

REPORT: E-invoicing failing to deliver

UK large enterprises deliver harsh truth as suppliers fail to adopt expensive and inefficient platforms

- *48% of invoices still have to be scanned manually*
- *Only 8% say their e-invoicing system is very satisfactory*
- *57% agree e-invoicing adoption would be widespread if it was free for all suppliers*

LONDON, 15 March 2012 – E-invoicing, long touted as a route to greater financial efficiency for business of all sizes, is still failing to make an impact, according to research released today by [Tradeshift](#). The global study interviewed over 600 senior financial decision makers in larger organisations and found that only 8% are very satisfied with their current e-invoicing solution.

At a time of economic uncertainty - 86% of UK respondents say they are under greater pressure to manage business costs than ever before - the majority of e-invoicing systems aren't delivering the cost saving benefits many had hoped for. In fact, invoicing is still a major strain for large businesses, with 48% of invoices received still having to be scanned or input manually. On average 40 employee hours each week are spent scanning or manually inputting invoices.

Getting suppliers onboard

The findings of the research are revealed in a new report entitled "[A manifesto for the e-invoicing revolution](#)". It shows that large enterprises are generally very eager to adopt e-invoicing with cost reduction (79%), increased efficiency (77%) and stronger supplier ties (60%) all cited by UK respondents as reasons for making the switch. But, despite the fact that 60% have tried some form of e-invoicing, only 46% of suppliers have used the systems that have been put in place.

Nearly half of UK respondents (41%) said it is difficult to get suppliers to adopt e-invoicing and 36% said it is costly. A quarter (26%) even said that e-invoicing is a financial burden on suppliers. This is particularly problematic, with 47% saying that e-invoicing is pointless without widespread supplier adoption and 57% agreeing that e-invoicing adoption would be widespread if it was free to all suppliers.

Tech savvy finance

On the bright side, the finance department in the enterprise is ready to try new things - especially when it comes to technology. Nearly two-thirds (60%) of finance departments questioned reported that social media functionality is important when communicating with customers and suppliers and nearly half (48%) believe P2P processes will move to the cloud within two years.

Christian Lanng, CEO and co-founder of Tradeshift, believes there is another way: “The enterprise has been let down by e-invoicing providers that punish suppliers for using their systems both in terms of cost and time. There’s nothing stopping the move to free e-invoicing forever but we’re also asking a new question here: once you have this connection with other businesses, what’s next? It is high time that e-invoicing becomes a beneficial solution for businesses of all sizes and can then help usher in a new era of financial - and business - efficiency.”

As part of the report, Tradeshift has issued a manifesto for the e-invoicing revolution:

1. Business is social, so business applications need to be social too
2. Business is built on relationships, relationships are important
3. Technology should serve business, not the other way round
4. E-invoicing should work for the buyer and the supplier
5. Platforms should be open, interoperable and work across borders
6. Data should be easy to access
7. IT issues should not become a stumbling block
8. Financial services should be easy to integrate and offer
9. The business case for e-invoicing adoption should be obvious for all
10. E-invoicing should be about more than just invoicing

Download the manifesto [here](#).

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Methodology

The Tradeshift research was commissioned by Vision Critical. It surveyed financial decision makers in 606 companies with 250 employees or more across 6 countries (UK, USA, Netherlands, France, Germany and Belgium).

About Tradeshift

Tradeshift connects businesses on a secure online network to help them work collaboratively and manage tasks such as invoicing and cash flow. In the Tradeshift cloud, businesses create a network with their suppliers, customers and partners to streamline common business processes powered by the latest social technologies.

Launched in May 2010, Tradeshift is approaching 100,000 companies across 190 countries. Businesses on the Tradeshift platform include ASP NHS, the French Government,

Kuehne+Nagel, TDC, DT Group and DSV. In 2010, Tradeshift was awarded Best Enterprise at The Techcrunch Europa awards and Most Innovative Solution by Financial-I. In 2011 the company was also highly commended for “Kicking ass globally” at the Techcrunch Europas.

Tradeshift Inc has offices in Copenhagen, London, San Francisco, Paris, Frankfurt and Amsterdam.

Tradeshift fundamentally shifts the way you do business. For more information, visit <http://tradeshift.com/>