2019 Electronic Payments and Working Capital Insight Report

Exploring How Payments Automation and Modern Digital Payment Technologies Promote B2B Success

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2019 | Featuring Insights On...

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- » Features and Functionality of ePayments Tools
- » A Leading Payments Software Automation Provider

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Introduction

In analyzing the steps to automating the Source-to-Settle process, Levvel Research has observed that software adoption payments automation is higher than the adoption of most other solutions. This can be partly attributed to the fact that automating payments is lower-hanging fruit than the others, as it is easier and less complicated to move payments to an electronic process than it is to move procurement, sourcing, or AP. Making payments manually is inefficient, costly, and increasingly risky as businesses transact in a globalized economy that involves disparate payment methods, regulations, and fraud concerns. In short, there is a solid corpus of evidence indicating that implementing automating payments—and doing so early on—is a prudent business decision.

When migrating away from manual payments processes and types (e.g., checks), organizations are faced with a number of options, including making payments through ERP providers, their banks, third-party payments platforms, and outsourcing services. ERP payments are complicated and not materially easier than making payments manually, and they do not offer the breadth of payment methods other options do; bank platforms are better, but are designed mainly for smaller organizations. In addition, many organizations use multiple payment types across their vendor list, and neither ERPs nor bank providers typically make it simple to manage these different payment types.

To truly manage the modern payments process, organizations move towards more advanced payments technology, implementing software that centralizes payables processes and methods. The best ePayments platforms consolidate and streamline supplier payment management, automate as much of the payments process as possible, and provide tools to improve risk and compliance control. Many ePayments providers offer access to a variety of payment types to suit the varied needs of the modern organization—including methods such as corporate cards, which potentially increase an organization's revenue via rebates—as well as access to working capital optimization tools.

This report explores the current state of payments management among North American organizations, and provides an overview of a few of the optimal payment technologies and financial management strategies available today.

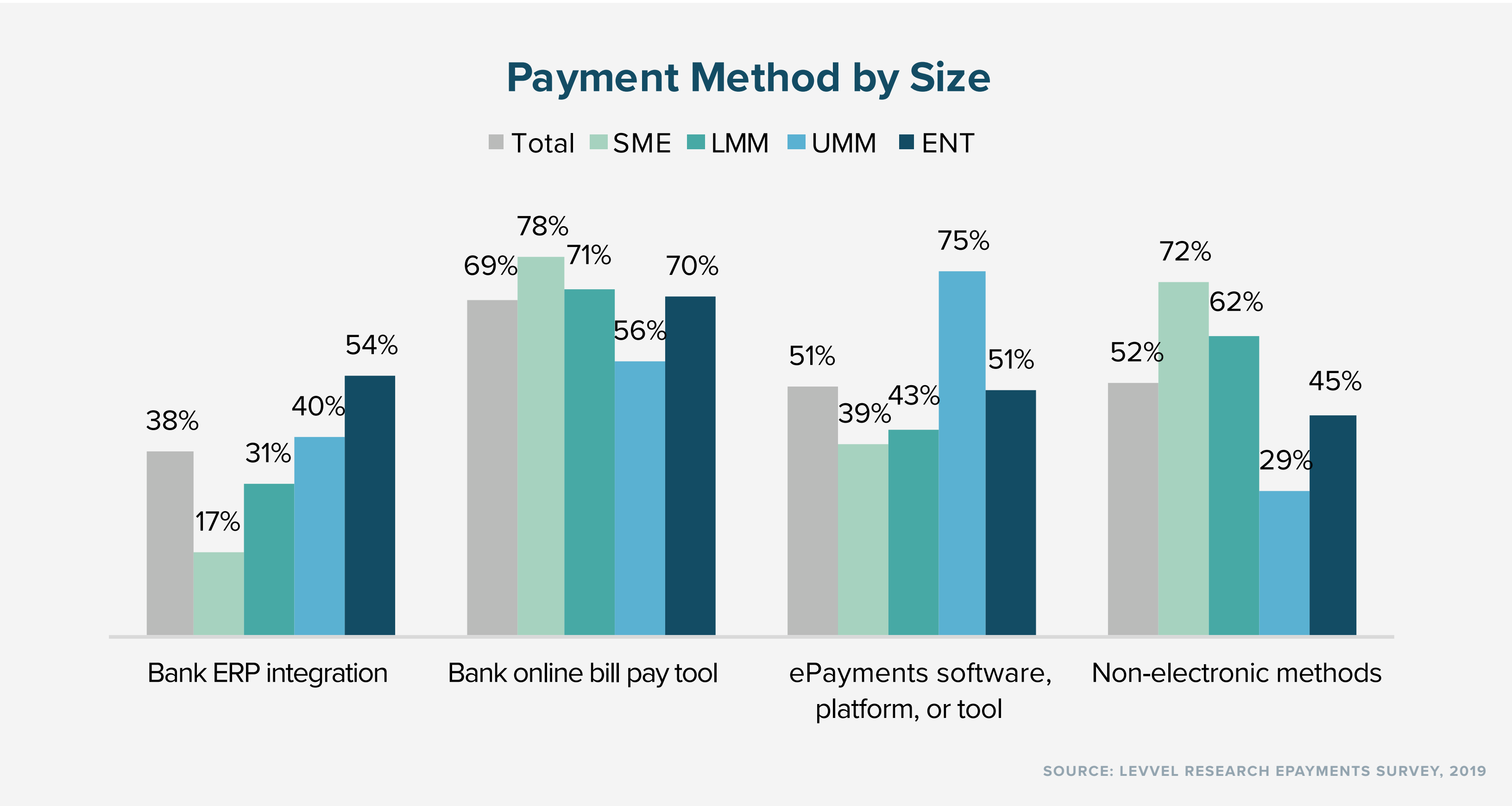
Data Overview

In the summer of 2019, Levvel Research surveyed more than 450 professionals from a variety of industries and organization sizes to evaluate and analyze the current state of electronic Business-to-Business (B2B) payments in North America. The following sections provide an overview of the data collected from this survey.

Payment Methods

Organizations use a variety of tools to process B2B payments. Generally, the most popular payment method is via a bank online bill pay tool, which includes ACH, wire, and corporate card options (see Figure 1). These options are widely used due to their convenience, efficiency, and security.

FIGURE 1



Payment Methods Vary by Organization Size

Which of the following payment methods does your organization currently use?

The UMM[1] is least likely to use non-electronic payment methods. It is more likely to use an ePayments software, platform, or tool than any other method, and is also more likely to use an ePayments tool than any other market segment. Levvel Research believes that this is the case because the UMM occupies a financial and operational sweet spot: organizations in the UMM have sufficient transaction volume to generate the buy-in to adopt a solution, are large enough to have sufficient resources to support the adoption of automation technology, and are also small and nimble enough that legacy systems do not inhibit that implementation.

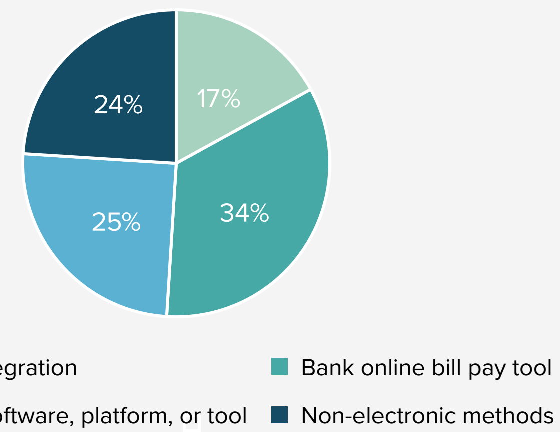
Smaller organizations, particularly SMEs, are most likely to use non-electronic methods compared to other market segments. The reliance on checks reflects SMEs' resource constraints and low likelihood of having technological infrastructure in place. The latter explains why payments made through a bank ERP integration become more popular as an organization's size increases. Larger businesses are more likely to have an ERP in the first place, and they are also more likely to rely on their ERP for additional functions, including processing payments. Large organizations, especially enterprises, believe that consolidating business processes within one system ensures user adoption and streamlines intra-team functions by keeping their information in one place. On their own, however, ERPs are limited in functionality, which eventually pushes some organizations to look toward ePayments solutions.

[1]For the purposes of this report, "SME" is characterized as organizations with annual revenue of $1 million–$100 million; "mid-market" is characterized as organizations with annual revenue of $100 million–$2.5 billion; and "enterprise" is characterized as organizations with annual revenue of over $2.5 billion.

Organizations typically do not limit themselves to a single method of payment. This diversification is to ensure compatibility with their customers and suppliers, but it is dependent on the cost of each method and other possible challenges. Survey results show that organizations use bank ERP integrations, online bill pay tools, ePayments software, and checks relatively equally (see Figure 2). Overall, a greater volume of payments is completed through online bill pay tools such as ACH or wire, and a smaller volume through bank ERP integrations.

FIGURE 2

Payment Method Allocation



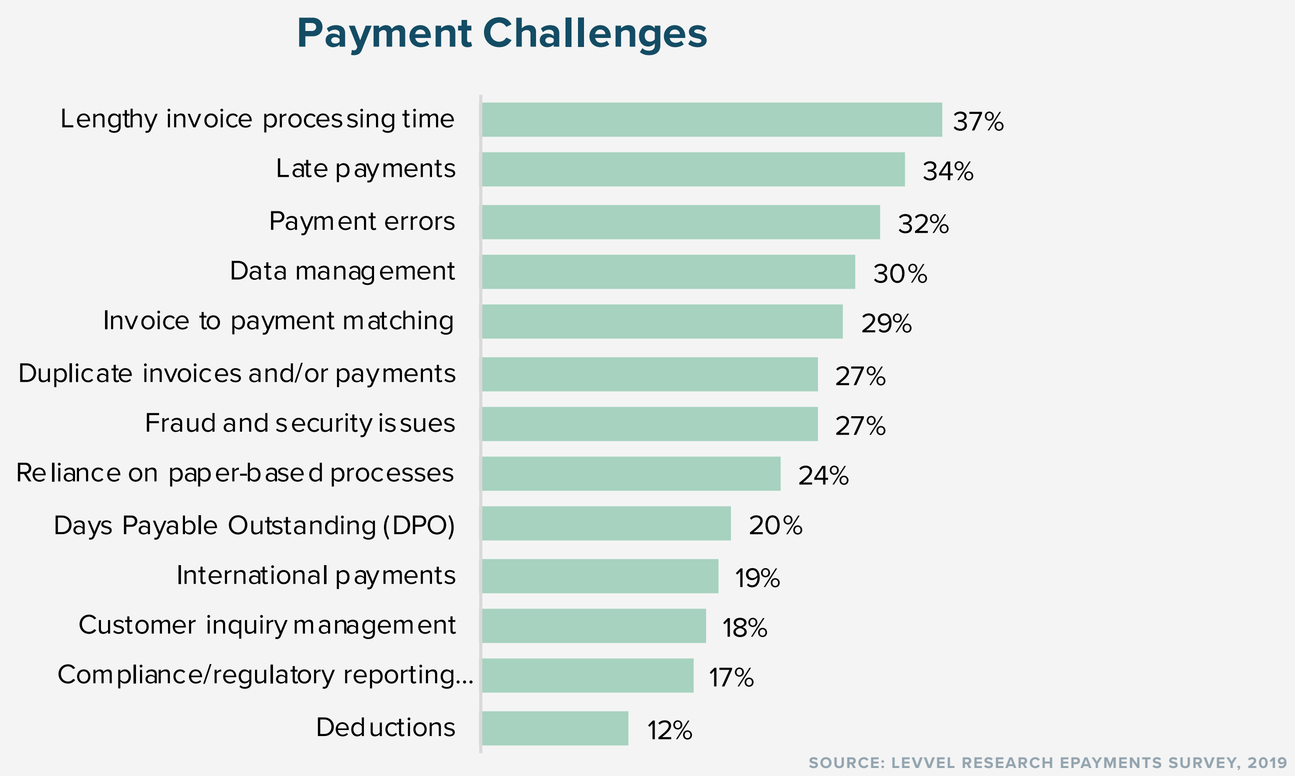
SOURCE: LEVVEL RESEARCH EPAYMENTS SURVEY, 2019

Payment Methods Are Allocated Relatively Equally

Please indicate the percentage of your organization's payments that are completed using each type of payment by entering a whole number from 0 to 100 to represent the percentage for each. The sum of all methods must be 100.

Survey respondents reported specific challenges with payments processes. Regardless of payment method, lengthy processing time was the greatest pain point organizations faced regarding their payments processes (see Figure 3). The most common challenges are usually tactical, baseline payments issues, such as late payments, payment errors, and data management. Secondary challenges are more strategic and complex in nature, including fraud prevention, international payments, and compliance.

FIGURE 3



Lengthy Invoice Processing Time is the Top Reported Payment Challenge

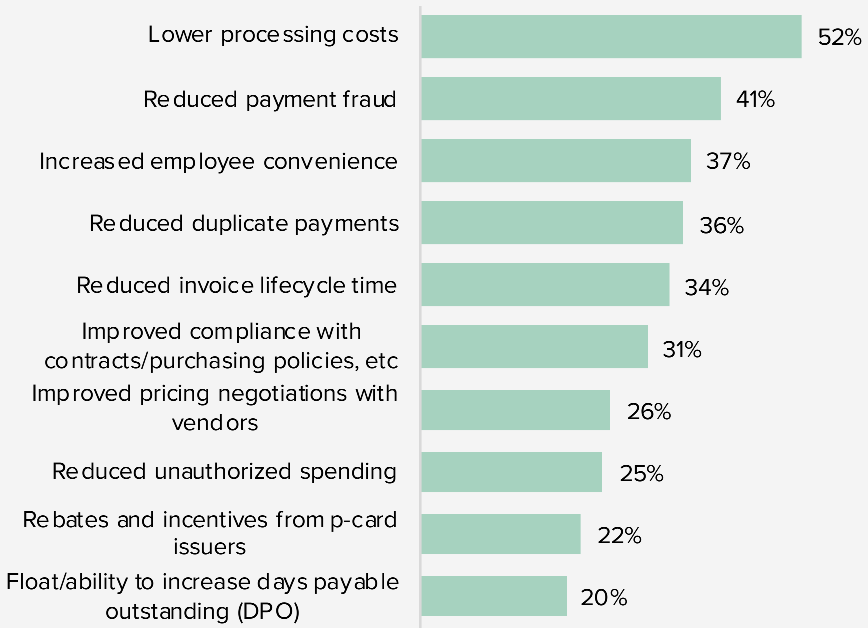
Still thinking about your organization's current payment solution and/or process, which of the following best describes your overall top payment issues or challenges?

Some payments process challenges vary by payment method. For instance, check users' top pain point is a reliance on paper-based processes and its related inefficiencies. When using a bank ERP integration, the greatest pain points are duplicate payments and invoice-to-payment matching, which may be due to ERPs' limited functionality when it comes to payments. ePayments tool users are less likely to report duplicate payments and paper volume as challenges; they may, however, report more challenges relating to data management.

After organizations adopt ePayments software, they report several improvements to the payments process. The benefit reported the most among survey respondents was lower processing costs (see Figure 4). Automating payments directly addresses the inefficiencies of other payment methods—and with that, reduces costs.

FIGURE 4

Benefits of ePayments Adoption



SOURCE: LEVVEL RESEARCH EPAYMENTS SURVEY, 2019

The Top Reported Benefit of ePayments Adoption is Lower Processing Costs
What are the top benefits to using ePayments software in your organization?

Compared to other segments, SMEs disproportionately reported reduced payment fraud and reduced duplicate payments, both of which are common when relying heavily on paper-based methods.

The LMM emphasized reduced invoice life cycle times as a major post-automation improvement. The LMM lies in a transition segment where they are outgrowing the tools of their initial SME stage; with their increasing payment volume and prolonged cycle times, their previous systems begin to create a bottleneck. With an ePayments solution, the LMM sees a significant improvement in their invoice life cycle durations.

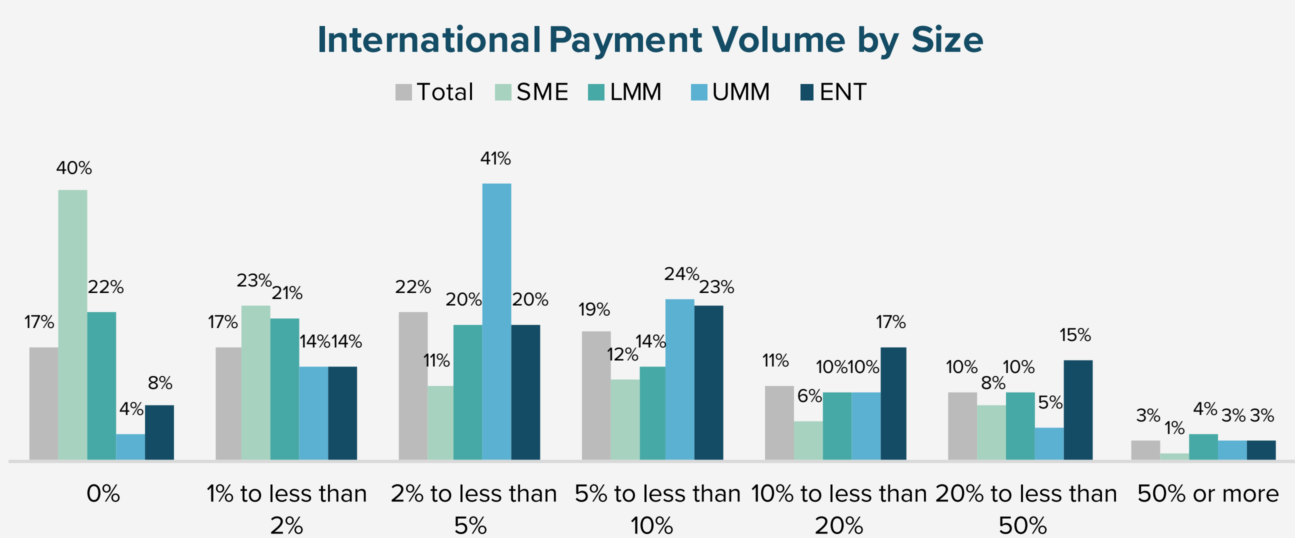
The UMM reported improved pricing negotiations with vendors after implementing an ePayments solution, which is a strategic benefit that this segment is more likely than any other segment to be focused on changing. Enterprises noted great improvement with improved compliance with vendor contracts and internal purchasing policies, which become complex and sometimes lost among the multilevel hierarchies and large payment volumes characteristic of large organizations.

Other primary benefits of ePayments tools include their abilities to simplify payment processing for employees and to improve every organization's bottom line by reducing maverick spend and increasing rebate capture.

International Payments

In an increasingly globalized world, the volume of international payments is growing. Among the survey's North American respondents, most payments are made within North America, Asia (excluding India), and the United Kingdom. More than half of respondents reported that between 1 percent and 10 percent of their total payments are cross-border, and approximately a quarter of respondents reported that more than 10 percent of their total payments are cross-border (see Figure 5). SMEs were most likely to not have any cross-border payments, as their smaller-scale operations are likely to be domestic. Generally, as organizations grow in revenue, their international payment volume increases.

FIGURE 5



SOURCE: LEVVEL RESEARCH EPAYMENTS SURVEY, 2019

International Payment Volume Varies by Organization Size

On average, what percent of your organization's payments are cross-border/international?

Organizations that have international payees have different challenges to consider when managing their payments (see Figure 6). The greatest pain point reported overall was fraud prevention, which is more complex for international transactions. Processing payments beyond domestic borders means organizations may face foreign currency risks, require more effort to verify payments, and lose visibility into payment statuses—all of which could boost the potential for fraud.

FIGURE 6

The Top Reported International Payment Challenge is Preventing Fraud
What are the top challenges your organization faces in processing international payments?

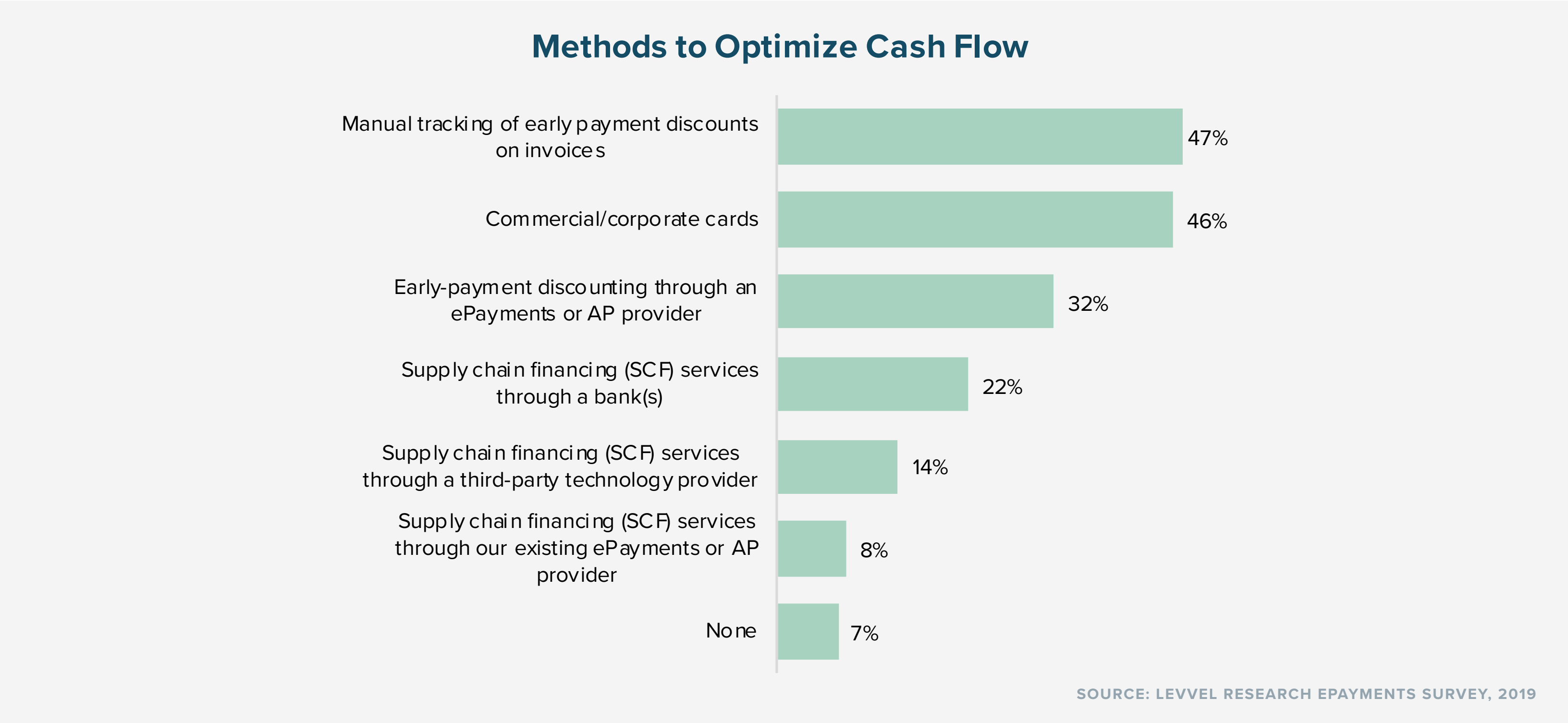
Many of the other challenges faced with international payees concern the details specific to supplier locations, such as local payment requirements, taxes, and regulations, as well as management of supplier data, including data security control and increased transparency.

Of note is the enterprise segment's challenge of managing their suppliers' payment and routing data, which is due to their higher number of suppliers and thus larger amount of data to manage. The UMM reported that a growing volume of international payments was a significant pain point, which reflects the trajectory of their growth and their tendency to be onboarding a higher percentage of international suppliers than other organizations. This surge in growth is often coupled with ill-equipped payments systems that cannot handle cross-border payments efficiently and accurately, which is why the UMM also reported significant challenges with payment reconciliation.

AP Working Capital

Another key aspect of payments management is optimizing an organization's cash flow and access to working capital, which is critical to organizations' ability to pay their suppliers and assess their business operations. The most common methods for organizations to do this are to manually track early payment discounts on their invoices and to utilize commercial or corporate cards (see Figure 7). Early payment discounts are widely offered and often material in value, so they have become a prevalent strategy to save money on payments. Without an ePayments solution or an advanced AP tool, though, organizations

FIGURE 7



Organizations Manually Track Early Payment Discounts to Optimize Cash Flow

Which of the following methods does your organization use to optimize cash flow and/or earn discounts or rebates from suppliers?

are forced to track these discounts manually. This is neither efficient nor wholly successful, as it is nearly impossible to maximize these opportunities without any automation.

Another common way to increase cash flow is to use commercial cards, which help to track and control spend. Supply chain financing options are less sought after, but Levvel Research sees these services becoming more popular, whether offered through a bank, third-party technology partner, or an ePayments or payables solution.

In 2019, Levvel Research has seen updated payment trends across the market, where organizations are relying on paper less and slowly--but increasingly--moving toward automation. ePayment tools help these organizations better manage a growing amount of international payments, as well as optimize their working capital.

Adopting ePayments Software

For the purposes of this survey, “ePayments” refers to electronic business payments made to suppliers over the internet (i.e., not using checks or cash). ePayments software automates organizations’ payments to suppliers by centralizing and streamlining the payment process and providing tools such as ACH, wire, commercial cards, and check writing. ePayments functionality is available from:

- Pure ePayments platform providers that provide centralized systems for ePayments processing
- Standalone ePayments tools from companies such as corporate card providers
- Accounts Payable (AP) and Procurement automation solution providers

A relatively high percentage of organizations continue to make payments via check. Business professionals rely on this outdated method for a variety of reasons; some see checks as being secure, inexpensive, and a low-maintenance alternative to what they perceive to be a complicated ePayments system. As the ability to move business payments to an electronic environment has become available to a wider group of organizations, this line of thinking has changed. Recently, interest in paying vendors electronically has soared.

Shifting from a manual payment environment to an electronic one has many benefits that contradict the perception of those who believe checks to be the superior payment method. Not all ePayment methods are the same, though—nor are they a recent innovation. Each mode of ePayments offers a different set of benefits and downsides, and they originate from the nineteenth century all the way to the current day.

ePayments Methods

ACH

The automated clearing house (ACH) is one of the most commonly used ePayments methods. ACH use commenced in the United States in the 1970s. ACH transfers occur when banks send a batch of transactions, authorizing the exchange of funds behind parties, to the clearing house. The clearing house interprets the instructions for the exchange of funds and sends the money to the receiving parties’ banks. ACH is inexpensive and relatively easy to use once set up. ACH transactions can be recalled by the sender up until the point of the funds' receipt. Transactions take at least one day to clear and usually take two to three business days to complete, making them faster than check, but not as fast as some of the more modern options, especially because ACH transactions are only processed during business hours (8:30 a.m. ET to 6 p.m. ET).

Wire

Wire transfers first originated in the late 1800s. Where an ACH transfer requires an intermediary (the clearing house), a wire transfer takes place directly between two banks. Wires are faster than ACH, usually occurring within one business day, and can be made internationally. They are expensive, however, and are best used for large, one-off transactions. ACH is usually free, but wires can cost anywhere from $10 on the low end to $50 for international transactions. Unlike ACH, wires cannot be reversed. Both types of transactions take place in real time, which offers no float for businesses.

RTP

A new payments rail—a rapidly emerging option for B2B transactions—represents one of the most promising opportunities for the payments industry in decades. This new technology is called "real-time payments" (RTP) and was created and facilitated by The Clearing House (TCH). It allows for secure, instantaneous payments between financial institutions. The RTP rail also allows for useful data, such as invoice information, to be included alongside payments. Unlike its predecessors, RTP can be used 24/7/365. It currently has a $25,000 transactional limit, but that is expected to change. Eleven banks currently have the infrastructure to support RTP, for both send and receive functions; most of these are large banks that hold significant market share. Several more banks also support the more technologically advanced request for payment function. As RTP becomes more widely adopted, every financial institution will need to develop a roadmap and plan of action for its involvement in RTP.

PayPal

PayPal is well known in the payments industry. While it lacks the utility required by mid-market and large companies, it is a commonly used tool for small businesses as an easy inexpensive, way to make payments. It also offers some basic AP automation, in that businesses can create and send invoices in PayPal. Its use comes with a few downsides, though: it offers a limited number of currencies (twenty-four), is infamous for poor support, has a transaction limit of

$10,000, subjects its users to discretionary account freezes, and does not offer the same protection or security as a bank transaction. This removes PayPal as an option for most companies that are above the small business level.

Commercial Cards

Commercial cards are a modern option for making B2B payments. The term "commercial card" covers an array of card types that can be used in business transactions, each with its own advantages and disadvantages.

Purchasing Card (P-card or Procurement card) – P-cards are one of the most common ways to allow employees to make low-dollar business purchases without having to go through a formal procurement process. P-cards also provide administrators with visibility into the spend of employees and enable them to set restrictions on dollar thresholds, vendor type, and monthly spending. Using p-cards gives businesses much more float than do checks, since suppliers are paid immediately and payment is not due until the end of the billing period. Items typically purchased on a p-card include office supplies and laptops for new hires.

Corporate Card (Travel Card) – Corporate cards are similar to p-cards and have many of the same benefits, but are typically used for business travel and expense purchasing. Usually, employees must track and file expenses and receipts for reimbursement. Items typically purchased on a corporate card include food and drinks purchased while on a business trip, hotel reservations for a conference, business-related airfare, and taxi expenses.

Virtual Card (Ghost Card, Virtual Payment Card) – A virtual card is a number or set of numbers that do not exist on a physical card. They have the visibility and benefits of a physical credit card, but provide additional anonymity and security because the transactions cannot be linked directly to the payer's credit card or bank account. Most suppliers that are willing to accept credit cards will also accept virtual cards.

Single-Use Card – A single-use card is a type of virtual card that is approved for one specific transaction amount, invoice, and supplier.

Declining Balance Card – Declining balance cards have a set value and expiration date, and their balance does not refresh. These cards are typically used for projects that have a set budget, such as meetings, events, conferences, and relocations.

ePayments Software Options

Since overseeing these various payment methods is a daunting task for organizations, a number of software options exist to help manage them.

Bank ERP integration

The ERP functions as the backbone of modern businesses. It is the central hub of a company's main business processes and is built primarily as a repository for business process data. While ERPs touch many different areas of the company, there are some processes at which they do not excel—including payments. Making payments via ERP is a highly manual process that involves keying in information and communication between vendors on the correct payment instructions.

Typically, payments can be made via ACH, wire, and check. Checks are usually printed out by the ERP and then must be sent manually. This can create a conflict of interest, as a single person can control the entire process, including writing, printing, and sending. A system with auditing capabilities will help detect fraudulent activity, but often it is reactive, not proactive. Payments via ERP offer a minimal amount of automation and do not have many of the advanced features or controls that third-party software can offer. For these reasons, Levvel Research considers this method outdated.

Bank online bill pay tool

An online bill pay tool is one of the simplest ways for businesses to pay their suppliers. It operates very similarly to the bill payment tools banks offer consumers. An online bill pay tool might interface with a business's accounting software, but for the most part it operates independently of a company's complex in-house software. Any interfacing usually comes at a cost, and is aimed at accounting software (e.g., QuickBooks, Intacct, Xero); online bill pay tools generally will not integrate with something more comprehensive, such as an ERP.

These tools are also one of the least expensive options (many of them are offered for free with a business bank account) and because they are not directly integrated with organizational software, implementation can be almost nonexistent. However, bank online bill pay tools have a limited number of features, mostly restricting their use to small businesses. Their invoicing, approval workflow, document management, and reporting are all weaker than those of third-party solutions. They offer payments via ACH, check, and wire, which, since they all transfer funds directly from the bank account, limits a business's potential float.

ePayments software, platform, or tool

An ePayments platform is third-party software that sits outside of the ERP and bank. It can be part of a larger tool that also automates the accounts payable process. Modern software operates in the cloud and easily integrates with other business-critical software. These platforms typically offer the most options for payment methods, with the best featuring ACH, wire, card, check writing, and outsourcing. They are flexible and make switching bank accounts easier than a direct bank-to-ERP integration. They also implement more quickly, update more easily, cost less, and offer a more modern user experience than an ERP. ePayments software may also offer access to working capital optimization tools, and it usually features strong reporting capabilities. These attributes make ePayments software equally attractive to SMEs, mid-market, and large enterprises.

Leading ePayments platforms are differentiated from bank bill pay and ERP-based payments in another key way: they offer access to tools that help optimize working capital. Failing to manage working capital efficiently can result in cash flow problems that can cripple the company long term. To optimize working capital, companies must reevaluate and restructure payment times and terms to make them favorable for the company. The goal of this optimization is to balance improving the business's liquidity without sacrificing their suppliers' cash flow needs. Two of the most common working capital optimization tools for this are supply chain financing (SCF, also known as "reverse factoring") and dynamic discount management (DDM).

DDM is a departure from the static "2/10 net 30" terms. Instead of a fixed discount, the buyer has access to invoice discounts based on variable rates. Those discounts decrease as the payment due date gets closer, which lets buyers and suppliers negotiate discounts based on their individual financial requirements. DDM tools enable organizations to arrange for recurring or one-off discounts, segment based on different suppliers, and view options for different discounting schemes based on supplier size, geography, spend, and other characteristics. These tools work in favor of both the buying and supplying parties by enabling collaboration between the two on discount terms. They let suppliers designate which invoices are eligible for discount and provide the dates, rates, and windows of those discounts to buyers.

In a DDM tool, the burden of making the payment in time to capture the discount lies on the buyer. Supply chain financing (SCF) tools extend this option to competitive bids from third-party funders and banks (the factor). The third party pays the invoice instead of the buyer, in exchange for a small discount and fee from the supplier. The buyer then pays the third party on the predetermined due date. Buyers benefit because they are able to extend their days payable outstanding, and suppliers get early access to cash they may need. SCF is different from traditional factoring because the transaction is initiated by and relies on the credit rating of the buyer. This is an advantage for suppliers with poor credit ratings, and it can be used when they do not have the capital to finish a buyer's order. By bringing in a third party, SCF creates a win-win environment for buyers, suppliers, and the factor.

Industry Benchmarks

The supplier payments function differs widely across the industry. Industries have various levels of automation, encounter different issues, and are more likely to use certain payment methods. Over half of the companies in the IT, professional services, government, retail, oil & gas, and finance industries utilize an ePayments platform, while less than a third of the companies in manufacturing and engineering/construction do. Respondents in manufacturing and engineering were more likely to favor a manual method of payments, such as checks or an ERP integration. For many of those more automated industries, Levvel Research has seen similarities in automation trends for accounts payable and payments. This might be attributed to the fact that an increasing number of AP automation providers are offering ePayments functionality via an in-house tool or a partnership.

Manufacturing and engineering companies were two of the most manual industries in invoice entry and routing, which may be due to a lack of education or awareness of the available options. These industries had some of the highest number of respondents who said they were unfamiliar with the general functions of ePayments software. Manufacturing and engineering companies may also believe that they do not have the payment volume to justify an ePayments solution, since less than half make more than 1,000 supplier payments per month.

More than 30 percent of the respondents in both manufacturing and engineering list the paper-based manual payments process and lengthy invoice processing times as top challenges. Where the two differ is in fraud and security issues and duplicate invoices and payments, which are two of the top challenges respondents said ePayments software was successful in reducing. For construction and engineering companies, this is possibly as a result of their longer, more complicated, project-based invoicing and billing structure; for manufacturing companies, it is possibly due to them having a higher payment and invoice volume, as well as a higher volume of international payments.

International Payments

The business world is increasingly globalized, with many companies having suppliers and partners in several countries across multiple continents, which makes the payments process difficult. An ePayments platform can make this confusing process much easier by handling currency conversion and local tax regulations. This is amplified when this software is paired with a procure-to-pay solution that can handle global invoice standards and supplier information management.

The countries/regions outside of the U.S. with the highest volume of international payments are the UK and Ireland, Asia, Central Europe (the EU), and Mexico. Certain industries make payments to certain parts of the world more than others. For example, companies in IT make more payments to APAC and the Middle East than companies in other industries, and retailers deal with more payments in Central America.

The industries with the most respondents making more than 10 percent of their payments internationally are IT, finance, and manufacturing. IT and finance are two of the most automated for payments, with relatively few companies using manual methods such as checks for payments. Manufacturing, however, is one of the most manual industries. This leads Levvel Research to conclude that manufacturing is one of the industries with the most to gain from adding a form of payment automation.

ROI / Business Case

An important step when beginning to adopt an ePayments solution is to build a business case for the new investment. Strong evidence and plans for ROI are persuasive and help gain buy-in from stakeholders. ePayments solutions offer several different modes of ROI, including rebates and working capital optimization tools.

Rebates

Based on their clients' spend, commercial card providers may offer rebates or other monetary incentives. These rebates can be significant—hundreds or thousands of dollars. When following the correct policies, organizations can safely use cards for a variety of spend types and high-dollar purchases to achieve these rebates. The availability of these incentives, however, is dependent on a spend minimum; if an organizations' card program does not reach an issuer's threshold and they fail to meet the minimum contracted rebate terms, then the organization may not be offered any incentives. In order to avoid this, organizations should strive to optimize their card program usage and apply it to as many appropriate purchases as possible.

Working Capital Optimization

Automating the payments process with electronic payments tools goes a long way toward improving cash flow. Efficient payment management and discount capture are closely related, as an accelerated payment cycle increases discount capture rates—especially when organizations use corporate cards to make payments.

By putting supplier payments on commercial cards, buyers are essentially extending their DPO with credit. Rather than adhering to suppliers' typical thirty-day invoice payment terms, paying via card can extend the float beyond thirty days. Although p-cards are more widely used, virtual accounts (VAs) are among the most effective payment methods for enhancing working capital programs, and are rising in popularity among organizations trying to achieve savings and gain more control over cash. VAs allow organizations to pay their suppliers but retain their funds for another thirty to forty-five days before paying their card-issuing bank. This extends the DPO for the buyer and reduces DSO for the supplier. With a VA, a buyer can gain early payment discounts, earn card volume rebates, and take advantage of the grace period between payment and monthly statement dates.

VAs are better suited for working capital optimization than traditional p-cards, partly because they are often built to integrate with and support larger payment functions, such as an organization's approval of supplier invoices. The virtual card can issue straight-through payment, where a supplier receives a direct payment through the card network or issuer, rather than having to process a charge transaction. Virtual cards are more efficient for higher dollar purchases and/or complex purchases warranting invoice review prior to payment. Virtual cards also improve suppliers' working capital, as they are paid more quickly.

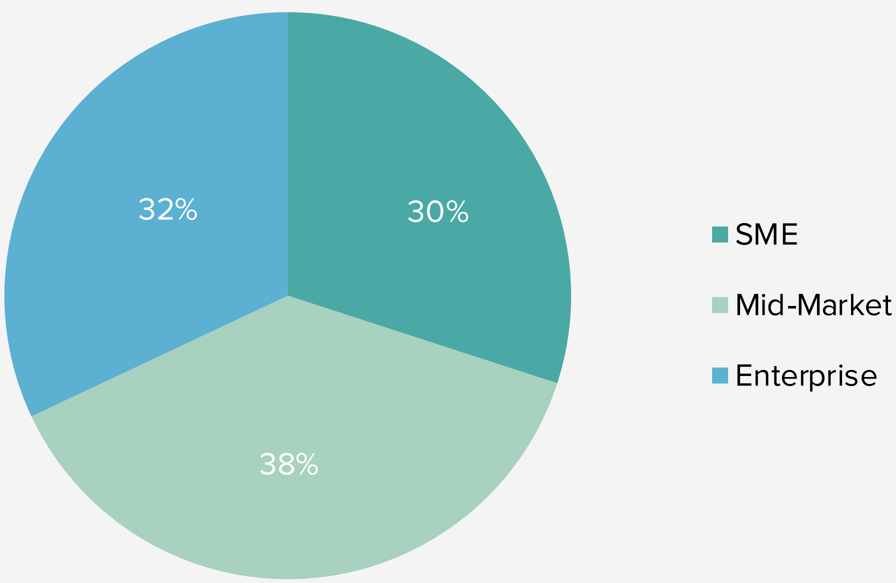
Conclusion

According to 2019 Levvel Research survey data, organizations are slowly turning away from manual payments processes and types (e.g., via ERPs, banks, checks, etc.), and moving toward payments technology that can not only centralize and streamline their payables processes, but also support their growing network of international suppliers, help manage risk and compliance, and optimize their working capital. These capabilities are crucial for organizations hoping to obtain the savings available through new payment types and programs, as well as gain a competitive edge in their market.

Methodology

The findings presented in this report are based on an online survey conducted by Levvel Research in August 2019 among more than 450 finance and accounting decision makers and influencers in organizations with at least $1M in total revenue across all industries. Respondents were screened for their familiarity with their organization's accounts payable, invoice receipt, and invoice routing processes. The data was weighted to represent the proportions of SME, mid-market, and enterprise organizations in Levvel Research's database. This distribution is shown below.

Organization Size Distribution



SOURCE: LEVVEL RESEARCH

Corcentric

Corcentric is a leading provider of source-to-pay and order-to-cash solutions for businesses in the United States and Europe. Corcentric's procurement, accounts payable, and accounts receivable solutions empower companies to spend smarter, optimize cash flow, and drive profitability. Established in 1996, Corcentric provides payables automation solutions to organizations from the middle market to the Fortune 500. Corcentric Payables, Corcentric's holistic suite of AP automation solutions, is designed to manage all of a business's spend, including PO and non-PO invoices, and process invoices all the way to payment. In addition to invoice automation and electronic payments, the suite includes analytics and supplier enrollment capabilities.

Founded	1996
Headquarters	Cherry Hill, NJ
Other Locations	McLean, VA; Cleveland, OH; Downers Grove, IL; Coral Springs, FL; Fairfield, NJ; Willow Grove, PA; Chicago, IL; Naples, FL
Number of Employees	320+
Number of Customers	6,000+
Target Verticals	Vertical-agnostic, with significant experience among complex manufacturing businesses
Awards / Recognitions	IDC MarketScape: Worldwide SaaS and Cloud-Enabled Accounts Payable Applications 2019 Vendor Assessment; Food Logistics' 2018 FL100+ "Top Software and Technology Providers"; Spend Matters "50 Providers to Watch"; Supply & Demand Chain Executive 2019 Pros to Know; Supply & Demand Chain Executive's SDCE 100 Top Supply Chain Projects for 2018

Solution Overview

Corcentric Payables is an ERP-agnostic, software-as-a-service (SaaS) accounts payable automation suite. Through proprietary ERP business connectors, Corcentric transmits electronic transaction data and associated electronic documents to and from a customer's financial system. A variety of external systems are supported and can translate and consume data in both industry standard and non-standard formats. Each customer environment is configured to meet the customer's specific business requirements as well as the state and country regulations in which the customer operates, and the solution supports multi-language invoice ingestion. The platform also supports mobile invoice approvals through any smartphone or tablet.

Corcentric Payables is accessed through unique user IDs and passwords. The solution is supported through federated single sign-on via SAML 2.0. The customer-assigned system administrator has control over all account creation, user accounts, and user permissions.

Corcentric Payables supports PO and invoice management, including invoice creation and transmission, invoice capture and virtualization, automatic three-way matching, and approval workflows. The suite also includes reporting dashboards and analytics, supplier enrollment services, and payment disbursement capabilities.

Electronic Payments

Corcentric's B2B payments solution connects the payments process, invoice automation, and the organization's ERP into one connected workflow so invoices can move from payment approval to payment disbursement faster. An organization can transmit all of its payment instructions via a single file, and digitally receive back acknowledgements, confirmations, and reporting. These services include processes for ACH, wire, and check payments. Corcentric also offers virtual card support through a partnership with a virtual card provider. Corcentric assists with supplier enrollment, continually working with customers' suppliers to resolve issues and move them to more secure ePayment options.

After funds clear, Corcentric disburses payments to each vendor based on the payment preferences they have detailed. Remittance advice is made available to the vendor via email, included with the check payment, and made available via direct access portal. Corcentric observes Positive Pay controls, and the financial institution issues payments to eliminate fraud in the payment process. Corcentric's payments service provides automated data feeds to and from a client's ERP so that payment information, status, and remittance information can be recorded in the accounting system.

Customers can use Corcentric's integrated payment disbursement services and financing options to help manage cash flow. Corcentric offers SCF services to help streamline working capital for both the buyer and the supplier. The SCF tools are integrated into the payables solutions in order to automate transactions and track the invoice approval and settlement process from initiation to completion.

Corcentric Payables includes dashboard reporting, standard system reports, and ad-hoc reporting tools that allow end users to design their own reports through a drag-and-drop interface. Corcentric also provides benchmarking through various standard reports, dashboards, and KPI reporting.

Implementation and Pricing

The average implementation time for Corcentric Payables is between three and six months, depending on system complexity. Each client is given a designated project manager for continuity throughout the project, relationship management through a customer success team, access to customer support teams, and a learning center. Training is provided for both users and system administrators at no additional cost, and technical support specialists are available to all customers and vendors via phone and email.

Corcentric Payables offers several options for bundling and pricing solutions based on customer needs, including buyer-funded and supplier-funded models.

About Levvel Research

Levvel Research, formerly PayStream Advisors, is a research and advisory firm that operates within the IT consulting company, Levvel. Levvel Research is focused on many areas of innovative technology, including business process automation, DevOps, emerging payment technologies, full-stack software development, mobile application development, cloud infrastructure, and content publishing automation. Levvel Research's team of experts provide targeted research content to address the changing technology and business process needs of competitive organizations across a range of verticals. In short, Levvel Research is dedicated to maximizing returns and minimizing risks associated with technology investment. Levvel Research's reports, white papers, webinars, and tools are available free of charge at www.levvel.io.