

Will your ERP system handle all your global receivables challenges?

250+ finance professionals running global businesses report how well their ERP systems support the mission-critical business of getting paid by international customers.



The accounts receivable and payments functionality ERP systems provide is mission-critical.

That's why it was good to see high levels of satisfaction with major ERP vendors when it comes to how they help businesses invoice for, collect and reconcile cross-border payments.

However...

9 out of 10 of the respondents said they thought their **businesses could save money** if more of the cross-border receivables process was integrated with their ERP system.

88% of respondents said with the possibility of a recession, they **need to improve their ability to get paid** from their international customers.

If satisfaction is high, what could be going on?

The gap between expectation and reality

1 **Expecting the system to do things** it perhaps needs a boost with

2 **Hard to get support** from other senior leaders for payments-related software enhancements

3 **Could decrease DSO** if they could better align customer payment choices with their own

The bottom line is there is room for improvement in how your business gets paid. So what can you do to make global receivables work better within an ERP-centric strategy? Our survey findings yield some insights.

FINDING 1

Finance relies on their ERP systems as a single source of truth, are champions of integration strategies

The majority of finance professionals surveyed are satisfied with the accounts receivable functionality their ERP systems provide.

93% say their ERP system provides **accurate and/or reliable data** on the state of global receivables



90% are satisfied with the way their system **handles international receivables processes**



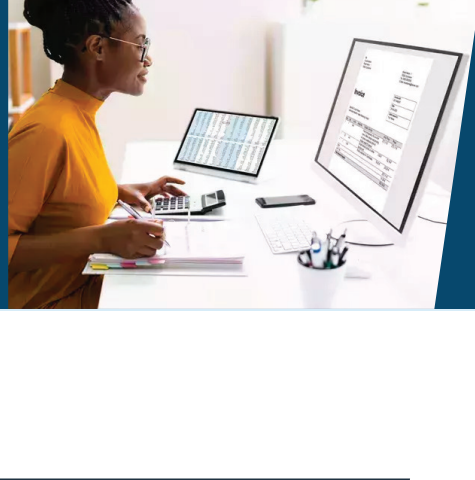
89% rely on their system as the **single source of finance data**



86% **invoice international customers** from their ERP system



In cross-border ecommerce, an ERP system should be a candle that can light up business.



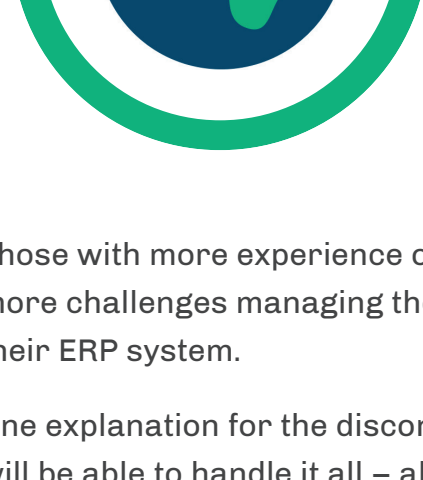
Takeaway

Tight integration with payment software is crucial

FINDING 2

Global companies name DSO, localization as challenges in managing global receivables within the ERP system

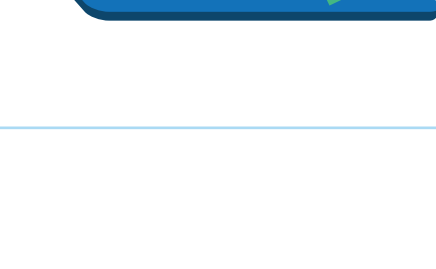
Can accounts receivable functionality in ERP systems scale to handle all of the complexities involved with collecting B2B payments? Our data sheds some light on that question.



74% of our respondents **are operating globally now**, with the balance planning to go global in the next few years.

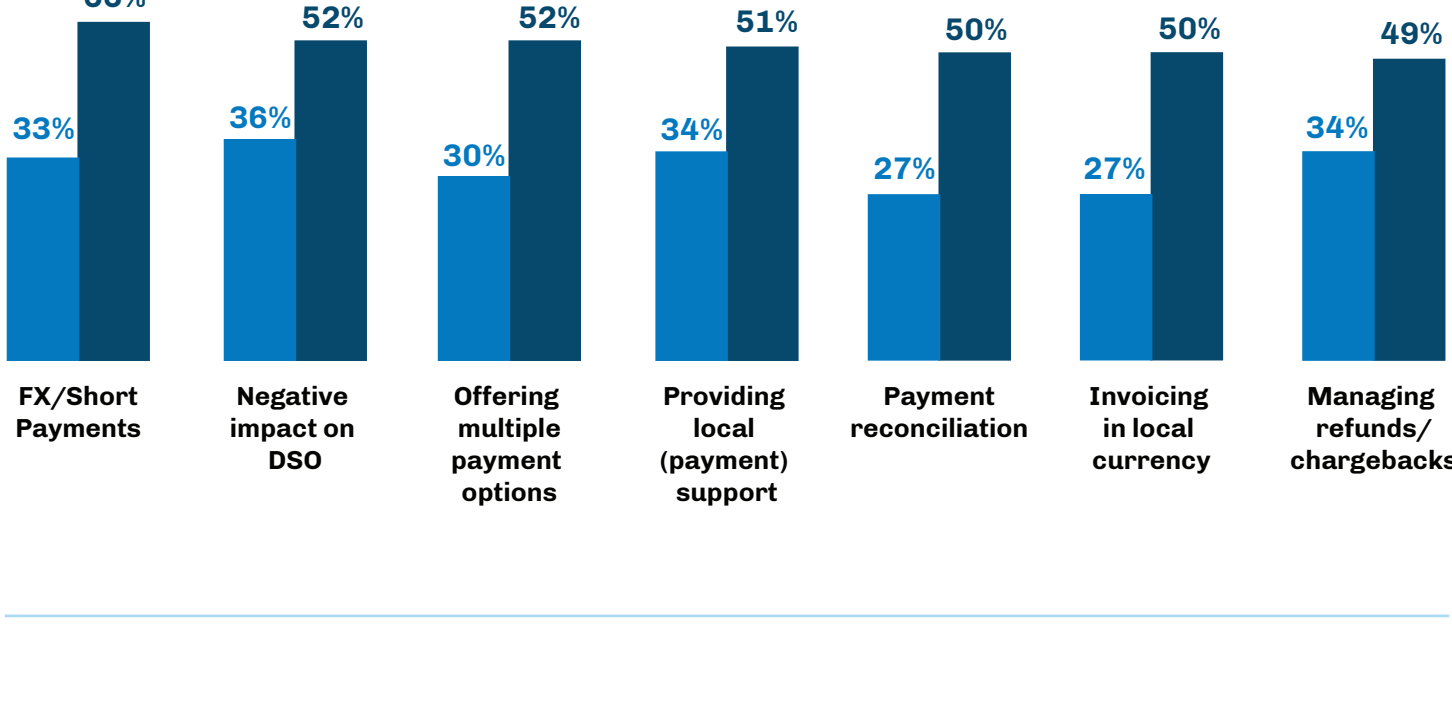
Those with more experience on the global stage report far more challenges managing their global receivables through their ERP system.

One explanation for the disconnect is a sense that the system will be able to handle it all – almost a false sense of comfort – and cracks begin to show as the company grows.



International payment requirements

More than half of global companies report problems with various parts of getting paid that only one-third of soon-to-be global companies are anticipating.



Another explanation is that senior executives don't always understand the needs for enhancements to the processing of international payments. This could affect companies' efforts to stay ahead of their payments needs as they expand internationally.

67% of the respondents felt that **senior leaders did not understand the need for payment software enhancements** in their ERP systems.



You and your teams are relentless chasers of efficiency. You're not the type to rest on "we're getting paid, that's good enough."



Takeaway

Don't get complacent with payments efficiencies – taking a "it works fine because we're getting paid" mentality may be costing time and money.

FINDING 3

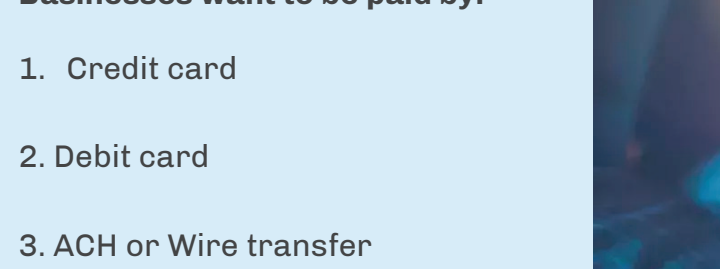
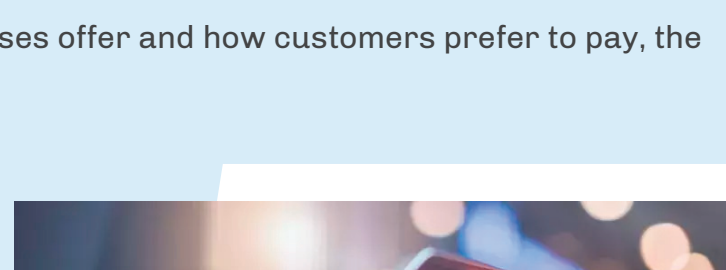
With more payment methods, automation, finance pros think they could decrease DSO, save money

Finance leaders are also mindful of and wrestling with how to balance a good customer experience with efficiency for the business and their team. Respondents shared that they wished "the process wasn't so difficult on the consumers' end," that they could enhance their "ability to handle multiple languages," and that they needed "a better process for ACH payments and wire transfers."

There are differences in what businesses offer and how customers prefer to pay, the survey showed.

Businesses want to be paid by:

- Credit card
- Debit card
- ACH or Wire transfer



International customers prefer to pay by:

- Wire transfer
- Credit card
- ACH

87%

would like to offer additional payment methods in an effort to decrease DSO.

98%

say there are benefits to handling domestic and international payments on the same platform.

97 DAYS

The average DSO for international receivables is 97 days, according to our survey. It pays to make it easier for your customers to pay you.

There's untapped value in the A/R function when it comes to cross-border payments efficiencies, and that's not only in time and cost savings for the department itself. Finance leaders who grasp the role payments can play in a great customer experience can actually help accelerate their company's profitability.

Ryan Frere
EVP & GM, B2B



Takeaway

Payment experience matters to the customer experience.

How much does it cost you to get paid?

Learn more at b2b.flywire.com