



The Global e-Invoicing Network



International Accounts Receivable Professionals

# 2010 OB10-IARP Accounts Receivable Survey

Accounts receivable professionals foresee positive economic outlook, take steps toward more predictable payment.

**A** ccording to a recent industry survey conducted by OB10, the leading global e-Invoicing network, and International Accounts Receivable Professionals (IARP), a not-for-profit guidance-setting association for the accounts receivable profession, AR professionals see room for improvement within their collections practices.

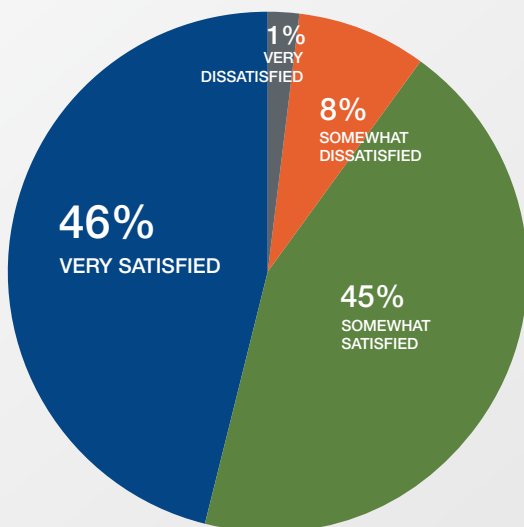
Survey respondents, which included presidents, CEOs, owners, CFOs, AR directors and AR managers from a cross section of organizations, also stated they are taking steps to ensure more predictable payment from customers this year.

## COLLECTIONS

Most AR professionals (**91%**) are somewhat or very satisfied with the current results of their collections efforts with **79%** reporting they keep their collections operations in-house. Of those organizations that do not outsource their collections efforts, **84%** have no plans to do so in 2010.

### Collections You Can Count On

When asked how satisfied AR professionals were with their current collections efforts, the majority of respondents reported a positive experience.



AR professionals reported an average Days Sales Outstanding (DSO) of **36.1 days** (see chart at right). When asked about their response to late-paying customers and steps being taken to help reduce late payment, **55%** of AR professionals were calling their customers more often to receive payment, while **35%** were implementing late payment fees. Nearly one-third of respondents (**29%**) are no longer taking orders at all from late-paying customers.

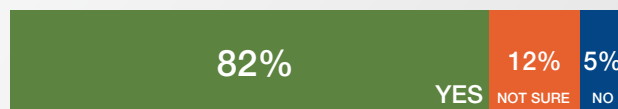
## INVOICING AND PAYMENT

According to the findings, **91%** of AR professionals still send paper invoices to their customers via regular mail. Sending invoices through traditional electronic means, such as electronic data interchange (EDI), which has been in use since the 1950s, is still showing very low levels of penetration (**29%**). However, the growth of third-party e-invoicing networks has gained significant traction (**20%**) since their introduction a decade ago.

The study identified an increase in organizations' desire to have their suppliers submit electronic invoices, with **71%** of AR professionals reporting one or more of their customers had asked them to do so in 2009. Of that group, **42%** indicated an increase in requests for electronic invoices from their customers. This is good news according to AR professionals, as **82%** believe e-invoicing expedites the collections process.

### E-invoicing E-xpedites Collections

When AR professionals were asked if they thought electronically invoicing their customers expedites collections (e.g. reduced mail time, confirmation of invoice receipt, fewer lost invoices, more predictable payment, etc.) the response was overwhelming.



While most AR professionals have heard of using credit groups in an effort to gain additional insight about customers that fall behind in payments, **57%** do not use credit groups and only **13%** indicated they have ever successfully used them. Furthermore, **24%** of AR professionals have used credit scoring successfully and **11%** have used it but have seen no benefit.

### Waiting for Payment

More than two-thirds (69%) of AR professionals surveyed report most of their customer invoices are paid between 26 and 50 days. The average DSO comes in at just above one month, at 36.1 days.



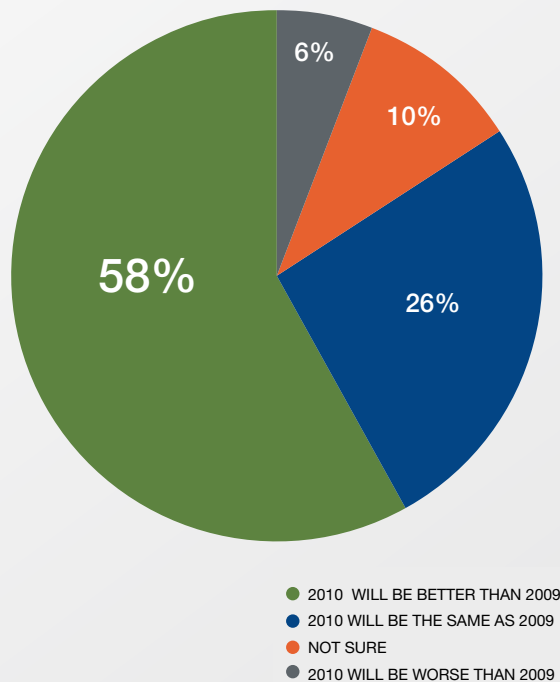
# 2010 OB10-IARP Accounts Receivable Survey

## ECONOMIC OUTLOOK

In spite of the economic challenges that remain, more than half of AR professionals (**58%**) believe their businesses will fare better financially in 2010 than they did in 2009. When asked the reasons for the positive economic outlook, three causes were mentioned most frequently; companies have become more focused on their sales and marketing efforts (**63%**), companies have been successful in reducing costs (**61%**) and companies expect the economy to rebound (**58%**).

### Ripe for Rebound

Nearly 6 in 10 respondents expect their business to be more successful in 2010 than in 2009 with 6% of AR professionals expecting to fare worse this year.



To see the entire **2010 OB10-IARP Accounts Receivable Survey**, visit the OB10 website at <http://OB10.com/ARSurvey> or the IARP website at <http://www.theiarp.org/ViewItem-324.do?parentCatId=219>

© Copyright OB10 2010  
OB10 and the OB10 logo are trade marks of  
OB10 Limited and are protected by law

## ABOUT OB10

OB10 ([www.OB10.com](http://www.OB10.com)) is the leading global B2B e-Invoicing network and can reduce the cost of paper invoice processing by typically 60 percent and can deliver an ROI in less than a year if the program follows OB10's best practice guidelines. Operational across Europe, North America and Asia, OB10 is compliant with the requirements of VAT, tax and e-Invoicing legislation and receives invoices from suppliers in 137 countries. To ensure unrivalled and rapid supplier enrollment, each new customer's suppliers are supported by an implementation services team responsible for getting them up and running on the OB10 network.

Customers include Agilent Technologies, BP, Cargill, Deutsche Lufthansa AG, DHL, Eli Lilly & Company, General Motors, GlaxoSmithKline, Hewlett Packard, Hertz, IBM, Kellogg's, Kraft, Logica, Mohawk Industries, Motorola, Pfizer, SaraLee, Schneider Electric, Shaw Industries, Steria, Unilever, US Federal Government and WWR International.

## ABOUT IARP/IAPP

International Accounts Receivable Professionals (IARP) is internationally recognized as the trustworthy guidance-setting association for the accounts receivable profession. Serving members throughout the world, IARP is the AR professional's global voice, chief advocate, recognized authority, acknowledged leader, and principal educator on all AR operational, regulatory, leadership, tax, control, and fraud-related topics. Together, the IARP and its sister organization, International Accounts Payable Professionals (IAPP), have more than 5,000 members in 70 chapters throughout the United States, Canada, and the United Kingdom, and provide training, conferences, knowledge sharing, certification, online resources, AP Matters and AR Matters magazines, and more. For more information, visit [www.TheIARP.org](http://www.TheIARP.org) and [www.TheIAPP.org](http://www.TheIAPP.org).

## ABOUT THE DATA

The 2010 OB10-IARP Accounts Receivable Survey is based on an online survey of IARP members. Conducted in March 2010, the 136 respondents included presidents, CEOs, owners, CFOs, AR directors and AR managers.



The Global e-Invoicing Network



International Accounts  
Receivable Professionals