

EASY E-INVOICING: IT'S TIME TO SWITCH

Why moving to e-invoicing is easier, faster and better for your business than ever before.

INTRODUCTION

For all the talk of the paperless workplace, one area has so far resisted modernization: invoicing. Even the most efficient small and mid-sized businesses are bad at sending and receiving invoices. More than three-quarters of SMEs still send invoices on paper, while 9% send them by fax and 8% by email. And wherever there's paper, there's wasted time and money. Cut out the paper, and those problems are solved.

Big enterprises know this, and are itching to move to fully electronic invoice handling. More than three quarters (78%) of enterprises would move to e-invoicing tomorrow if they could get their suppliers on board with it.

Soon, those suppliers (that's you, by the way) won't have a choice. The savings and efficiency gains from e-invoicing are so compelling that soon the big boys will only do business with companies who can invoice electronically.

If you can't, your relationship with some of your biggest customers may soon be over.

That's the bad news.

But bad news is not what this ebook is about. We want to show you why moving to e-invoicing isn't just good for big companies, but good for everyone involved, down to the smallest business.

Who is this ebook for?

If you're not interested in saving money, getting paid faster, cutting out waste and keeping your customers happy, then this isn't the ebook for you. In fact e-invoicing isn't for you either.

But if you're keen to build a business that's smarter, more collaborative and easier to work with, then this ebook will help you build a watertight business case for e-invoicing today.

The benefits of e-invoicing:

Get rid of manual processes

Cut admin costs by 40-60%

Get paid faster

Improve visibility of cashflow

Reduce carbon footprint

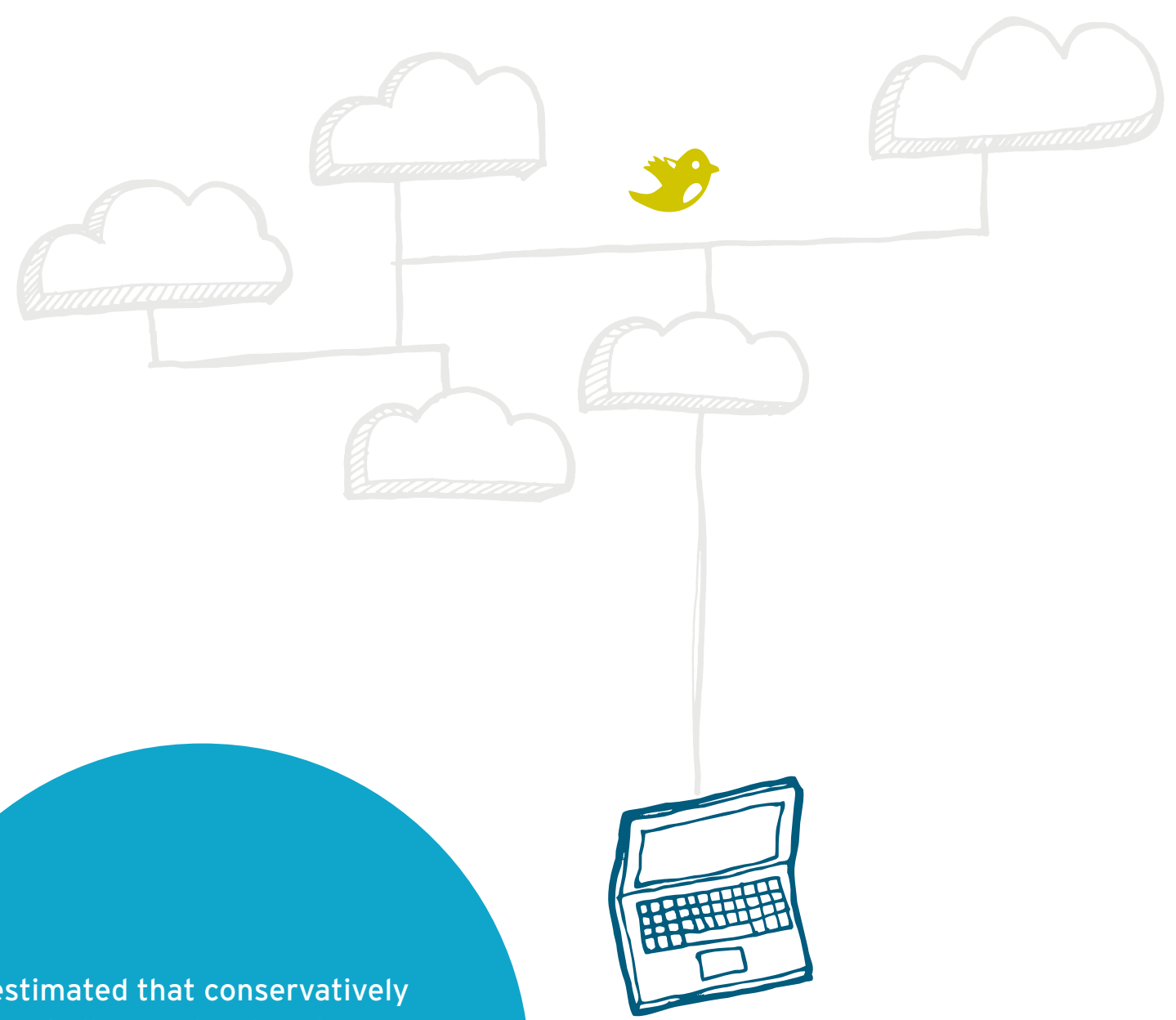
Keep customers happy

FOUR REASONS TO SWITCH NOW

On the face of it, e-invoicing should be a no-brainer. When you cut paper out of your invoicing process, four good things happen:

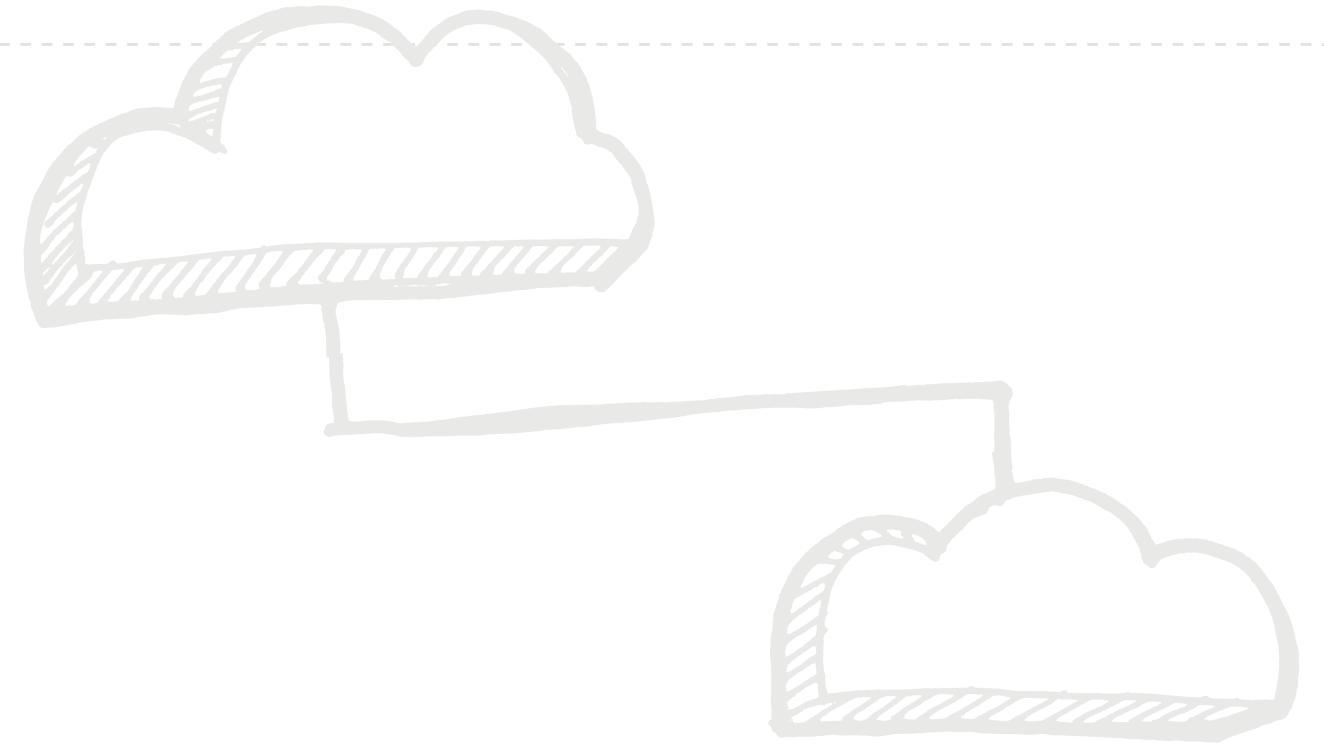
- 1. Your admin costs drop dramatically:** Clicking 'send' vs. printing, stuffing envelopes, filing paper copies, taking post to the mailroom, chasing to see if invoices have arrived, re-issuing lost invoices...
- 2. You get paid faster:** A paper invoice takes days to get into your customer's finance system. E-invoicing gets it there instantly. (Watch your days sales outstanding (DSO) plummet as a result.)
- 3. You get more business:** Customers love working with suppliers who can e-invoice.
- 4. Your cashflow management improves:** You can keep track of your invoices and plan with added certainty on when they will be paid.

If it's such a strong business case, why aren't more growing businesses moving to e-invoicing? Well they are - in droves. But many are still being held back by myths held over from the early years of e-invoicing.



It's estimated that conservatively up to 10% of all paper invoices have errors that stops them being paid. That's nearly 10% of invoices that are wrong every single day.

MYTH 1. E-INVOICING IS HARD.



Small and midsize businesses understand the benefits of sending and receiving invoices electronically, but many think the move to e-invoicing will be too painful to be worth it.

That's because, in the past, it has been painful. It has often meant customizing or replacing finance systems, getting to grips with different data formats and legal requirements, signing up to multiple e-invoicing networks or services, and training finance and procurement staff on the new systems and processes.

But times have moved on. Today, you only need to choose one service provider to connect to hundreds of thousands of customers and suppliers worldwide. Choose a provider with an open network and let that network handle all your invoices for you: transmitting them in the right format for each of your customers, whether that's paper, PDF or full e-invoicing (digital signatures and all).

So today, there's no need to restructure your systems or processes, and no need to know your XML from your EDI. You can get up and running with e-invoicing in just a few days, and start seeing benefits immediately.

What is an e-invoice?

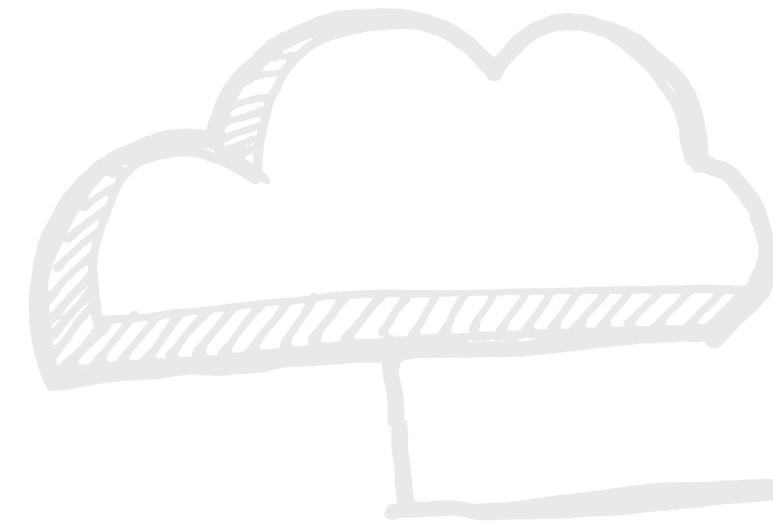
An e-invoice is:

an invoice that is sent and received electronically.
An e-invoice consists always of invoice data and an invoice image which are used in automating invoice processing and archiving.

An e-invoice is not:

An emailed PDF
A scanned version of a paper invoice
A faxed invoice
An EDI or XML data file

MYTH 2. E-INVOICING IS EXPENSIVE.



In the past, the cost of e-invoicing has come from three main areas:

1. Upgrading or replacing your finance systems
2. Joining and using one or more e-invoicing networks
3. Retraining staff in the new systems, processes and networks

The first one is no longer relevant. No matter what finance system you use, you can start e-invoicing tomorrow, with only minimal change. Or you can take advantage of simple email or printing solutions that allow you to get invoices to customers in the right format with minimum of fuss.

The good news is that while in the past, you might have had to use multiple partners and e-invoicing formats to meet all your customers' requirements, today you can join just one open e-invoicing network to reach a global ecosystem of hundreds of thousands of buyers and suppliers.

(A brief plug: we're talking about the **Open Network** - a secure, global, open e-invoicing network that anyone can use, and hundreds of thousands of businesses large and small already have.)

The Billentis Group, a global e-invoicing expert, states that businesses can save 1-2 per cent of turnover by replacing paper invoices with e-invoices and optimizing the related processes. Processing invoices electronic invoices can cost as little as \$1 per invoice, compared to \$50 or more for paper documents. That adds up to savings of 60-80% or an organization's invoice processing costs.

MYTH 2. E-INVOICING IS EXPENSIVE.

Training costs are negligible too. You don't need to change your finance systems, so there's no retraining required. You will want to do some training on why you're moving to e-invoicing and how it works, but this is quickly and easily done.

With most of the upfront cost and effort gone, it won't be long before you start seeing benefits. Companies that use Basware's e-invoicing services and the Open Network tell us they've seen tangible business value in a matter of weeks.



MYTH 3. E-INVOICING IS FOR BIG COMPANIES.

In the early days of electronic data interchange (EDI), e-invoicing was so expensive and complex to set up that it was only really big companies that could benefit from its economies of scale.

But today, the smallest companies - even those handling less than 100 invoices a month - can access a lightweight solution for sending and receiving invoices electronically.

Getting started, choosing the right service and connecting to an open e-invoicing network has never been faster, easier or more affordable. That's why hundreds of thousands of small businesses are already doing it.

And when you start sending e-invoices, you'll see immediate benefits. Your big customers may struggle to pay paper invoices promptly, but with e-invoicing, there are no delays in getting it into their system, meaning you get paid faster.

“We have challenges meeting due dates on paper invoices with short payment terms. Electronic invoicing enables timely handling and payment.”
Accounts Payable manager in a global cargo handling company with hundreds of suppliers



MYTH 4. MY INVOICING PROCESS IS GOOD ENOUGH AS IT IS.

Your invoicing process certainly *works*. If it didn't you wouldn't be reading this, because you wouldn't be in business. But there are two fundamental questions to ask about it here:

1. Is my invoicing process preventing me from doing more business with big customers?
2. Is my invoicing process holding my business back in any other ways?

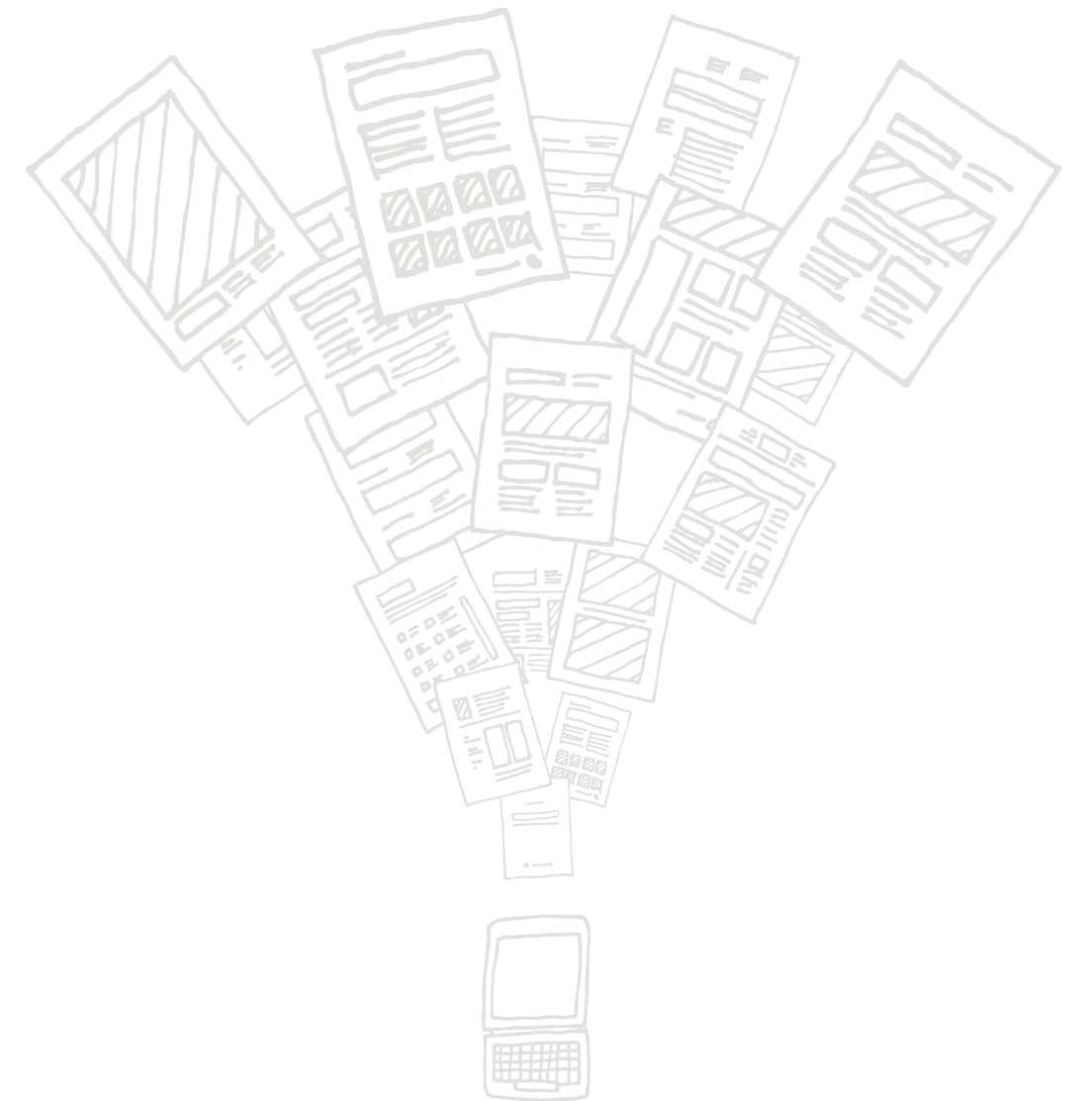
The answer to #1 is simple: if it isn't now, it soon will be. Remember, 78% of large enterprises said they'd like suppliers to e-invoice them rather than send paper or emailed invoices. Suppliers that can e-invoice are more likely to get preferred supplier status, which means more business. Soon, it may be the only way to keep working with big companies and government buyers. So it pays to start e-invoicing now.

The answer to #2 is a resounding 'yes'. Hundreds of studies have been done into invoicing efficiency, and they all come back saying the same thing: it's a massively flawed process that wastes opportunities and loses money left, right and centre. Here are just a few recent findings:

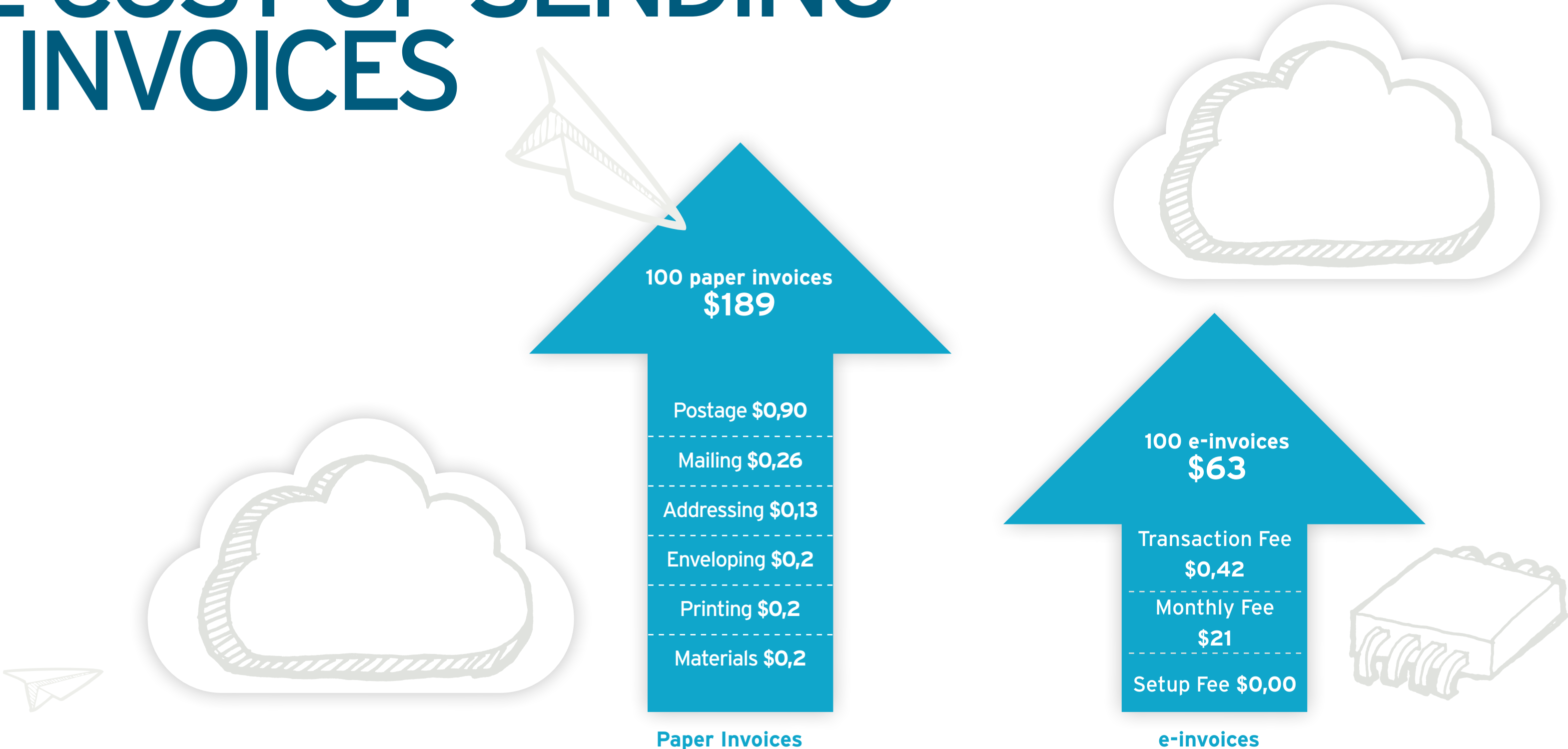
*"Invoices that [have] missing or inaccurate information can take days or even weeks to resolve before the invoice can be processed and paid."*⁴

*"64% of [enterprises] claim to suffer time loss as a result of manual processes related to payment processing."*⁵

*"The average organization cannot capture between 50-60% of discounts offered by suppliers because the AP department cannot process and pay the invoice within the 10-day discount period."*⁶



THE COST OF SENDING 100 INVOICES



Paper Invoices

e-invoices

BENEFITS OF SENDING E-INVOICES

By cutting out manual handling, paper, print and postage from all of these documents, you can start seeing major benefits - often from Day One of doing things electronically.

Meet your customers' e-invoicing requirements: so it's easy to do business with you, you don't lose any customers, and you become a prime candidate for preferred supplier status.

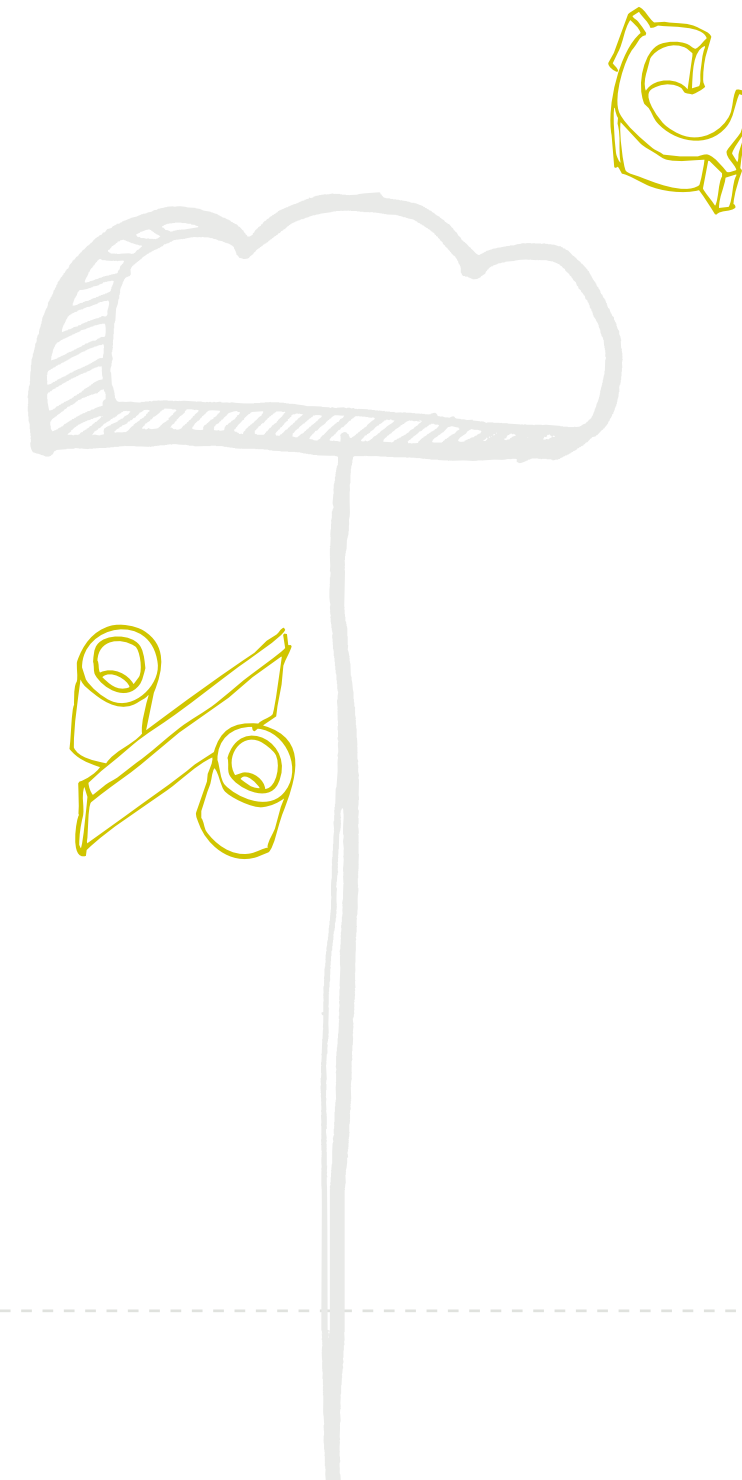
Get your invoices to their destination faster: so you get paid faster, often weeks earlier than you would when sending paper invoices.

Trade anywhere in the world: by exchanging business documentation quickly and seamlessly with overseas customers, partners and suppliers.

Keep tighter control of cashflow and working capital - by enabling faster payments and better visibility into invoice and payment status, you can make more informed financial decisions.

Slash invoicing costs by up to 60% - by cutting out paper, printing, envelope-stuffing and postage (and free up staff to do higher-value work).

Boost your green credentials - by banishing paper and physical transportation from your invoicing process.



BENEFITS OF RECEIVING E-INVOICES

Receive every invoice electronically: by eliminating manual handling, including opening envelopes, keying in data, and matching to purchase orders, you can reduce processing costs by up to 90%.

Save hours of admin time: with no incoming invoices to open, scan, forward, file and archive, your administrative overheads can be decimated overnight.

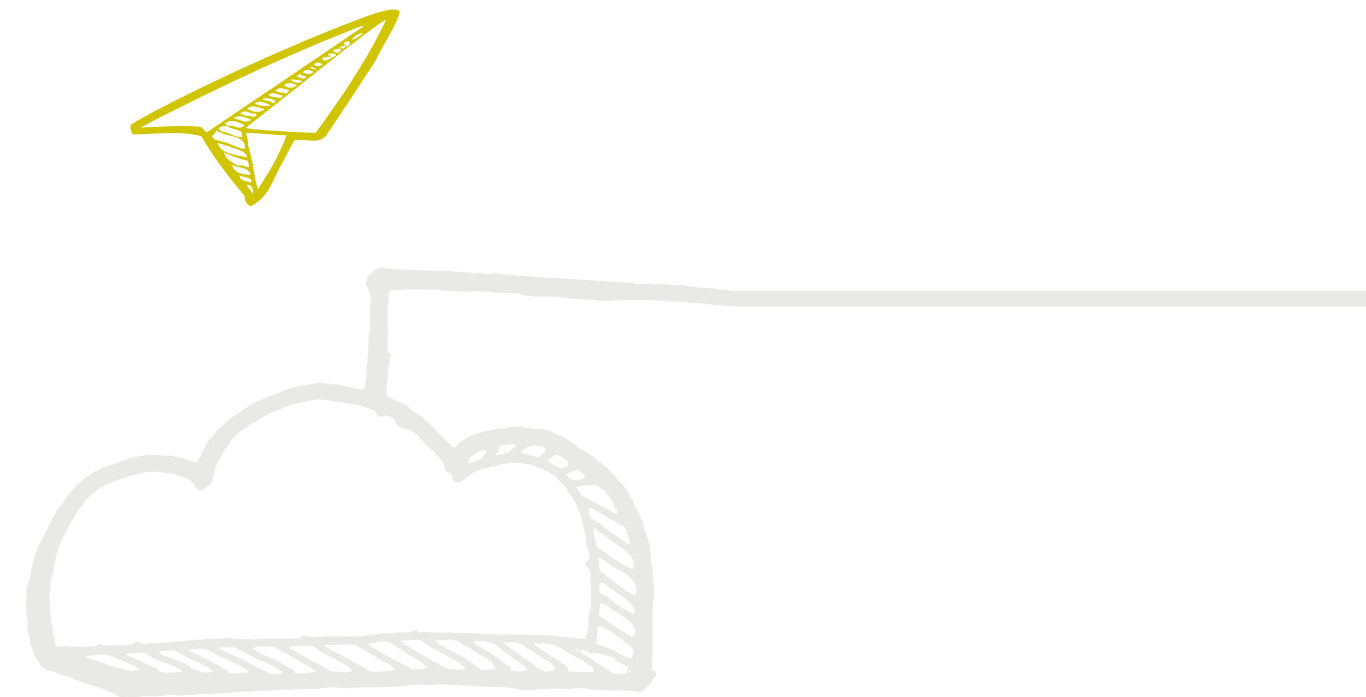
Reap early payment discounts: and make sure you benefit from every early payment discount on offer (in businesses today, 50-60% of early payment discounts are missed due to slow payment processes).

Match documents automatically: So you spend less time matching supplier invoices to agreements and purchase orders, for faster, less expensive invoice handling.

Bring new suppliers on board faster: Get your suppliers activated on the same network and start getting value from the relationship earlier.

Free up office space: With no paper invoices to file and archive, you can free up physical space, or even reduce the amount of space you require.

And e-invoicing is really just the tip of the iceberg. Once you're up and running, it's just a short step to sending and receiving all your business documents in the same way. (By which we mean anything from purchase messages to catalogs.)



START E-INVOICING TODAY

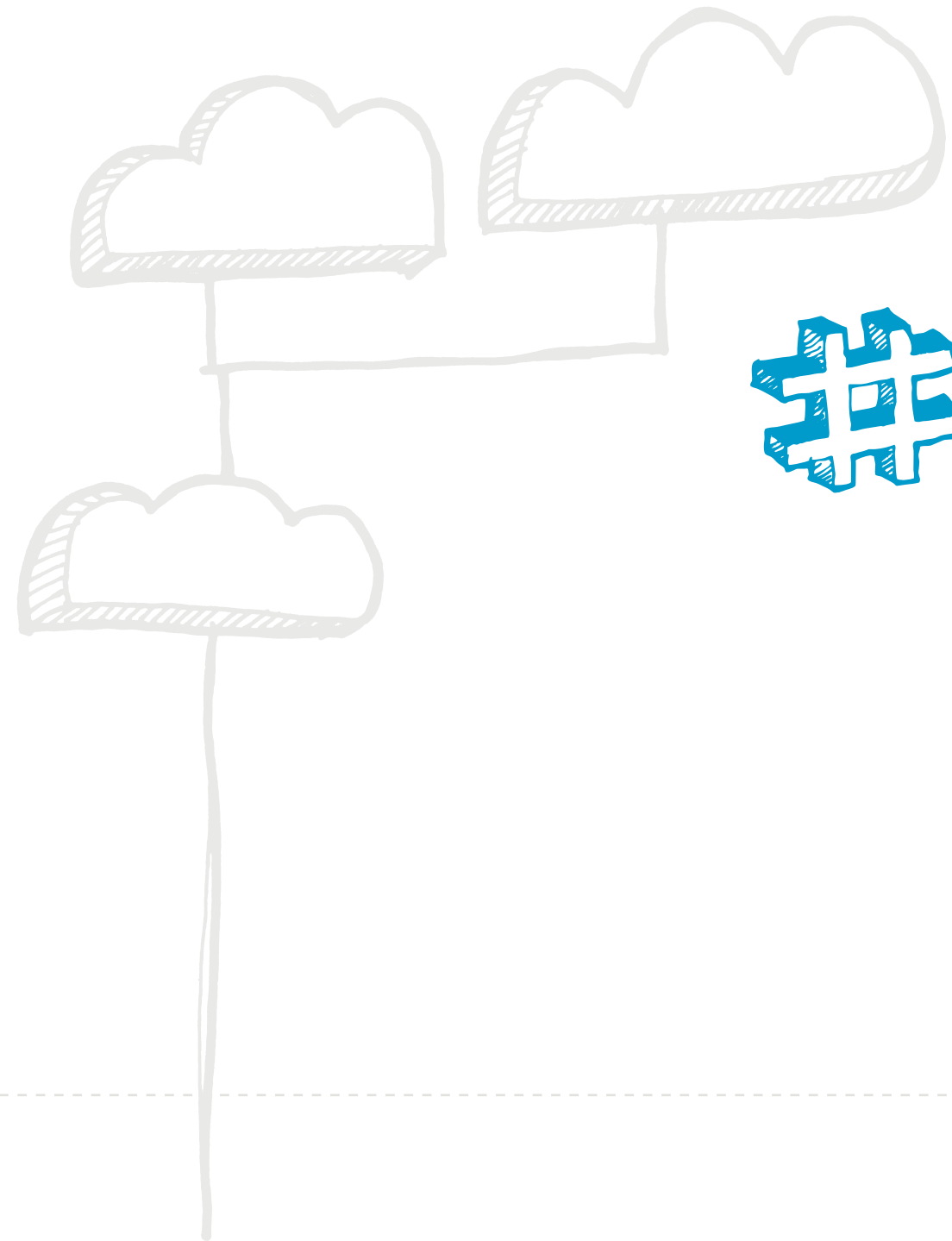
No matter what size your business, it's never been easier to get started with e-invoicing. To find out more about moving to e-invoicing with Basware, you can:

Visit our website to learn more about the Open Network and Basware's solutions for sending and receiving e-invoices and automating purchase invoice processing.

Contact us with your questions on at www.basware.com/about-us/contact

We'll get back to you quickly.

Happy e-invoicing!



ABOUT BASWARE

Basware is the global leader in cloud based e-invoicing and purchase-to-pay solutions with more than 1,000,000 users in over 60 countries. Basware's B2B Cloud solutions and services provide an open, secure and global ecosystem for buyer and supplier collaboration, connecting more than 1.9 million buyers and suppliers globally. The solutions are architected to meet the needs of SMEs and global enterprises and are built upon Basware's deep knowledge and experience of B2B financial processes, coupled with intelligent cloud connectivity and the Open Network.

With Basware, organizations benefit from more efficient procurement, accounts payable and accounts receivable processes, sustainable cost savings, better insight to cash flows and improved buyer-supplier relationships. The solutions are available via the cloud, on-premise or through business process outsourcing in Europe, the US, and Asia-Pacific through an extensive network of Basware offices and business partners.

Find out more at www.basware.com

