

CASE STUDY

INTRODUCTION

Mondelēz International is one of the largest snack companies in the world, “empowering people to snack right” across the world. Mondelēz operates in more than 80 countries, employs approximately 80,000 people in its factories, offices, research & development facilities, and distribution centers, and processes six million invoices per year. With a reported net revenue of \$25.9 billion in 2019, the company produces and sells cookies, crackers, chocolate, gum, candy, cheese, powdered beverage products and other snacks.



THE CHALLENGE

After first partnering with Tungsten Network in 2012, Mondelēz International took a targeted approach in 2016 by implementing a central, outsourced, and global straight-through processing function to streamline its accounts payable processing. The aim of this initiative was to consolidate its shared services to address the unnecessary complexities caused by having disparate supply chain functions and service centres, to deliver an end-to-end integration and bridge the gap between the company and its suppliers.

Mondelēz focused primarily on % STP and % total electronic as its key performance indicators, and by 2020, 92% of the company’s invoices were being paid on time.

This success can be attributed to the organization’s full commitment to partnering with Tungsten Network and using a KPI-driven approach to achieving 100% e-invoicing enrolment of its suppliers.

CUSTOMER SNAPSHOT

INDUSTRY Consumer Packaged

COUNTRY North America, Latin America, Europe, AMEA

KEY OBJECTIVES

- Full electronic invoicing adoption
- Straight-through processing
- On-time payments

RESULTS

- Electronic invoicing
- Invoice status service
- PO services

SOLUTION

To improve electronic invoicing adoption, straight-through processing, and on-time payments, Tungsten worked with Mondelēz in the United States, Canada, Europe, AMEA, and Latin America, implementing electronic invoicing, purchase order services, invoice status service for supplier visibility, and a report

service for insights into business practices impacting straight-through processing.

Tungsten also began providing ongoing white glove supplier onboarding to ensure a seamless and efficient transition to e-invoicing through the Tungsten Network.

THE IMPACT

Now at the end of its ninth year working with Tungsten Network, and its fifth year focused on automating its accounts payable processes, Mondelēz is experiencing consecutive years of increased e-invoicing penetration and greater efficiency. From 2016 through 2020, penetration increased by 25%, and in 2020, they reported 74% first-pass yield – with 92% of invoices paid on time. With a bright future on the horizon, the company is targeting goals of 75% e-invoicing, with 85% first-pass yield, and 100% of invoices paid on time.

92%
invoices paid on
time in 2020

74%
first-pass
yield

25%
increase in
penetration

RESULTS (EOY)

2016

35% e-invoicing

2017

45% e-invoicing

2018

53% e-invoicing

2019

58% e-invoicing
65% first-pass yield
15% auto posting
3.5% overdue
90% paid on time

2020

60% e-invoicing
74% first-pass yield
2% overdue
92% paid on time