

Esker Survey: Varying Customer Preference for Invoice Delivery Straining Operational Efficiency

Although increasing use of email for invoices is providing benefits, lack of automation and lingering customer demand for traditional formats is still sapping resources

Madison, WI – August 20, 2007 - Esker, the leader in document process automation solutions, today released results of a survey of over 150 North American billing and invoicing managers regarding their organizations' practices and preferences surrounding the creation and delivery of customer invoices. Results suggest that while many companies are reaping the efficiency benefits arising from electronic invoice formats and automation, 88% of respondents still saw room for improvement with manual processes surrounding invoices sent via physical mail.

The survey was comprised of respondents from organizations averaging around 5,900 employees nationwide. Although 89% of respondents said they either maintained or increased the use of e-mail to send customer invoices over the last year; on average, 28% of customers refuse to accept invoices in any form besides postal mail. Even more surprisingly, organizations spent significantly more time on the invoice transmission process for postal mail, due in large part to a lack of automation of postal mail processes, despite the availability of solutions to accomplish this.

These facts are very similar to what has been discovered in the past by Esker. Results from a previous survey indicated that 81% of companies questioned said that mail is a critical delivery path for sending billing and invoicing documents to their customers. Of that group, more than half had not considered outsourcing this process.

"Businesses moved relatively quickly to accommodate companies who asked for electronic invoicing, not only to meet their preferences, but also because of the major efficiency gains that e-mail brings," said Renee Thomas, Director of Field Marketing, Americas with Esker. "But the fact remains that there are thousands of companies who still like getting their invoices in hard copy format in the mail – and regardless of how large or small a company you are, to compete in today's marketplace, you need to take a customer-centric approach. The question that companies should be asking themselves, though, is, 'are we being as efficient as we can be about accommodating those preferences?'"

According to the survey, respondents reported that on average, two to three employees spend 106 hours per month generating and sending physical mail with invoice-related correspondence, including reminders and re-sends. Of the time it takes to generate and send each invoice, only around 15% is spent on actual calculation of an invoice, with the remainder dedicated to printing, addressing, stuffing and mailing it, largely menial tasks. And while 92% reported that invoice calculation is automated (81% used SAP), one-third of organizations still manually add postage to their invoices and 82% are hand-stuffing them into envelopes using internal staff.

"The survey's findings show quite clearly that a lot of time is being wasted on tasks that really shouldn't be assigned to
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internal staff, let alone salaried finance professionals,” added Thomas. “Companies need to take a lesson from the efficiency they’ve gained from implementing automated financial systems like SAP and automate their document delivery processes as well, or mail is going to be a nagging problem and an ongoing drain on resources.”

Other challenges identified by survey respondents dealing with manual mail processes include: the new United States Postal Service restrictions, machine maintenance, quality control and reporting and tracking delivery status.

Esker specializes in document delivery solutions that enable end-users to automate the transmission and reception of business documents via email, fax and even postal mail, whether those documents originate from enterprise applications like SAP, desktop software like Microsoft Office, or even scanned images. By automating delivery in multiple formats, including postal mail, Esker customers benefit from streamlined business processes, reduced costs, simplified IT infrastructure, enhanced customer satisfaction, and quality assurance. All postal mail automated by Esker is printed, addressed, stamped and sent from one of the Esker on Demand, fully-fledged mail processing facilities designed for dependable and confidential data processing.

“These results further boost our confidence, as a leader in the document delivery industry, that our approach to electronic invoicing – providing a single platform to generate email, fax and most important here, postal mail, is the right approach,” concluded Thomas. “And moving forward, with Esker, customers can be assured that we will continue to develop next-generation solutions that make processes more efficient, reduce costs and most importantly, provide the means to deliver the best customer service possible.”

About Esker

Esker is a recognized leader in helping organizations eliminate manual processes, gain process visibility and control, and reduce the use of paper by automating the flow of documents into, within and out of the organization. With patented document delivery automation software and hosted document delivery services, Esker offers a total solution to automate every phase and every type of business information exchange. Customers achieve significant and immediate operational efficiencies, cost savings and measurable ROI in as little as three to six months. Founded in 1985, Esker operates globally with more than 80,000 customers and millions of licensed users worldwide. Esker has global headquarters in Lyon, France and U.S. headquarters in Madison, Wisconsin. For more information, visit www.esker.com.

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