



ZoneCapture

Your guide to preparing for e-invoicing

June 15, 2022

Manually managing accounts payable at scale isn't working anymore. Like it or not, there's a new way of sending and processing invoices. And if you don't evolve your ways, it could cost you.

The (invoice) world as we know it is changing

Manually managing accounts payable at scale isn't working anymore. Like it or not, there's a new way of sending and processing invoices. And if you don't evolve your ways, it could cost you.

As you've likely been made aware of, there is a decreasing tolerance for manual processes, from both business and human perspectives. Margin for error is also exponentially dwindling as modernized reporting regulations are enacted by businesses and governments.

There is a new way of sending and processing invoices that embodies this shift. It's already making its way across Europe and other regions of the globe. It's called **E-invoicing**.

What is e-invoicing?

No, e-invoicing does not refer to invoices sent via the internet - a pdf in an email, for example.

An e-invoice is actually a data set containing all the information from the invoice being sent or received. The e-invoice network posts the data set with the sender and receiver identification numbers. Due to these parameters, the network knows exactly:

- ✓ Where it should be delivered
- ✓ As well as who the specific customer or vendor is that should be receiving it.

The delivery process is fully automated, and in many cases, it happens within a few seconds. Depending on your business needs, you can trigger this process by simply clicking a button or fully automating it within your ERP system. E-invoices are the modern way of sending and receiving invoices without ever touching paper or creating a PDF.



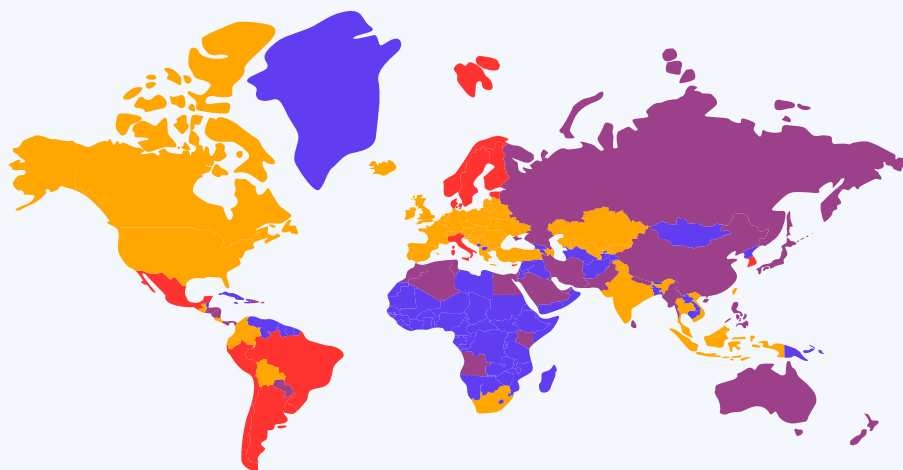
What is E-Invoicing? Watch our [summary video](#) on YouTube.



Listen to Dennis van der Graaf, Product Owner in Engineering for Zone & Co, [explain e-invoicing](#) in his own words.

What's happening with e-invoicing globally?

Governments will drive adoption (and this increases exponentially with more adoption).



A look at the market maturity of e-invoicing across the world

- Leaders
- Average
- Developing
- Laggards

Source: Billentis

Europe

Multiple countries in Europe have mandatory e-invoicing in business-to-government workflows. Since the early 2010s, Norway has made e-invoicing mandatory in B2G relationships. The situation is similar in Finland, Sweden and Denmark. Through these mandates companies have started experiencing the benefits of e-invoicing and adopting e-invoicing holistically in a business-to-business and business-to-consumer environment as well.

APAC

Commonwealth Government of Australia made e-invoicing mandatory if you're doing business with the government as of January 1st, 2022. This is beneficial to the payee as well because the government has been processing payments in as little as five days since this mandate. E-invoicing is taking hold at the local government level as well in New South Wales and Queensland. New South Wales is requiring e-invoicing in business-to-government relationships as of the first of the year. The Queensland locality will be requiring it as of July 1st, 2022.

United States

While e-invoicing is certainly growing in popularity in the United States, especially in the B2B sector, it is not required or mandated by the government. As businesses continue to discover the conveniences and benefits of e-invoices, this new way to sending and processing invoices will overcome other methods in the states before it is mandatory.

How to implement e-invoicing at your business

You will need to discover the scope of the project based on the current systems and platforms your business works with to conduct its invoicing processes (Zone is happy to help with this by the way!).

1

We suggest having a walkthrough with a consultant or someone who is familiar with e-invoicing to understand how they operate and how to send to customers, etc. It would also be beneficial to run your e-invoices through a test environment as well.

2

Be sure you are educated on your country's specific guidelines related to e-invoices.

3

The business needs to register with an e-invoicing network. Usually this is done through an online portal with tax identification information. A consultant can help you do this step as well if you run into questions. It's typical for the registration to take 3-4 weeks to complete on the network side.

4

All that's left is to move your process from test or sandbox to production and you're ready to send e-invoices.



Want to know more about what's happening with e-invoices? View our full [e-invoicing infographic](#).



Listen to Justyna Bielak, Product Owner in Engineering for Zone & Co, explain **how to implement e-invoicing** at your business.

Who wins with e-invoicing & who gets left behind?

The winners are preparing their business for scale and variation in the way they manage vendor bills. Instead of simply sticking to what they know, they are securing their ability to scale accounts payable and rapidly adapt to changes in the marketplace. With e-invoicing, businesses are unlocking limitless growth potential.

Companies looking to expand globally also win when they utilize e-invoices. The language barrier essentially becomes non-existent in the invoicing process. Because the e-invoice is delivered through a data set, it is automatically translated to the receiving party's local standards and language.



Listen to Dennis van der Graaf, Product Owner in Engineering for Zone & Co, the benefits of electronic invoicing [\(e-invoicing\) in global commerce](#) on YouTube.

Governments, businesses and customers benefit from e-invoices.

The Sender

With e-invoicing the sender is able to remove all doubt on whether or not the receiving party actually receives the invoice or not. The receiver has no option to reject and the sender has the peace of mind that it's been delivered. If, for whatever reason, the invoice was incorrect the receiver is able to provide this feedback to the sender in a more automated manner. They have full control over the audibility and traceability inside their own applications.

The Customer

Let's say, for argument's sake, something is wrong on the invoice. It's true. They have no option to "not receive" the invoice. But rather, there is a more structured way to log that, in fact, this invoice is rejected due to an error. This feedback is then automatically provided to the sender. *Removing awkward conversations, amiright?*

The data is structured, which means there is an automated way to process the totals and line items that are enforced. If you have a comprehensive system, like an ERP, it will automatically call out mistakes to the vendor on your behalf.

Finally, there is a lower chance of scam or fraud invoices when using the e-invoicing structure.

Governments

Some countries prefer to go in-depth with the kind of information they would like to see and control, and some are more lenient. E-invoices make part of the financial reporting process instantaneous. The biggest benefit for governments as it relates to e-invoices is the ability to eliminate tax gaps (that are presently a large issue in many countries).

The future is here

Finance teams who've adopted this forward-thinking invoice process, are no longer limited by the pains of manual accounts payable processes, inaccurate audit trails, and unhappy vendors. They are finally spending time thinking about the future and how to help the business thrive, not just survive.

We'll let you in on a little secret

The tension between scaling the business and managing vendor bills effectively causes extreme challenges for finance teams, often leaving them reverting to manual processes. Thankfully, they no longer have to rely on spreadsheet systems like Excel to do this. A better type of technology finally exists, and it's ZoneCapture.

- ✔ ZoneCapture is native to your NetSuite instance, eliminating the need for multiple systems
- ✔ Intelligent OCR and automatic data reconciliation transparently & handles up to 40 types of records. Plus, it doesn't interrupt your workflows, meaning you're getting in your system exactly what you're receiving in. No manual "if's, and's, or but's"
- ✔ Intelligent learning matches your invoices. Your system remembers the format so it doesn't feel like the first time every time (while still being able to add new fields or customizations as needed)
- ✔ ZoneCapture processes newly incoming transactions instantly and, when possible, even transforms the incoming PDF documents into actual transactions eliminating valuable manual data entry time.
- ✔ Affordable, easy to install, easy to use, and easy to train; no technical resources required
- ✔ Intelligent OCR and e-invoicing capabilities future proof your business

So what does it all come down to?

Businesses that no longer need to spend hours manually entering vendor bills and processing credits are now seeing greater returns and the extra time has allowed for unlocking limitless growth, not just easier vendor billing.



Listen to the full **Finance in the Clouds** podcast episode on **e-invoices** on YouTube.