Ariba® Invoice Conversion Service

Benefits

- Eliminates the high costs of scanning and OCR equipment, mailroom and storage
- Facilitates conversion of paper invoices to an electronic process that includes validation, process, and exception-based workflow
- Creates a standardized process that improves control of invoice capture, ensures more-consistent data entry, provides insight into supplier performance, and dramatically reduces invoice exceptions
- Extracts invoice line item data at close to 100 percent accuracy rate
- Simplifies integration with your existing systems
- Improves visibility and access to invoice images

Results

With Ariba Invoice Conversion Service, a global manufacturer:

- Improved control over invoice capture, achieved more consistent data entry, and dramatically reduced invoice exceptions
- Transformed its AP function by emphasizing data analysis and reporting in place of processing paper invoices
- Is moving toward a 100% paperless processing environment

Paper invoices are the scourge of accounts payable, responsible for many invoice exceptions, supplier inquiry calls, and processing delays. While converting suppliers from paper to an electronic process is a proven best practice, some portion of your invoices will remain on paper, particularly those from low-volume or low-spend suppliers.

Now you can effectively consolidate the processing of paper and electronic invoices with Ariba Invoice Conversion Services. As a valuable complement to SAP Ariba smart invoicing, Ariba Invoice Conversion Services enable you to fully automate large quantities of invoices, and easily integrate them into your existing systems.

SAP Ariba's approach eliminates all of the costs associated with scanning and OCR equipment, mailroom and storage, and applies the same validation, process, and exception-based workflow for all of your invoice transactions in a single invoice stream. Plus with SAP Ariba, you get line item level data extraction to achieve higher straight-through process rates. SAP Ariba also provides tools for inviting suppliers to join the Ariba® Network and transact electronically once they reach established invoice volume thresholds.

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FEATURES

Technology: Single point of integration to and from your back-office system to a network that connects you to virtually all of your suppliers through a Software-as-a-Service (Saas)-based platform, integrating paper invoices into SAP Ariba's world-class invoice management solution

Community: Ariba Network, the world's largest web-based trading community with over 2 million buyers and suppliers, and SAP Ariba Exchange, an online community of peers and thought leaders for sharing insights and best practices and value-added business partners

Capabilities: Proven process for converting paper invoices to an electronic process that supports efficient and effective global business commerce, and complements SAP Ariba's smart invoice, electronic payment, and working capital management capabilities

WHY ARIBA INVOICE CONVERSION SERVICES

With Ariba Invoice Conversion Services, you avoid the high cost and maintenance of scanning and OCR equipment. In its place, you get a global solution for converting paper invoices to an electronic format that lowers costs, supports more than 15 languages, and improves straight-through processing. And with SAP Ariba's "100 in 100" program, you can achieve 100 percent electronic invoice processing in 100 days.

Consolidate processing of paper and electronic invoices

Ariba Invoice Conversion Services allow you to direct all of your paper invoices through the Ariba Network into one invoice stream for efficient and effective routing, approval and reconciliation as electronic documents. This process quickly identifies those suppliers responsible for invoice exceptions, so you can take corrective action.

Enable more-detailed and accurate data capture

All paper invoices go through scanning and OCR or double blind-key data entry to capture header and line item detail for reconciliation. SAP Ariba also offers dematerialized archiving to bring further reductions in paper handling. With greater visibility and control of paper invoices, AP can focus on managing invoice exceptions and more strategic activities rather than processing paper and data entry.

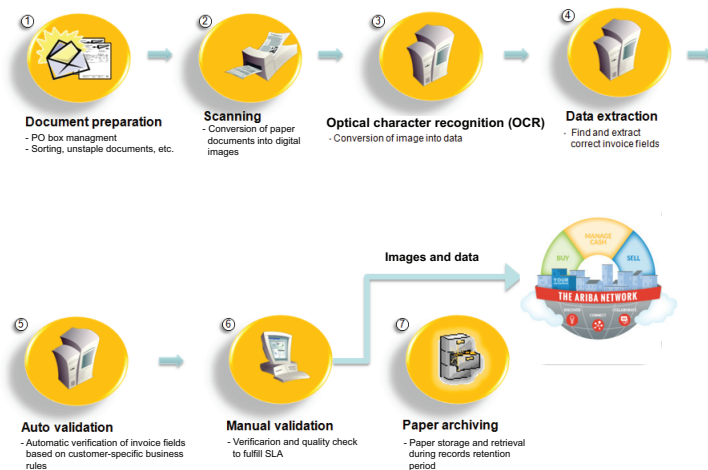### Achieve higher straight-through processing rates

While standard scanning and OCR solutions extract only invoice data at the header level, Ariba Invoice Conversion Services extract data at the line level, with close to 100 percent data accuracy. As a result, you achieve higher straight-through processing rates than traditional paper conversion approaches.

Drive adoption of true electronic invoicing

Suppliers enrolled on the Ariba Network get visibility into invoice and payment status for paper invoices, and the network's self-service capabilities dramatically reduces supplier inquiries. Unlike traditional scanning and imaging approaches that are incented to keep and retain paper, SAP Ariba proactively works to convert suppliers from paper to an electronic process. Once you define an invoice volume threshold, suppliers that meet it will automatically receive invitations to enroll for e-invoicing.

Lay the foundation for working capital transformation

Electronic processing delivers substantial additional value by helping global organizations better manage their cash. By incorporating your paper invoices into an electronic process, you dramatically compress the invoice processing cycles to just days, creating new opportunities to capture early payment discounts from suppliers. In addition, SAP Ariba offers a dynamic discounting option that expands discount opportunities to new groups of suppliers, on a sliding scale up to the invoice due date.

① **Document preparation** - PO box managment - Sorting, unstaple documents, etc.

② **Scanning** - Conversion of paper documents into digital images

③ **Optical character recognition (OCR)** - Conversion of image into data

④ **Data extraction** - Find and extract correct invoice fields

⑤ **Auto validation** - Automatic verification of invoice fields based on customer-specific business rules

⑥ **Manual validation** - Verification and quality check to fulfill SLA

⑦ **Paper archiving** - Paper storage and retrieval during records retention period

Images and data

READY TO GET STARTED?

To learn about SAP Ariba solutions for improving invoice and payment processing and working capital management, visit http://www.ariba.com/solutions/manage-cash.cfm or contact your account representative.

www.ariba.com