



BUSINESS & PROFESSIONAL SERVICES EBOOK

# Digital means competitive

How digitizing the order-to-cash cycle can improve client satisfaction and competitiveness in the business services sector



<b>3</b>	<b>The need for digital billing</b>
<b>5</b>	<b>Challenges and opportunities</b>
	Securing commercial agility <b>6</b>
	Adapting to new business models <b>7</b>
	Automating evenly across the business <b>8</b>
<b>9</b>	<b>Digitize the whole order-to-cash cycle</b>
<b>10</b>	<b>Dual Electronics</b>
<b>13</b>	<b>Recommendations</b>

## The need to digitize

The business services sector is under immense pressure to maintain client satisfaction and compete effectively in the digital age. At the same time, firms have to comply with tighter regulations and growing threat of a cybersecurity breach.

Firms must invest in the digitization necessary to meet today's client expectations and could afford to do so by freeing up working capital currently tied up in inefficient financial processes. Digitizing the order-to-cash cycle will improve invoicing accuracy, increase client satisfaction and release cash to the business faster.

By working with one of the payment industry's most trusted partners, firms can also demonstrate to their clients that they

– and their business partners – comply with the data protection regulations relevant to their profession and that their electronic payment processes are secure.

To compete effectively in the digital economy, business services firms should digitize their financial processes, such as the order-to-cash cycle, without delay and bring them up to the same high standard as their professional services themselves.



It's critical to digitize the entire order-to-cash cycle as an integrated process to unlock cash flow, simplify operations and deliver the best possible customer experience.

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# Challenges and opportunities

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## Satisfying the digital client

Businesses in all sectors are going digital and they expect their business services partners to digitize as well. Future client

loyalty depends on being able to interact digitally across all financial processes.

### CHALLENGE: MEETING EXPECTATIONS

81% of businesses expect the client experience to be the primary basis of competition in 2019<sup>1</sup>

Client satisfaction in business services depends on the whole experience of dealing with the supplier, including administration<sup>2</sup>

The professional services automation software market is expected to grow at 11.7% to \$16 trillion by 2025<sup>3</sup> with most firms going digital

### OPPORTUNITY: CLIENT SATISFACTION

Business services firms can keep clients loyal by offering digital ordering and payment processes

Clients want digital invoicing straight into their systems so they can perform automatic matching and conduct their own cost analysis

Digitizing financial processes means sending clients accurate invoices automatically, avoiding delays or disputes and getting paid faster

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1. 'Key Findings from the Gartner Customer Experience Survey 2017', gartner.com
  2. 'Measuring client loyalty in professional services firms', client feedback company, acuigen.com
  3. 'PSA Software Market Worth \$16,015.0 Million By 2025 - CAGR: 11.7%' Grand View Research, May 2019

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## Competing on digital agility

The business services sector isn't as far along on its digital transformation journey as many of its clients. It needs to free-up working capital locked in inefficient

processes and invest it in digital financial systems to attain the competitive agility clients are demanding.

### **CHALLENGE: INVESTING IN EFFICIENCY**

Business services firms show a below-average degree of digitization compared to many of their clients in other sectors<sup>1</sup>

Core businesses need to digitize processes to free cash for investment to bring service innovations to market more quickly

America's largest companies have \$1 trillion of working capital locked up in inefficient order-to-cash processes, impeding digital investment

### **OPPORTUNITY: ACHIEVING COMPETITIVE AGILITY**

To compete effectively, business services companies need to invest in financial processes that are as digitized as their clients demand

Digitizing the order-to-cash cycle improves invoicing accuracy, enhances client satisfaction and frees cash faster

Modernizing financial processes will give business services firms the agility they need to compete effectively in the digital economy

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1. 'The Industry Digitization Index' Strategy PwC, Measuring Industry Digitization – Leaders and Laggards in the Digital Economy, 2011.

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## End-to-end assurance

By the nature of their work, business services firms handle private and sensitive personal and financial information on behalf of their clients. They need to

assure their clients that their business and financial processes – and those of the suppliers they depend on – are compliant and secure.

### CHALLENGE: INDUSTRY UNCERTAINTY

Business services organizations are subject to industry- and territory-specific data protection regulations and cybersecurity risks

86% of organizations suffered a cyber attack in 2017, losing on average 5% of their stock value once the breach was disclosed<sup>1</sup>

Business services firms must assure clients, not just of their own security and compliance, but also that of their suppliers

### OPPORTUNITY: OPERATIONAL EFFICIENCY

Business services firms should only rely on partners that meet the same compliance standards to which they must adhere

This includes data protection regulations applicable to different professions and geographies, security rules covering bank and card payments, and anti-money laundering

The accreditations Billtrust hold means our customers can assure their clients of an unbroken chain of trust

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1. 'The heightened threat of cyber attacks is fuelling payment losses – how should your business respond?' white paper from EY, 2018, [www.ey.com](http://www.ey.com)

# Digitize the whole order-to-cash cycle

An integrated platform delivers benefits to customers, employees and the business across the order-to-cash lifecycle.

STAGE	WHY DIGITIZE?	OPERATIONAL EFFICIENCY
<b>Credit</b> 	Putting credit applications online gets you off to a good start: <ul style="list-style-type: none"> <li>— Improve risk management decisions</li> <li>— Reduce friction between sales and finance</li> <li>— Help things work better down the line</li> </ul>	<ul style="list-style-type: none"> <li>— Process credit applications and references automatically</li> <li>— Credit data stays accessible for later stages</li> <li>— Real-time portfolio monitoring and alerts</li> <li>— Combine third-party data with industry and peer information</li> </ul>
<b>Order</b> 	Offering a web store lets customers order online if they want to: <ul style="list-style-type: none"> <li>— Speed up purchasing</li> <li>— Improve customer experience</li> <li>— Get data right from the start</li> </ul>	<ul style="list-style-type: none"> <li>— Build your own web store</li> <li>— Add your branding</li> <li>— Link data across the lifecycle</li> </ul>
<b>Invoicing</b> 	Automated invoicing cuts out time-consuming, error-prone manual work: <ul style="list-style-type: none"> <li>— More accurate invoices</li> <li>— Fewer queries and disputes</li> <li>— Faster payments</li> <li>— Easier reconciliation</li> </ul>	Offer your customers every invoicing format, through a single unique supplier: <ul style="list-style-type: none"> <li>— Print and mail</li> <li>— Email or fax</li> <li>— Electronic invoice presentment and payment (EIPP)</li> <li>— Deliver invoices straight into accounts payable portals</li> </ul>
<b>Payments</b> 	Allow your customers to pay by whatever means they like: <ul style="list-style-type: none"> <li>— Offer credit card payment without prohibitive costs</li> <li>— Match payment methods to customer preferences</li> <li>— Reduce effort and labor through automation</li> <li>— Ensure secure and compliant payments</li> <li>— Offer an online payments portal</li> </ul>	<ul style="list-style-type: none"> <li>— Reduce interchange fees for credit card payments</li> <li>— Take credit card payments from Visa, American Express and other major brands easily and at affordable rates</li> <li>— Capture virtual card numbers and apply the cash automatically</li> <li>— Integrate with ERP systems</li> <li>— Run campaigns to encourage your customers to adopt electronic payment methods</li> </ul>
<b>Cash Application</b> 	Digitizing cash application improves a business's liquidity: <ul style="list-style-type: none"> <li>— Improve the accuracy and speed of reconciliation</li> <li>— Get access to cash more quickly</li> <li>— Eliminate bank lockbox and data entry fees</li> </ul>	Speed up the cash application process by: <ul style="list-style-type: none"> <li>— Cutting data entry and keying costs</li> <li>— Assisting with matching</li> <li>— Investigating and researching exceptions</li> <li>— Posting to your ERP</li> </ul>
<b>Collections</b> 	Replacing spreadsheets with a digital collections solution helps you: <ul style="list-style-type: none"> <li>— Prioritize more effectively</li> <li>— Improve success rates</li> <li>— Reduce manual effort through automation</li> </ul>	<ul style="list-style-type: none"> <li>— Automate contact management</li> <li>— Prioritize accounts strategically and increase account coverage</li> <li>— Reduce the average age of debt</li> <li>— Provide a consistent customer experience</li> </ul>

## Case study: Technology provider

Professional Services provider finds efficiency sending over 500,000 international invoices

### The challenge

Specializing in storing and protecting digital assets, this technology provider had been handling their massive billing and payments operation internally. They were sending out 760,000 invoices a month by mail, which was straining resources and increasing costs.

### The solution

Billtrust took over their physical mailing operation and also provided an automated billing and payments solution, including

an online customer portal with a variety of payment options. Over time our electronic adoption team helped them convert customers from print to digital invoices.

### The results

The Billtrust electronic adoption team helped the company convert 33,000 customers to digital invoicing in one year (38% more than target) and achieved an electronic presentment rate of 71%. They now send out over one million bills per month internationally, 80% of which are emailed.

"I set a high KPI for my team  
to focus on converting  
customers to digital invoicing.  
With Billtrust, we surpassed  
our goal by over 9,000!"

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**VICE PRESIDENT OF ORDER-TO-INVOICE  
TECHNOLOGY PROVIDER**

71%

ePresentment achieved

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800,000+

invoices emailed per month

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33,000

customers converted to eInvoicing  
in one year

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## Recommendations

1. Business services firms should accelerate their rate of digital transformation in order to keep pace with the expectations of their clients.
2. They should digitize core financial processes, such as the order-to-cash cycle, as a matter of urgency.
3. They should digitize the order-to-cash cycle in its entirety in order to benefit from the greatest possible improvement to their client satisfaction scores and their business finances.
4. They should use a payments processing partner whose systems enable automated invoicing, electronic payments and ERP integration.
5. They can fund this digitization by releasing the working capital currently tied up in inefficient order-to-cash processes.
6. Firms should check that their suppliers' regulatory compliance and cybersecurity credentials meet the requirements they themselves are subject to.
7. Companies should work with suppliers who understand not just accounting processes, but the nuances and variety of today's business services sector.

Billtrust holds compliance and security accreditations for cloud services (SSAE 18 SOC 1 and SOC 2), electronic payments processing (NACHA), card payment processing (PCI-DSS) and health insurance information (HIPAA). We voluntarily follow anti-money laundering best practices, as well as business continuity and disaster recovery plans.



## Learn more

If you'd like to learn more about how Billtrust could help boost your competitiveness by digitizing your order-to-cash cycle, please [get in touch](#) with one of our business and professional services specialists or learn more at [billtrust.com](https://billtrust.com).

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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.



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