

**EMAGIA™**  
MASTERCLASS

**Shorten the O2C Cycle  
with Digital Invoicing &  
Payments**



# Agenda

- Introduction
- How Digital Invoicing Accelerates Cash Receipts
- How Digital Payments Accelerate Cash Receipts
- Digital Invoicing & Payments Synergy
- Customer Success Story
- Benefits
- Conclusion
- Questions



# Introduction

- **71% of CFO's** (responding to a PYMNTS/ Corcentric survey), state they **have accelerated adoption of Digital Payments**
- Expected benefits are:
  1. increased efficiency
  2. **improved working capital**
  3. satisfy customer and vendor payment preferences
  4. improved security/reduced fraud
- In our view, the same benefits can be gained from Digital Invoicing



# Introduction - Definitions

- **Digital Invoicing** (aka E-invoicing and E-billing) is electronic delivery of an invoice to a customer (vs paper invoice sent via Postal Service). EDI Billing is Digital Invoicing
- Most **Digital Invoicing** applications include added functionality: (a) pull data required for invoice from ERP for automated production of invoice, (b) include Credit/Debit adjustments, (c) tracking & Dunning
- **Digital Payments**, aka Real Time Payments (RTP), and “Frictionless Digital Payments” are electronic payments that transfer funds **and** Remit Advice
- **Digital Payments** are made directly between buyer and seller through a direct, secure, internet connection on an Account to Account (A2A) basis (~ EDI)

# How Digital Invoicing Accelerates Cash Receipts

## Digital Invoicing:

- a. Enables **fast compilation** of invoice from ERP data in customer's required **format**
  - b. Delivers invoice in customers' **required or preferred mode** (e.g., post to Vendor Portal). Many European & LatAM countries require e-invoicing
  - c. Delivers invoice to customer **same or next day** after compilation
- Digital Invoicing facilitates COD transactions which encourages greater use

**The first step in collecting cash is to deliver your invoice**

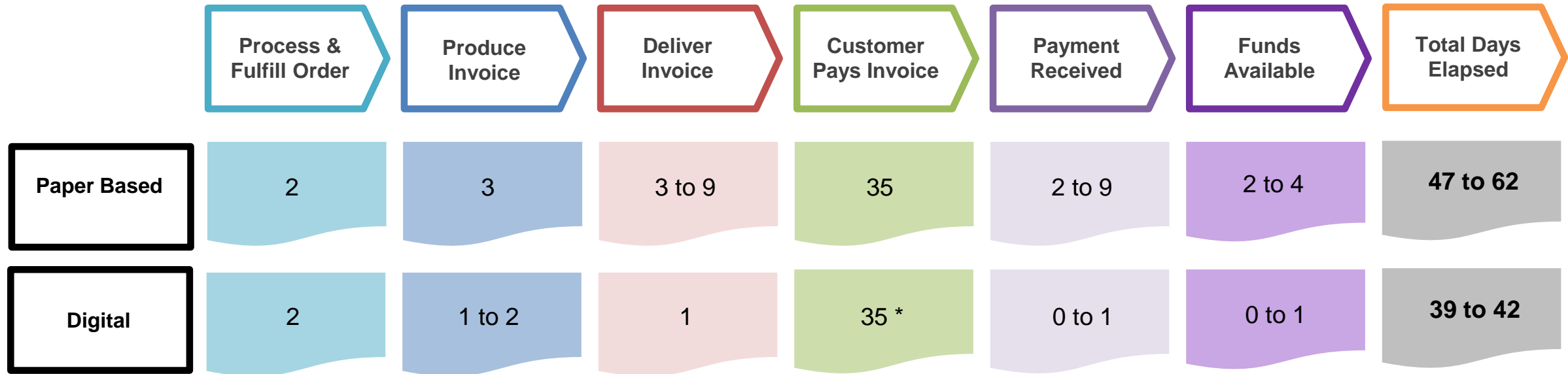
# How Receiving Digital Payments Accelerates Cash Receipts

## Digital Payments:

- a. Are received from customers **same or next day**
  - b. Funds availability is **same or next day**
- 
- Digital Payments also facilitate COD transactions by providing almost instantaneous confirmation of funds receipt which allows the delivery of product to proceed with minimal delay



# Reduction of O2C Cycle Time with Digital Invoicing & Payments



**Digital Processing Accelerates Cash Availability by 8 to 20 Days**

\* Some customers (SMB's) will pay earlier; COD can be increased.



# Additional Advantages of Accepting Digital Payments

- **Enhanced Customer Experience** – accommodate their payment preference for self-serve digital payments. Key element of Strategic AR Management
- Many Small and Medium size businesses (SMB), do not usually perform administrative tasks during standard business hours. The ability to pay vendor invoices off-hours is a necessity for them & will **help the supplier get paid earlier.**
- Lower lockbox and credit card fees
- Reduced Cash Application costs from receiving more complete, standardized remit information that is conveyed with the payment (vs separately, like EDI)



# Digital Invoicing & Payments Synergy

- Digital Invoicing, Digital Payments, and a Customer Care Portal are most powerful when offered together
- The combination is appealing to Small & Medium size business & B2C customers to deal with the invoice once & quickly (review & pay). Square claims 75% of invoices it delivers on behalf of its clients are **paid same day!** (heavy B2C)
- A Customer Care Portal facilitates the end-to-end transaction: (a) enabling the payment, and (b) providing access to the invoices and statement of account
- Payments can be made via a wide range of mobile devices



# Customer Success Story

**Overview:** Global water treatment solutions provider with **\$5.6B in revenues** . Global Shared Service Teams in India, Poland, and the USA.

**Digital Billing & Payments Solution:** Emagia AI-powered **Customer Billing, Payment Portal, Digital Payments, & Cash Application**. Deployed across 80 business units, 16,000 customers with multiple currencies from multiple countries. Functionality includes **straight-through processing of Digital Payments** (E-checks and Credit Cards), and customer logging of disputes.

## **Exponential Impact:**

- Accommodation of Customer Preferences/Requirements for self-serve Digital Billing & Payments resulting in increased **Customer Satisfaction**
- 92% auto-cash hit rate
- 60% reduction in operations **cost** to process payments

## THE EMAGIA EXPONENTIAL IMPACT

**6M**

Transactions

**85%**

Current AR

**100%**

Customer Touch

**92%**

Automated Cash  
Application Rate

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# Benefits of Digital Invoicing & Payments

Accelerated Cash Receipts  
Ability to Meet Customer Requirements & Preferences  
Increased Productivity  
Reduced lockbox and bank processing costs

Faster, more Secure Invoicing & Payments from Customers



Improved Customer Experience/Satisfaction



Meet Customer Billing Specs



Faster Receipts & Lower Costs



Increased Revenue & Profit

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# Conclusion

- Digital Invoicing is a **requirement** and/or **preference** of most customers. Meeting customer requirements leads to faster payments & a better customer experience
- Digital Payments are **faster, lower cost, more secure and preferred by many suppliers** to paper checks
- AI Powered Digitization and Automation are the key enablers for these capabilities
- Implementation is a lower cost, faster undertaking than most IT projects



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](mailto:info@emagia.com)

## Next Emagia MasterClass Session:

◀ **Topic: Minimize Bad Debt as Pandemic Stimulus Fades**

