

CASE STUDY

Mondelēz International leverages Tungsten Network e-invoicing platform to drive financial process improvements



Mondelēz International, Inc.

is one of the world's largest snacks companies, with 2015 net revenues of approximately \$30 billion and a service network that spans 165 countries. The company holds the No. 1 position globally in Biscuits, Chocolate and

Candy as well as the No. 2 position in Gum (source: Euromonitor). Mark Boswell, EU Procurement Business Process Manager, wanted to leverage the company's shared services team and Tungsten Network's robust e-invoicing platform to help optimise Mondelēz International's procure to pay processes.

CHALLENGE

With nine billion-dollar brands and other much-loved product lines, Mondelēz International generates more than three million invoices annually. For 2015, Boswell and his team set a goal of using e-invoicing for more than 60% of all invoices and ensuring touchless processing for more than 70% of its online invoices.

TUNGSTEN NETWORK

SOLUTION

Mondelēz International has implemented Tungsten Network's e-invoicing platform in North America, Europe and Mexico, with Asia-Pacific to follow later this year. The initial deployment focused on automating purchase order (PO)-based invoices for the packaging, raw materials and commodities and all indirect materials and services areas. The e-invoicing solution also needed to integrate with Mondelēz International's enterprise resource planning (ERP) platform SAP and SRM v 7.0.

JOURNEY

Mondelēz International established a cross-functional team to help build electronic invoice volumes and achieve straight-through processing for a majority of its invoices. To achieve these business goals, the company also undertook related projects, such as consolidating vendors and cleaning vendor master data, training staff on a new simplified global procurement policy,

implementing order and receive best practices, and reducing invoice exceptions through root cause analyses and process harmonization. The percentage of purchase order backed invoices also increased from 70% to over 90% through the optimization efforts.

The company worked closely with Tungsten Network to make the initiative a success, leveraging Tungsten's technical and supplier communications expertise and using KPIs to

drive and measure process improvements.

BENEFITS

Mondelēz International has achieved significant business benefits from automating its invoice processes. The company has accelerated invoice delivery while reducing processing costs, consolidated its shared services function and reduced incoming supplier calls to shared services centres.



CUSTOMER

ORGANIZATION: Mondelēz International

SECTOR: Food and Beverage

COUNTRY: International

GOALS

- Use e-invoicing to automate financial processes
- Implement a standard solution globally
- Reduce invoice processing costs while delivering better service
- Increase the quality of the invoices being received
- Increase the automated processing and reduce manual handing of invoice errors

RESULTS

- Achieved multiple process efficiencies, including accelerated invoice delivery, increased invoice accuracy, faster three-way match processes, and lower call centre volumes
- Increased auto-posted electronic invoices from 8% to 54% in two years
- Increased on-time invoice payment rates by 8% compared to print and mail processes
- Consolidated the shared services function
- Proved e-invoicing's business potential to senior leadership

Implementing Tungsten Network's e-invoicing platform has also allowed Mondelēz International to strengthen customer relationships by providing superior customer service. Automating invoicing allows suppliers to provide instant feedback on invoice status, accelerate the three-way match process and benefit from payment speeds that are significantly 8% faster than paper processes.

RESULTS

The company has set a target of touchless processing for

more than 70% of its electronic invoices in 2016 and is well on its way, increasing invoices that are auto-posted from 8% to 70% from 2013 to 2016. In the same timeframe, electronic invoices have grown to comprise 58% of all invoices in Europe.

By deploying a single standardised solution, Mondelēz International has gained increased visibility into – and control over – its financial processes, enabling it to drive further process efficiencies. The company is also taking advantage of new business opportunities, including PO

converting and invoice status service (which provides suppliers with full visibility of the status of submitted invoices). Faster invoice approval times and invoice accuracy also contributed to a successful deployment of a Supply Chain Financing solution.



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