

The logo for EMAGIA, featuring the word "EMAGIA" in a stylized, bold, white font with a trademark symbol. The letters are interconnected, with the 'E' and 'M' sharing a vertical stroke, and the 'A' and 'G' sharing a vertical stroke. The 'I' and 'A' are also connected at the top. The background of the logo is a dark blue circle.

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**Modernizing
Cash Application with the 3As:
Automation, Analytics, and AI**



Agenda

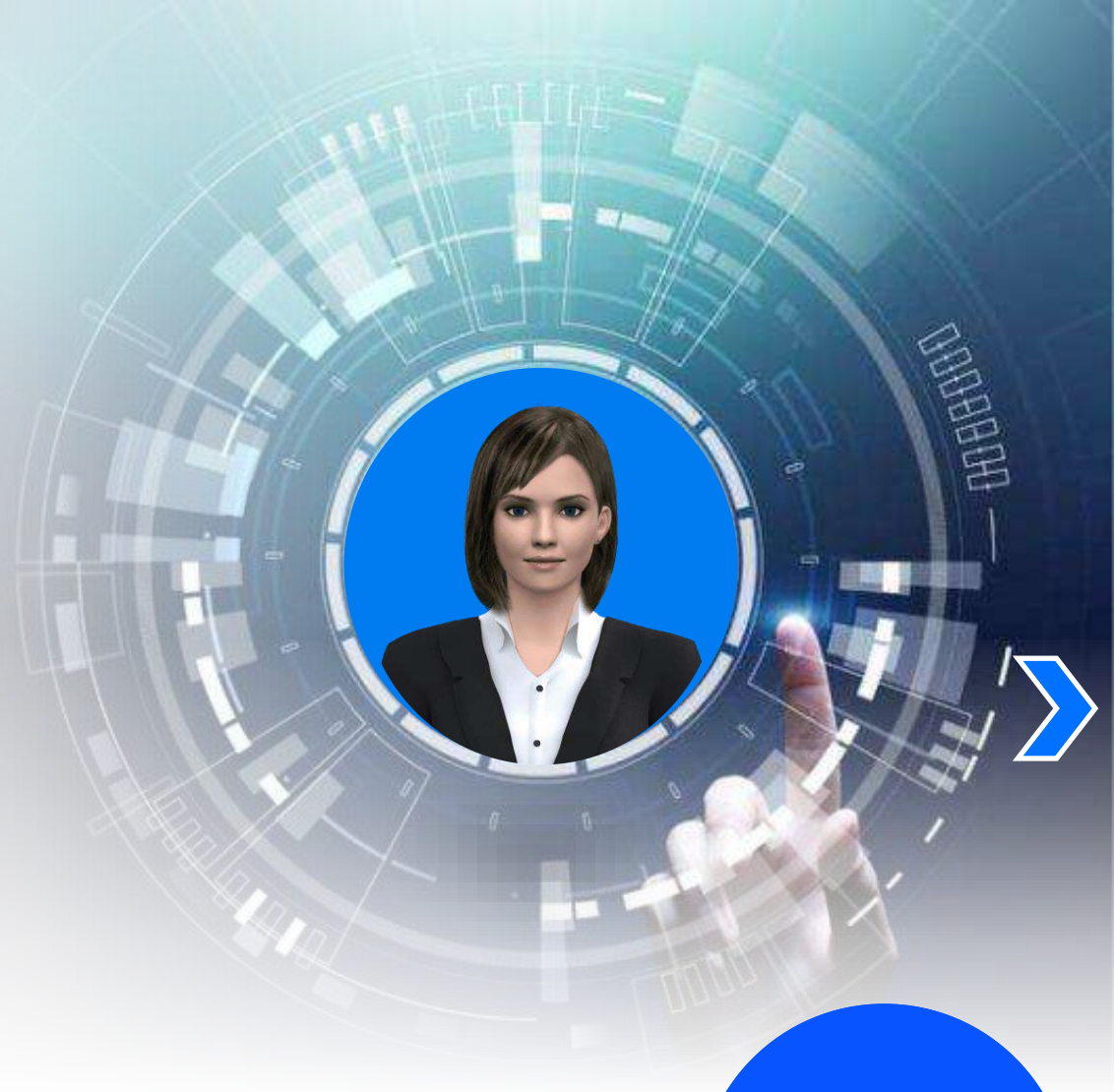
- **Introduction**
- **Challenges of Cash Application**
- **Evolution of Cash Application**
- **Today's Cash Application**
 - AI Powered Automation
 - Analytics
- **Benefits**
- **Customer Success Story**
- **Conclusion**
- **Your Questions**



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Introduction

- **Major Advancements in Digital Technologies and the proliferation of new digital payment modes** have presented an opportunity to realize large improvements in the cost, speed, and accuracy of applying cash.
- The improvements are in receiving payments and remit advice, extracting required data from the remit advice, and automatically applying it to open invoices.
- The Digital Future is here and is dramatically different from **Yesterday's Cash Application** processing.



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Challenges of Cash Application

- Payments in multiple currencies and Remit Advice in multiple languages
- Integration with multiple ERP's
- Utilization of multiple banks
- Accommodating Digital Payments (e.g., Square, PayPal, etc.)
- Remit Advice received in a number of modes:
 - a. paper or scanned images
 - b. EDI
 - c. e-mail
 - d. downloads from customers' vendor portals and your EIPP portal
 - e. bank files in various formats
- Remit Advice received in infinite number of formats (varies by every customer)
- Wide variance in customers' Vendor Portals
- Incomplete, hard-to-read, and missing Remit Advice

Evolution of Cash Application

- AI Powered Document Data Capture Assistants are the next big step forward in Cash Application
- Document Data Capture Assistants can automatically extract remittance data from multiple sources & documents in many different formats, enter the data and create a file for auto-application to open invoices
- It is a dramatic leap forward in the evolution of Cash Application:



Yesterday's Cash Application Processing

- Cumbersome handling of Remittance data:
 - Keyed by lockbox into file **for a fee**, which is then uploaded into Cash Application engine or manually input
 - Keyed by Cash Application staff from various source documents (scanned copies, files that cannot be uploaded)
 - Customer supplied files in various formats, uploaded (hopefully)
 - Significant volume of outreach to customers via email or phone to secure remittance data
- Auto-Cash engine provided by ERP system optimized if IT has time = inadequate hit rates
- 8/5/240 operation
- High volume, expensive lockbox
- More FTE's, higher bank fees, slower application, lower accuracy

Today's Cash Application - Overview



GiaDocs – Cognitive Data Capture

Eliminate manual lockbox remittance and payments data entry and document handling



AI-driven Cash Application

Straight through invoice-to-receipts matching and posting automation



Automated Deductions Creation

Auto identify short pay and over pay with reason codes , auto generate and route to designated Resolver thru workflow



Digital Payment Wallets

Self-service digital portals with on-demand and mobile experience with voice and chat bots

90%
automatch

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Today's Cash Application: AI Powered Automation

AI Enabled Digital Assistants extract remittance data from multiple customer sources with multiple formats, such as:

- Customer Vendor Portals
- Your own EIPP Portal populated by your customers
- Excel/PDF files and statements from customers and lockboxes
- EDI 820 or BAI2 transmissions from customers
- New Digital Payment modes (Square, PayPal, etc)

AI Driven Cash Application auto posts cash receipts to right invoices

- Integrate with bank lockboxes and your own ERP AR and Collection modules
- Contains its own auto-cash engine (applies based on invoice, PO or sales order)
Auto-Cash engine can yield 85 – 95% hit rate
- Enables pre-set tolerance levels for matching payments to open invoices
- Provides enhanced cash forecasting capabilities
- Outperforms RPA when dealing with multiple unknown document formats



Today's Cash Application: Analytics

AI Enabled Analytics produce valuable monitoring and insights:

- Custom Dashboards to monitor throughput, backlogs, error rates, etc.
- Analyses to identify root cause of errors and bottlenecks, high unapplied cash customers, etc.
- Predictive Analytics to forecast errors
- Cash Forecasting



Benefits of the Digital Cash Application

Increased Productivity: Fewer FTE's required
Reduced Bank Fees
Faster application of cash – more accurate customer account balances
Greater Cash Application Accuracy

Enhanced
Customer Experience



Improved
Customer Satisfaction



Enriched
Customer Loyalty



Greater Market
Share



Increased Revenue
& Profit

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Customer Success Story

Company: Global Information Technology Company with \$3B revenue

Exponential Impact:

Digital O2C Solution: Emagia AI-powered Digital Receivables Platform –

Collections, Deductions, Cash Application and Analytics

- Oracle R12 ERP supporting **58 business units**
- **Deployed in 44 countries** across Europe, Americas and Asia Pacific
- Cash Application auto match improved from **45% to 85-90% in Europe.**
- **Multi language capability** - English, German, Spanish, Portuguese, French, Italian
- **170 Banks** including JPMC, Citi, Bank of America, Post Finance

THE EMAGIA EXPONENTIAL IMPACT

\$3B Receivables

300K Digital Transactions

85% Current AR

100% Customer Touch

90% Automated Cash Application Rate

100% Risk Assessment

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Conclusion

- There is a significant opportunity to substantially improve the cost efficiency, timeliness, and accuracy of the Cash Application function
- It is achievable using Artificial Intelligence (AI) Automation and Analytics
- AI Automation can perform 70 – 90% of manual operations in Cash Application

**Use AI Automation in Your
Cash Application Operations**

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If you have any questions or comments about this session, please let us know in the chat box or write to us at info@emagia.com

Next Emagia Master Class Session:

Topic: Cash Application Automation for Europe

Date & Time: Thursday, 3rd June, 2021, 10AM PST

Book Your Seat Today !



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