iPayables Supplier Survey Report: 2021

1 April 2021

Abstract

Data for the 2021 Supplier Survey Report was gathered over a six-week period by reach out via email survey to suppliers using iPayables InvoiceWorks

iPayables
Accounts Payable Automation

The 2021 iPayables supplier survey once again found that suppliers show a positive attitude toward the use of supplier portals. This survey was very similar to the survey we conducted in 2019, with a couple additional questions to gauge the effects of the COVID-19 pandemic on portal use. The survey results showed four main benefits of using a portal:

- Ease of use,

- Ability to resolve issues faster with invoice status visibility,

- Ability to resolve issues faster with issue/dispute notification, and

- Ability to more effectively work remotely.

This report shows the survey methodology, survey results, and the business impacts of using a supplier portal as a part of a payables automation initiative.

An eleven-question survey was sent out to over 9,000 suppliers, with the goal of understanding what they want from a portal, their thoughts and opinions of InvoiceWorks, the iPayables portal, and if the COVID-19 pandemic had any affect on their use of the portal. With a response rate just under 9%, for a total of 814 respondents, we were able to confirm findings from our previous survey and better understand what suppliers want, need, and expect from a portal and what benefits it brings them.

Ease of Use

Asking anyone to change the way they do their job is difficult, especially when it directly influences how and what they get paid. Two things are extremely important when it comes to discussing having suppliers switch onto a portal: cost to them and user experience. InvoiceWorks, the iPayables portal, is free to suppliers.

69% of suppliers use InvoiceWorks at least once a month

Importantly, however, the lack of cost for suppliers takes nothing away from the high level of functionality available to them within the portal. When we asked suppliers to rate InvoiceWorks on a scale of one to ten, with ten being the easiest, the average score came out to an 8. We also asked suppliers how they thought we could make it easier to use and a majority of suppliers responded with comments such as "I can't think of any way it could be easier" and "I love this site! It's so easy to use, nothing needs changed!" Those who did request changes were mostly related to how frequently passwords are required to change, a feature linked to security that may seem annoying, but is necessary.

On a scale of 1-10, with 1 being very difficult and 10 being very easy, how easy is it to use InvoiceWorks?

Answered: 814   Skipped: 0
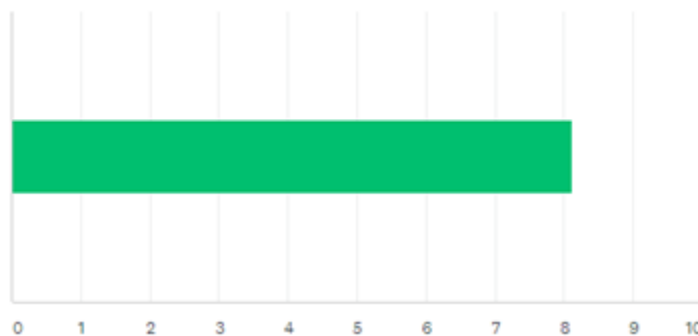
Having a free, user-friendly portal readily available to suppliers can make all the difference when an accounts payable department asks them to make the switch. Rather than the process being complicated and more jumbled, suppliers become more aware of the process and are able to help correct issues or disputes on the invoice in order to receive payment faster. Plus, at iPayables, we have an entire team dedicated to help onboard suppliers and assist them with questions they may have while using the portal. Additionally, AP departments and suppliers can easily communicate through the portal and all conversations are tracked, so if someone ever goes back to see why a change was made, or why something was done a certain way, it's easy to find.

Ability to resolve issues faster with invoice status visibility

Visibility is very important in accounts payable, but it's just as important for suppliers to be able to see where their invoices are at in the process. In fact, suppliers having invoice visibility speeds up the invoicing process and helps simplify the process for everyone. Of suppliers using InvoiceWorks, 71.5% said they've been able to resolve an issue fast with invoice status visibility. That issue could be anything from a number entered in incorrectly, someone in AP flagging a total cost, or just the fact that an invoice won't submit until all necessary information is filled out. This also means that a supplier can notice if their invoice hasn't moved to the next step in the process and they can open a conversation with the accounts payable department in the portal to see what needs to be done to move the invoice along.

> "It actually couldn't be any smoother and user friendly. It's awesome."
>
> InvoiceWorks User

Have you been able to resolve an issue faster because you could see the status of the invoice?

Answered: 814   Skipped: 0
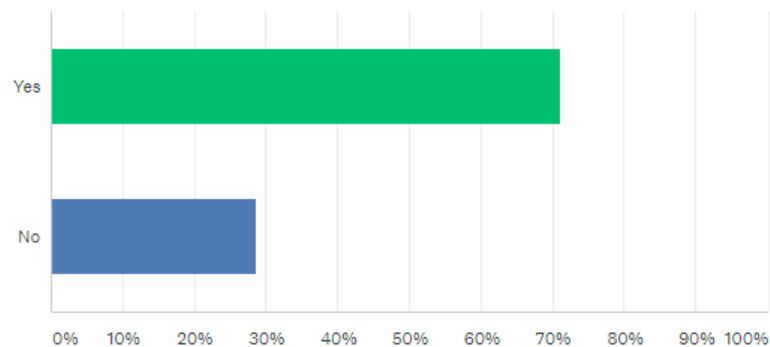
Invoice status visibility not only makes the process easier for both the supplier and the AP department, it also saves time. Rather than worrying about where payment for an invoice is, wondering why they haven't heard back on a resubmitted invoice, or just calling the payables

department for updates, suppliers can simply log onto their portal, search the particular invoice they're worried about, and see when it was last updated. Plus, if there are any issues or disputes created, the supplier is notified immediately so that things can be corrected as quickly as possible.

Ability to resolve issues faster with issue/dispute notification

Issue and dispute notifications have helped 74.6% of suppliers surveyed resolve issues faster. These notifications allow suppliers to respond quickly and for the accounts payable department to receive the changes in real time. This is important when working with invoices because needing to make changes or correct things is often what leads to invoices and payments being delayed and late. By allowing suppliers to be notified and access invoices in real time, no one has to wait on an invoice or risk forgetting it in the time it takes for a corrected version to be resent. A supplier portal makes this easier by allowing suppliers access to each of their invoices. If anyone in the AP department creates an issue or dispute related to one of their invoices, the supplier is notified immediately and can immediately respond. Plus, every issue, dispute, comment, and change is recorded so anyone with approved access can see when, why, and by whom changes were made.

> InvoiceWorks processes approximately 3,410 invoices (about $49,029,962 worth of invoices) daily.

If you have ever been notified of a issue (or dispute), do you feel that notification helped resolve the issue faster?

Answered: 814   Skipped: 0
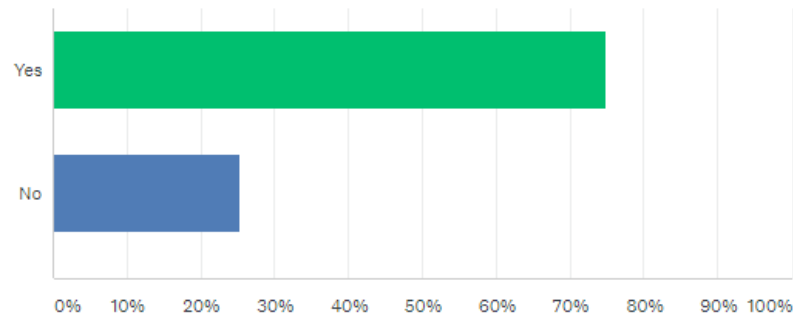
To take it even further, 83.7% of suppliers believe they can resolve issues faster than the accounts payable department. This isn't because the AP department isn't capable, but suppliers can do it faster for two reasons. First, this is their invoice. They know what they've billed you for, they know how much they sent you, how much each unit costs, and how many total units they sent. Any part of that invoice that has a mistake, they're perfectly able to correct it. Second, they're very invested because the faster the issue is corrected and the invoice processed, the sooner they get paid. Of course payables departments also care about resolving issues and disputes, but they're worried about several different invoices from several different vendors, where the supplier cares expressly about that particular invoice. As such, the portal allowing suppliers to be notified and correct the issue in real time makes the process simpler for both sides.

iPayables matches your invoice against the customer purchase order. They must match before you can submit the invoice. We believe that you can resolve the exception faster than the customer's payables group. Would you agree that you can resolve the exception faster?

Answered: 814   Skipped: 0
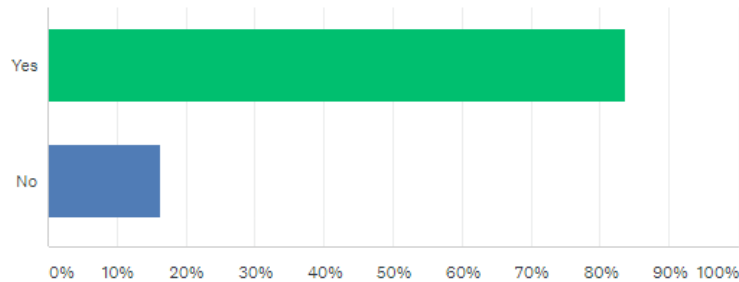
Ability to More Effectively Work Remotely

While the COVID pandemic wasn't the first time people worked remotely and from home, it was certainly one of the first times a large majority of people had to out of necessity. This includes the suppliers we surveyed, who were impacted on a variety of levels. Some suppliers were in occupations that were not required to work from home, while others had always worked remotely. As such, the only change in portal usage in these groups depended on whether or not customers continued ordering their products and they had invoices to process. A third, larger group, however, was more impacted by the stay at home mandate, mostly seeing a decrease in the amount their services and products were purchased. However, for those 7.37% who's use of InvoiceWorks was affected by the pandemic because they needed to work remotely, the portal was very helpful. In fact, one supplier commented that having the portal in the shift to remote work "made it so much easier."

What Suppliers Want, Need, and Expect from a Portal

Not surprisingly, suppliers want a high functioning portal that gives them easy access to invoices at no additional cost. For a portal to have what a supplier needs, it should be set up to

best serve both the accounts payable department and the suppliers, which includes allowing the suppliers access to their invoices. This way, the payables department can put into place any requirements they need an invoice to meet in order to be submitted, so they don't receive any invoices that lack necessary information. Once an invoice is submitted, suppliers want to be able to see where its at in the process and when they're going to receive payment. To make the process fast and easier for everyone, suppliers need to be able receive notifications so as to respond to any questions or issues quickly and the payables department can see the changes in time.

Implementing a high functioning portal can seem a daunting task, especially when it comes to actually having the suppliers use it. One feature that can make this task easier is cost, or rather, lack thereof. Of suppliers interviewed, 94.47% prefer using a free portal, which is why InvoiceWorks is free for suppliers. Plus, when using a new portal, suppliers expect help and guidance when different problems with an invoice may arise. For that reason, iPayables also

> "It's already a very easy process. I love that it won't submit the invoice until everything is filled out."
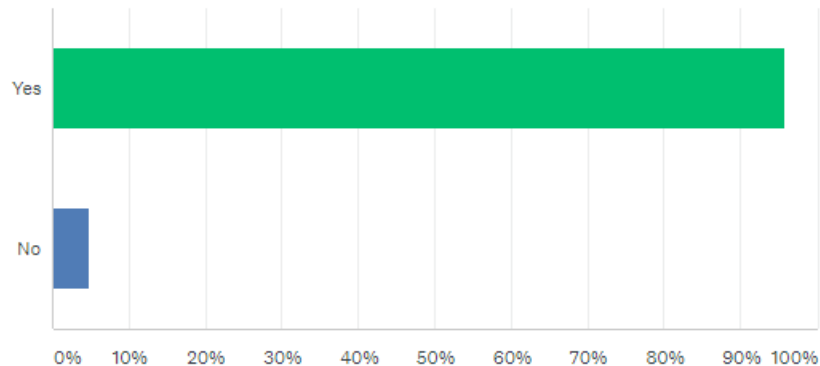>
> InvoiceWorks User

has a vendor adoption and support team that works specifically with suppliers, from helping them get set up on the portal, to answering any questions that may arise while using the portal.

Do you prefer using a free portal?

Answered: 814   Skipped: 0

Supplier portals make work easier for accounts payable departments, as well as suppliers. While many may believe that suppliers don't want to work with a portal, or that supplier portals aren't as efficient, the opposite is true. Supplier portals allow AP departments to reach 99.99% straight-through processing and suppliers have an easier job when using a good portal. Suppliers, just as the accounts payable department, should know where an invoice is in the process and when they can receive payment. Their knowledge of this information eliminates phone calls and inquiries, allowing for more work and less stress on both ends. AP automation plus a supplier portal saves time and money, increasing efficiency and simplicity. When done well, relationships between suppliers and the payables department improve and invoice processing becomes easier.

This article was written by iPayables, Inc. If you have any questions regarding the survey or AP Automation, please feel free to contact us at 866-874-7932 or https://www.ipayables.com/contact/

Stay connected with iPayables:

Facebook https://www.facebook.com/ipayables

Twitter https://twitter.com/ipayables

LinkedIn http://linkedin.com/company/ipayables