

EIPP Article:
**5 Reasons Why
E-Invoicing Belongs
to Banks**



E-Invoicing – An Opportunity for the Banking Industry

It is estimated that only about 5% of Europe's 30 billion invoices were sent electronically in 2009. However, the number of electronic invoices is increasing rapidly - at about 35-40% per annum according to Billentis Report¹. A number of banks are already providing electronic invoicing services to their corporate customers - are you missing out?

Support the Financial Supply Chain

There are many documents supporting the procure-to-pay and order-to-cash processes from the original purchase request to the final remittance details supporting automated payment reconciliation. All of these documents are required for the entire end-to-end process in purchasing or selling goods and services. Unfortunately, most of these documents are currently exchanged on paper with only the payment being conducted electronically.

The invoice the most important document in the entire process as it is the demand for payment bridging the delivery of goods and services with their financing. The invoice is also the definitive record of the tax component of the transaction and as such has legal status and is subject to compliance requirements, Banks should be supporting their corporate client's electronic invoicing requirements - especially as invoices are so closely interlinked with their core business of financing and payment.

5 Reasons Why E-Invoicing Belongs Banks

Banks are uniquely positioned to profit from the introduction of electronic invoicing and related services:-

- **Existing reach** - Banks already provide services which are accessed by virtually all Corporates and SMEs. E-Invoicing is an incremental service which leverages the existing networks and relationships to the banks advantage. Introducing E-invoicing provides additional revenue streams with minimal disruption.
- **Existing trust network** - Banks already provide, manage and maintain an identity network through their existing on-line banking portals and security procedures. These trust networks can be further utilised to support the entire Financial Supply Chain. E-Invoicing provides additional return on the investment already made in the construction and maintenance of a corporate user network.
- **Core competence** - Banks are actually very good at providing reliable, scalable, efficient global transactional services. Why limit these services to payment transactions when corporates expect more? Handling additional transaction types, such as E-Invoices, improves the visibility of a corporates' financial supply chain and generates increased transactional revenue.

¹ Billentis Report: E-Invoicing / E-Billing in Europe 2009

- **Financing opportunities** - Immediate and accurate visibility of a corporates supply chain enables banks to offer attractive and innovative financing services with reduced risk.
- **Brand** - Despite the turmoil within the industry, corporates are still more likely to entrust core services like E-Invoicing to recognised bank brands than unrecognized third party suppliers. Providing E-Invoicing capitalizes brand recognition and the increased utility of bank services further cements customer loyalty.

These are reasons enough, but banks should also play their part in reducing the significant environmental impact and resource depletion required to support the mass of paper invoices.

Further Information

Fundtech's Accountis EIPP is a trusted, flexible and scalable online service that makes processing invoices and payments simpler. We develop sophisticated and compliant e-invoicing solutions for large corporates, banks and financial institutions Worldwide and specialise in automating and simplifying complex finance processes to improve efficiency, increase control and reduce costs.

Fundtech has a proven track record in delivering white labeled, bespoke EIPP services to banks and financial institutions. Accountis EIPP is an industry leading, flexible and innovative service that facilitates the expedient adoption of e-invoicing for banks, their customers and supply chain networks worldwide. Accountis EIPP offers a complete package which includes AP and AR solutions, inbound paper invoice scanning (Paper to Data) and integrated payments. Accountis EIPP enables straightforward enrolment and has a large, multinational e-invoicing network of corporate users.

Banks who incorporate Accountis EIPP will gain greater visibility of customer finances, deepen business relationships and find it easier to sell additional, high-value payment related services.

www.accountis.com