

An American Multimedia and Creativity Software Company Reduces DSO by 86% and ADD by 88% in One Year

Discover how a prominent creativity and multimedia software company was able to reduce DSO by 86% and ADD by 88% while standardizing their collections management process across all the business units with the help of HighRadius Autonomous Solutions.



IMPACT ACHIEVED

86%

Reduction in Day Sales Outstanding

88%

Reduction in Average Days Delinquency

83%

Automated Cash Application



Immense Workload due to an Unstandardized Collections Process

The company was using a combination of commercial ERPs and Excel to manage their collections process. Analysts would do things in their own way or just relied on their knowledge of accounts. Spreadsheets created a dashboard by region as they had 4 different business units and each analyst had 400 accounts to work with. Collectors follow their own email templates while sending past due notices which needed to be standardized. As a result, there was an immense amount of workload on the collections team and they were not able to follow different collections strategies for different customers.



Lack of 360 degree view of the Customers

Because of the organization's several acquisitions, there were multiple situations where the same customer might be buying products from them under different customer numbers (in different ERP's). But there was no way to track such customers or if these customers had insufficient funds(or NSF's). Some customers would take deductions claiming that they were withholding the tax amount and there was no process to follow up those claims methodically, until they were resolved.



Lack of Self-Service Portals for Better CX

The company had a diverse customer base of around 15k customers and they wanted their customers to view their account details holistically across all ERPs at one single place. They were looking for a solution that provides a self service portal for their end users so that they could download/preview the invoices and statements. Additionally, they wanted a lower interchange fee for credit card transactions. Having a self service portal for their customers, they could ensure an improved customer experience.

Handling Missing Remittances across Different Business Units

Since the company had 5 business units each one of them had a different experience dealing with the incoming payments and missing remittances. If the remittances were not found, the unidentified payments were maintained in an excel sheet under the references tab used for payment matching. If an alternate payer was present - they used Google to identify affiliations. After 45 days if they didn't know who the customer was, they would send the money back.

- International Office:** 70% of the payments with proper remittances were automatically posted to the ERP while 30% of the payments were without remittances.
- EMEA Office(Automation Software):** The cash posting process is manually done where 80% of the majority of payments are applied utilizing the customer name on the bank statement and reviewing the account in the intacct system. Remaining 20% were payments with missing remittances.
- US Office:** The payments were automatically posted in their ERP system with a hit rate of ~47%. Rest ~53% were payments with missing remittances.
- Commerce Office :** 91% of the check payments were auto applied in their ERP while the ACH/Wires were processed manually for which they looked at the check images, bank statements and remittance advice.
- US Office (Automation Software):** 81% of the check payments were auto applied in their ERP while EFTs were processed manually for which they looked at the check images, bank statements and remittance advice.
- E-Sign Solution Office:** The payments were automatically posted in their ERP system with a hit rate of ~47%. However the payments were cleared manually in the ERP. ~53% payments were without remittances.

How did HighRadius Help?

Reduction in DSO by 86% and ADD by 88% within 1 Year

With Highradius Collections Cloud in place, the collector assignment was automated based on business partner, customer name and region. With AI-enabled prioritization, collectors could automatically track payment activities of the customer and prioritize collections activities following different strategies for different customers that were based on the payment history. From various correspondence options, the analysts could easily pick pre-configured email templates and automated country specific correspondences. Within one year of use, the company was able to reduce DSO by 86% and ADD by 88%.

Standardized Collections Process across all Business Units

With automated collections software, the organization was able to categorize their customers into different business segments(mid market, key accounts, ad agency, ecommerce etc.) and had a consolidated AR view for customers that do business with different business units. Collection activities were performed independently and maintenance of hierarchy was done in the collections software. The collections team was able to auto track the customers who were taking deductions claiming withholding taxes or if they had insufficient funds or NSF's(Non-Sufficient Funds)

130hrs+ Saved per Quarter FTE with just 40% Automation

The Highradius Cash Application Software was able to auto-match the incoming payments with the remittances with 83% hit rate and without bank key-in. AI-Based remittance prediction suggested missing remittances to payments coming in and allowed the analyst to choose from multiple suggestions provided by the solution. Since they were using different ERPs for their different business units, the software was automatically able to determine the ERP where the payment was being posted. They were able to save 130hrs+ per Quarter FTE with just 40% automation.

Improved CX with Self-Service Portals

Highradius EIPP Cloud was able to provide their customers with a self service portal where they could view their account details holistically across all business units and ERPs. Their end users could now easily download or preview their statements and invoices. The EIPP module helped their customers to make payments via credit cards/ACH Debits with lower interchange rates. As a result, the company was able to improve their customer relationship.



IMPACT ACHIEVED

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Reduction in Day Sales Outstanding

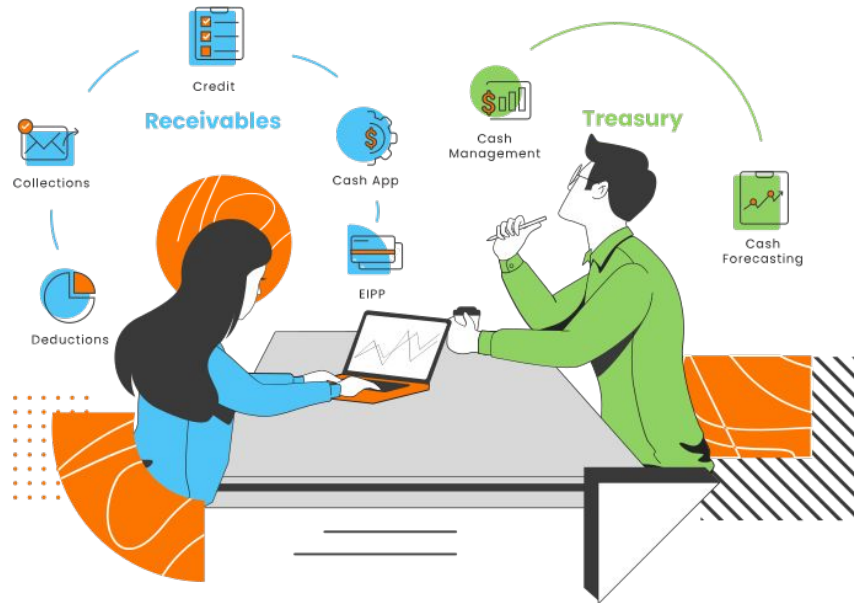
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Reduction in Average Days Delinquency

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Automated Cash Application

ABOUT HIGHRADIUS AUTONOMOUS SOLUTION



HighRadius Autonomous Receivables Software Platform is the world's only end-to-end accounts receivable software platform to lower DSO and bad-debt, automate cash posting, speed-up collections, and dispute resolution, and improve A/R team productivity. It leverages Rivana™ Artificial Intelligence for Accounts Receivable. Autonomous Receivables have been divided into 6 distinct applications: Credit Software, EIPP Software, Cash Application Software, Deductions Software, Collections Software, and ERP Payment Gateway - covering the entire gamut of credit-to-cash.

Understand how Autonomous Software can transform your finance function.

The AI-Powered Receivables Automation Platform Trusted by 700+ Industry Leaders Globally

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