



Case Study #207

Heavy Equipment Distributor

Challenge: Provide clients online presentation of their invoices to reduce the cost, delays, and difficulties associated with preparing and mailing paper invoices.

This distributor of heavy equipment and parts does more than \$200 million in annual volume, and performs more than 80,000 transactions annually.

Prior to utilizing Data Impact's solution, all of this company's invoices were paper-based, which involved a complex, costly, and slow process for generating and mailing invoices.

Solution: Creation and implementation of an online system for invoice presentment.

Data Impact had previously taken this company's invoice data and made it available internally for review and archival purposes.

The next step in the process was to help the company gain major cost savings and speed up cash flow by presenting its invoices online directly to customers in an invoice form that precisely replicated the paper form it replaced. Customers are notified, by e-mail, when an electronic invoice is available. They can then view it, and if they wish, print it for processing locally.

The distributor has eliminated the cost and labor of printing the invoices. Invoices are now delivered instantly, which has significantly enhanced cash flow.

Benefits

- Savings of approximately 25% on postage, paper, and personnel within year 1 alone.
- Cycle time reduction of 4 to 5 days by way of electronic delivery—no mail delays, no invoices lost in the mail
- Customers can easily view any invoice at any time, enabling them to quickly answer many of their own questions that would have previously come to the company's call center
- Customers' satisfaction has increased as a result of having the ability to immediately access historical data that would otherwise be costly for them to retrieve from their own systems.

Analysis

Online invoice presentment is rapidly becoming a standard, due to the enormous cost savings versus printing and mailing invoices.

In a high-volume environment such as this distributor of heavy equipment and parts, the cost of creating and mailing paper invoices is substantial. Inevitably, invoices are lost in the mail or misplaced, creating additional costs for the inquiry, replacement invoice, and leading to delays in payment.

With online invoice presentation, all of those issues go away. Customers receive their invoices instantly and any invoice can be accessed at any time by the customer. This provides tangible benefits and cost savings for both the distributor and the customer.