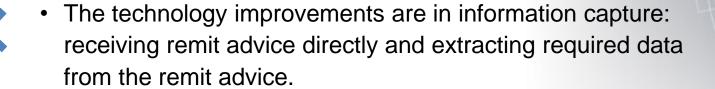# Agenda

- Introduction
- What is Data Capture AI?
- Traditional Lockbox Service and Its Cost
- Lockbox Cost Reduction with Data Capture AI
- Benefits
- Customer Success Story
- Conclusion
- Your Questions

Introduction

- **Major Advancements in Digital Technologies and the proliferation of new digital payment modes** have presented an opportunity to realize significant reductions in the cost of lockbox services.

- The technology improvements are in information capture: receiving remit advice directly and extracting required data from the remit advice.

- These capabilities enable the user to reduce lockbox services and their cost.

What is Data Capture AI?

Data Capture AI, aka Intelligent Document Processing (IDP), extracts & converts unstructured data into a usable format (structured data) for the next step in processing that data. It extracts **all and only** the required data.

It utilizes cognitive Artificial Intelligence (AI) and other related technologies such as Machine Learning, Natural Language Processing, and Robotic Processing Automation (RPA).

Source documents are scanned & data is extracted:
- The documents are stored digitally
- The data is available to authorized users anywhere in the world, 24/7/365 in digital form.

Data Capture AI is faster, cheaper and more accurate than having humans read documents. Even Robotic Process Automation (RPA) doesn't work as well with multiple unknown document formats.

Data Capture AI accommodates **multiple languages and currencies & delivers substantial increases in speed, accuracy and productivity**

£MAGI£™
MASTERCLASS

What is Data Capture AI?

AI Enabled Digital Data Capture Assistants extract remittance data from multiple sources in 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 Enabled Digital Data Capture Assistants create file (CSV & other formats) of remit data to be input into Auto Cash Application

- Integrate with bank lockboxes and your own ERP AR and Collection modules

Traditional Lockbox Service and Its Cost

- Receive payments and deposit into bank account

- Create file of Remittance data with following charges:

  - Monthly bank lockbox fees (rental & maintenance) are fixed cost

  - Check & remit advice scanned for **per transaction fee**

  - Remit data keyed by lockbox staff into file **for a per keystroke fee**, which is then transmitted to client

  - Total processing cost for a check approximately $2.50

  - Client uploads lockbox provided file into Cash Application engine or manually inputs data

  - An issuer of a **high volume of invoices** pays high lockbox service fees

- Significant volume of outreach to customers via email or phone to secure remittance data is often still required

Data Capture AI reduces the scanning and data input costs charged by the Lockbox Provider

€MAGI8™
MASTERCLASS

Lockbox Cost Reduction with Data Capture AI

- Receive remittance advice directly from customer via EDI, with new Digital Payment modes, from customers' vendor portals, your EIPP/Customer Care portal, and via e-mail

- Data Capture AI Assistant extracts required remit data and creates a file for input into auto-cash engine (CSV and other formats)

- Check & remit advice scanning fees from lockbox decreases with lower volume of Remits processed by lockbox

- Remit data keypunch **per keystroke fee** from lockbox decreases with lower volume of Remits

- Savings of $1 to $2 per payment can be realized

Program to change Customer Payments from checks to other modes will drive lower payment processing costs as well as scanning and keypunch fees.

€MAGI3™
MASTERCLASS

Other Cost Reduction with Data Capture AI

In addition to Lockbox cost savings, Data Capture AI can raise auto-cash hit rates to ~ 90%, delivering large productivity increases and labor savings. Data Capture AI can automate 70 – 90% of the manual tasks of Cash Application.

Data Capture AI Meets the Challenges of Cash Application

- Processes payments in multiple currencies and Remit Advice in multiple languages
- Integrates with multiple ERPs
- Enables utilization of multiple banks & their lockboxes
- Accommodates the new Digital Payments (e.g., Square, PayPal, etc.)
- Processes 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

- Processes Remit Advice received in infinite number of formats (varies by every customer)
- Adapts to wide variances in customers' Vendor Portals

€MAGIB™
MASTERCLASS

Benefits of the Digital Cash Application

Reduced Bank Lockbox Fees

Increased Productivity: Fewer FTEs required

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

Case Study – Global Medical Products Company

- Operates in 45 countries, 15 languages, 16 bank accounts

- Established in-house Global SSC in Portugal (ended BPO)

- Embarked on Digital O2C Transformation

Implemented Data Capture AI Assistants for :

Cash Application: Auto-cash hit rate increased from **30 to 70%**

Deductions: Resolution time decreased from several weeks to **< one week**

Conclusion

- There is a significant opportunity to substantially reduce bank lockbox fees incurred in the Cash Application operation

- It is achievable using Data Capture Artificial Intelligence (AI) Automation and related technologies

- AI Automation can perform 70 – 90% of manual operations in Cash Application

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: Boost O2C Efficiency with Digital Assistants

AUTOMATION

ANALYTICS

ARTIFICIAL INTELLIGENCE

Orders

Payments

Credit

Deductions

Invoicing

Collections

Cash Application

€MAGIA™

MASTERCLASS