improve DSO and lead to better cash flow for your organization.

"Access to data can help reduce DSO and the time it takes to get paid," says Shirra Frost, Billtrust's Senior Director of Product Marketing. "It shortens that time for collections as well. With data-centric software, both the business and its suppliers automatically can see the status of the payment and what's holding it up and what's not. There's full transparency from both parties to see what's happening, creating a turn-key way to manage the payment process."²

When data is applied to the complete billing and payment cycle, the time from invoice to payment can be greatly reduced. Having a software solution in place that can parse that data will provide better cash flow for your business.



87%

of firms that have automated AR functions report processing faster³

Source: PYMNTS & American Express

76%

of businesses report up to a 76% reduction in DSO when deploying digital payments⁴

Source: Billtrust



USE CASE:

Cooper Electric Supply

Cooper Electric Supply, an electrical distributor in the New Jersey, New York and Pennsylvania markets, was inundated with customers applying single-use credit cards, creating a costly and labor-intensive payment process each month. By using data to evaluate the details, the company could shift buyer behaviors accordingly and apply RPA to the ongoing cycle.

The company saw a 671% increase in the total dollar amount of digital customer payments and saved \$120,000 in credit card processing fees due to higher rates of Level 3 interchange qualification that the data uncovered.¹¹



72%

of firms that have automated AR functions indicate it helps them control costs¹²

Source: PYMNTS & American Express

Data divulges ways to control costs

Beyond expediting payment, access to data can enable internal efficiencies that help decrease costs. For example, the types of payments your buyers use can affect your costs, and moving them from one form of payment to another can ultimately strengthen your bottom line.

"Data can help you understand your buyers' payment behaviors and allow you to gain some efficiencies," Frost says. "You can use it to target the right buyers and move them from checks to credit cards or to ACH. Data plays a crucial role in those account reviews."⁵

Similarly, data can help in transitioning your buyers away from the "way they've always done it." For example, one Fortune 500 IT distributor's AR team was mailing millions of paper invoices each year (over 300,000 a month) with only 3% delivered electronically. By engaging a more robust digital platform from a third-party and leveraging that technology partner to target the buyers most likely to transition off paper, the company moved to 80% electronic invoicing, saving \$2 million USD in postage alone.⁶

Internal operations benefit, too: Finance leaders stand to gain from the more efficient processes that align with a more robust, data-centric product, freeing up the finance team's time to oversee more strategic tasks.

"Your AR team can focus on more high-touch, high-value customer interactions versus day-to-day invoice logistics," says Frost.⁷

Overall, smart use of data enables businesses to work more efficiently, better control costs, and ultimately, increase net income.



USE CASE:

GlobalTranz

By applying automation to its data, GlobalTranz—a full-service transportation and logistics provider with a network of more than 34,000 carriers and 25,000 shipping customers—was able to scale up to 99% of their customers using digital invoicing. It also provided supplier customers with flexibility and efficiency, enabling easy approvals for customer requests to invoice through new AP portals and increasing customer satisfaction with the payment process.¹³



Data drives customer satisfaction

While the business itself sees cost benefits from data-first AR, the customer also profits from these solutions:

- Immediate access to the invoice
- Clarity around the services or products provided
- The ability to forward, review, and investigate the details
- Maintain line of sight into status

In short, having data available to support an invoice goes a long way toward meeting and exceeding buyer expectations. The data that fuels this more automated approach to the O2C cycle simplifies buyer interactions, giving them an easier way to process the payment.

“At a high level, data helps you make more informed decisions on your buyers,” Frost says. “By enabling self-service activities and full transparency of the AR process, you create a win-win for both you and your customer.”⁸

And a happy customer is a paying customer, which is why buyer satisfaction remains a key driver for AR teams in managing the client relationship.

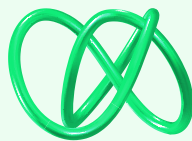
Data defines AR efficiency

Overall, data serves as a dedicated support for finance teams in their quest to strengthen their AR processes. AR teams can benefit from data by:

1. Using it to identify stopgaps in AR processes
2. Leveraging that analysis to direct internal focus and resolve issues
3. Implementing automated processes that save time and money, increase revenue, and support a better customer experience
4. Maintaining ongoing evaluations of AR processes to realign as the business grows and evolves

Fortunately, you have a wealth of data at your fingertips. The trick lies in accessing it and applying it to reimagine your AR operations. But that shift is not as daunting as it first may seem. Choosing a provider who can offer a comprehensive, data-based solution to your AR processes will go a long way toward ensuring that you not only fix today's current AR mess but that you do so with an eye toward keeping it efficient as you evolve.

For more information on ways to use data to streamline your AR processes, visit billtrust.com.



TO-DOS FOR FIXING YOUR AR MESS

- ✓ Choose a provider that offers a comprehensive, data-based solution
- ✓ Pay attention to your buyers' behaviors through data insights
- ✓ Prioritize your e-invoicing outreach
- ✓ Keep full transparency
- ✓ Use data to alleviate internal inefficiencies

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ABOUT BILLTRUST

Billtrust is a leading provider of cloud-based software and integrated payment processing solutions that simplify and automate B2B commerce. Accounts receivable is broken and relies on conventional processes that are outdated, inefficient, manual and largely paper based. Billtrust is at the forefront of the digital transformation of AR, providing mission-critical solutions that span credit decisioning and monitoring, online ordering, invoice delivery, payments and remittance capture, invoicing, cash application and collections.



CORPORATE HEADQUARTERS

1009 Lenox Drive, Suite 101
Lawrenceville, New Jersey 08648
United States

HAMILTON

11 South Gold Drive, Suite D
Hamilton, New Jersey 08619
United States

SACRAMENTO

2400 Port Street
West Sacramento, California 95691
United States

GHENT

Moutstraat 64/501
9000 Ghent
Belgium

AMSTERDAM

H.J.E. Wenckebachweg 200-III
Amsterdam AS 1096
Netherlands

KRAKÓW

ul. prof Michała Życzkowskiego 19
3 piętro
Kraków 31-864
Poland