

*A/R, Meet CX:
Why it's Time for Finance Departments to Make
Customer Experience a Priority*

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Abstract

The order-to-cash process is an often overlooked and under-leveraged opportunity to help B2B companies drive business efficiency, increase cash flow, and boost productivity through the customer experience. This article addresses this opportunity to advance each of these game changing benefits.

Customer experience (CX) has leaped from the PowerPoint decks of many marketing presentations and found itself an influential seat in the boardroom. It's become the keynote topic at industry events and the focus of business conversations in nearly every marketplace.

So, what's catapulted CX to the top of the corporate world and made it the responsibility of functional groups across many organizations? To put it simply, the impact it can have on the success of a business is a game changer.

A couple of drivers have made CX what it is today. First, today's customers demand topflight CX. CX is expected to [overtake everything](#), including price and product quality as the top brand differentiator by 2020. A powerful competitive advantage for the future, CX can't just satisfy customers - it must engage them.

The second driver is its bottom-line impact. Companies that put CX first grow revenues dramatically faster than those that don't. Experience-driven businesses see an average [annual growth rate of 15%](#) (versus 11% for other entities). Put another way, companies that want to boost profitability in today's harsh business environment must deliver an engaging CX.

CX is more than just a buzzword for B2C companies, it's a key driver of success for any business. Yet, many organizations serving the B2B industry deliver less than exceptional CX. Given today's more demanding buyers, B2B companies can't afford to be CX laggards. They must become CX leaders if they want to thrive in the future.

Why CX Has Become a Priority in the B2B Space

A key reason B2B companies need to make CX a priority is the consumerization of IT. Consumerization occurs when employees first select devices and technologies as consumers, then use them at work. This involves all types of devices, from smartphones, tablets and laptops to social media, online storage and personal apps downloaded onto work devices, and everything in between. The common thread here? All of these things are digital.

These employees are behind the consumerization of IT trend. Well informed and tech-savvy, they split their time across multiple screens, bring their own devices to work, and conduct much of their jobs from anywhere. Consumerization encompasses user experience and user interfaces that mimic consumer user experience (UX) and user interface (UI).

Another driver of consumerization is Generation Z (people born after 1995). Gen Z's entrance into the marketplace will dramatically impact society and the industry. A recent analysis from [Pew Research Center](#), indicates that members of Gen Z are not only the best-educated and most diverse of any generation yet, but also the most tech-savvy. Combine this cohort with the 56M+ millennials that have already entered the workforce and it's fair to say that these generations will have a huge impact on the way business is conducted.

Their views on payments and their entrance into the workforce—including in key A/R roles—will transform the entire payment transaction ecosystem, including that in the B2B space. To succeed with this generation, B2B companies will need to decode Gen Z’s needs and cater to their more stringent demands.

Personalization: The Key to Delivering Remarkable CX

Personalization is the key to delivering an engaging CX. Nothing else is as effective. Businesses must learn how to be more flexible and relevant in their interactions with their customers across all functions. Businesses that don't provide that kind of CX often see their customers bolt dramatically, threatening their bottom lines and survival. Gen Z's entrance into the workplace will put even more pressure on B2B companies to meet the unique needs of their diverse customer base.

Companies like Amazon, Netflix, Square and Google are already leveraging the power of personalization with help from innovations in data mining and advanced technologies, like artificial intelligence (AI). This approach helps these businesses build customer loyalty and pump up corporate profitability.

The demand for tailored experiences is blurring the lines between B2C and B2B by reformulating expectations. The simple fact is that B2B buyers want more experiences shaped to their company’s needs just as they get with B2C. Providing those experiences pays off. Nearly [80% of B2Bs](#) surveyed in a recent study said personalizing their websites boosted its effectiveness.

The rub is that many B2B companies have yet to embrace personalization. According to [McKinsey & Company](#), 65% of B2B customers don’t think their experiences with other businesses match their experiences with consumer companies. That can cost a company dearly. Losing customers, [says one report](#), cost businesses an estimated \$75 billion in 2018. That's up from \$62 billion in 2016.

Where We Are Today & Where We Need to Go

The order-to-cash process is an often overlooked and under-leveraged opportunity to help B2B companies drive business efficiency, increase cash flow and boost productivity. *It's also an overlooked and under-leveraged chance to strengthen relationships.* The reason: The entire order-to-cash process is cumbersome, time-consuming and inefficient, providing a less than stellar CX.

So where does a tailored CX fit into the A/R process today? Realistically, it fits in across the entire order-to-cash lifecycle. Creating a tailored CX will remain a challenge unless companies digitize the end-to-end process. Digitization simplifies and streamlines the process, helping to deliver the engaging CX that customers expect.

Some A/R best practices where digitization and personalization meet in the A/R process include:

- Credit — The credit application is often the first impression a customer has of a company. It should be fast, easy and online. No paper.
- Invoicing — There are dozens of ways A/P wants to receive invoices. The key is delivering them how the company wants. This effort includes dealing with those pesky A/P portals.
- Payment — Companies should accept payments the way their clients want to pay them; making the process easy, fast and efficient.
- Cash App — Payments should be applied quickly and accurately, saving companies' time and money. Further, the process should minimize follow-up with customers over their payment intentions.
- Collections – Collectors should have tools at their disposal to support what they communicate, how they communicate and when they communicate.

Companies can implement similar best practices throughout the A/R process to boost profitability and build relationships with their A/P counterparts, and thus, strengthen the customer relationship.

Keeping Customers Top of Mind

CX has become one of the industry's hottest topics - and with good reason. It's a game changer. It can help B2B companies build solid relationships, boost a brand's reputation and prevent customer churn. A [recent report](#), for example, says that 66% of consumers who switched brands did so because of poor service. That's a big plus in an age where profit margins are shrinking, and companies ask managers to do more with less.

For B2B, developing customer-centric solutions in the A/R process is a key ingredient to delivering a personalized CX. It's an area that's taken on greater importance to the financial health of companies where profit margins are shrinking, and managers are being asked to do more with less.

Developing customer-centric [solutions](#) requires giving A/R teams the tools to be flexible in how they do business with their customers. It touches every component of the order-to-cash process. The end game of automation remains what it has always been - getting paid fast. The 21st century benefit expands the responsibility of A/R to forging strong customer relations.

Here's the bottom line: CX has now become one of the hottest topics in business. It's talked about in all circles and at all levels of the organization. To survive and thrive, B2B companies must achieve CX leadership by creating digital solutions that leverage the power of personalization. Those that do will achieve market leadership, and those that don't risk falling by the wayside.

Mitch Rose is SVP Sales at Billtrust. He has worked with hundreds of businesses to help them automate their order-to-cash process. His prior experience includes senior marketing positions at leading companies including The Coca Cola Company, Mattel and Kraft Foods. Mitch is a graduate of Cornell University and holds an MBA from Columbia Business School.