



Autonomous Trade Deductions

Unlocking Revenue Excellence: Navigating Invoice Disputes, Trade Promotions, and Deductions with Automation and AI



Presented by: Shyarsh Desai, Carixa

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Session: #33054



End-to-End Context

Results that matter™

Solutions Dedicated to Credit-to-Cash Management



Deduction & Dispute Workflow



Trade Promotion Settlement



Automated Cash Application



Credit & Collection Workflow



Validation Engine



Robotic Process Automation (RPA)



Workflow Automation



Electronic Invoice Presentment & Payment



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Operational Challenges

- What are your biggest challenges when dealing with claims or deductions?
 - Manually extracting claims information from portals and EDI
 - Manually tracking disputes
 - Manually validating trade deductions
 - Delays in reviews and approvals
 - Inflexible reporting from the ERP
 - Preventable deductions not acted upon
 - Other?

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What are your biggest challenges when dealing with claims or deductions?

① Start presenting to display the poll results on this slide.

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Automation

- What steps in the claims or deductions process have you automated?
 - Gathering support documents
 - Data extraction, including Optical Character Recognition
 - Deduction validation
 - Prioritization of research or follow ups
 - Routing for approvals
 - Dispute resolution automation
 - BI tools for reporting and dashboards
 - Others?

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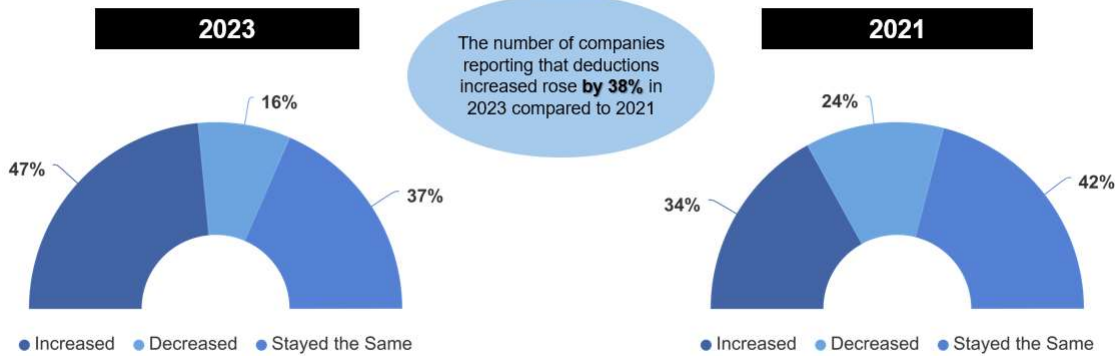
What steps in the claims or deductions process have you automated?

① Start presenting to display the poll results on this slide.

6

Deduction Trends

Trend in overall deductions dollars as % of sales in past 12 months



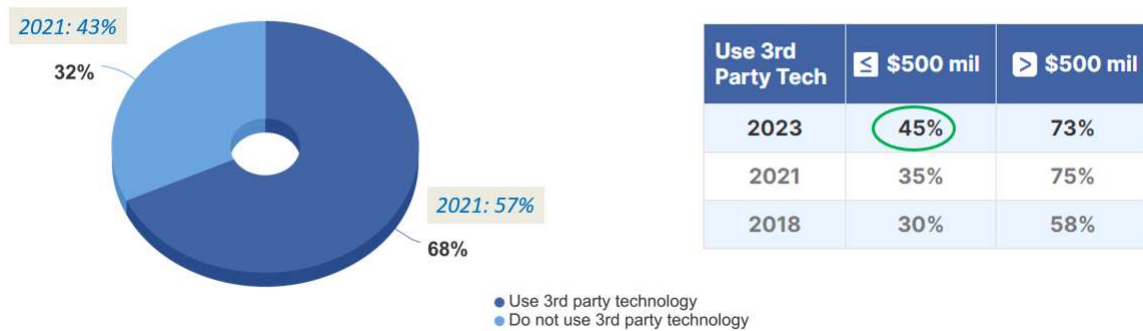
*2023 Deduction Metrics Survey



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Technology & Automation

Use of 3rd Party Technologies



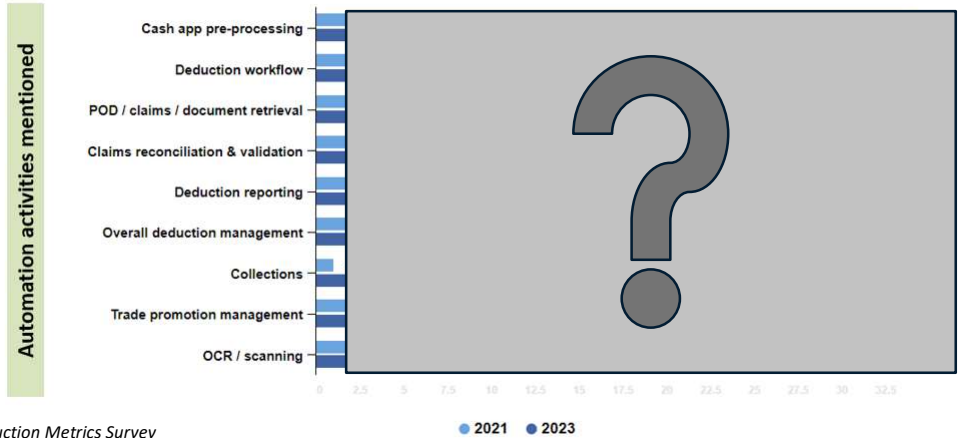
*2023 Deduction Metrics Survey



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Technology & Automation

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Technology & Automation

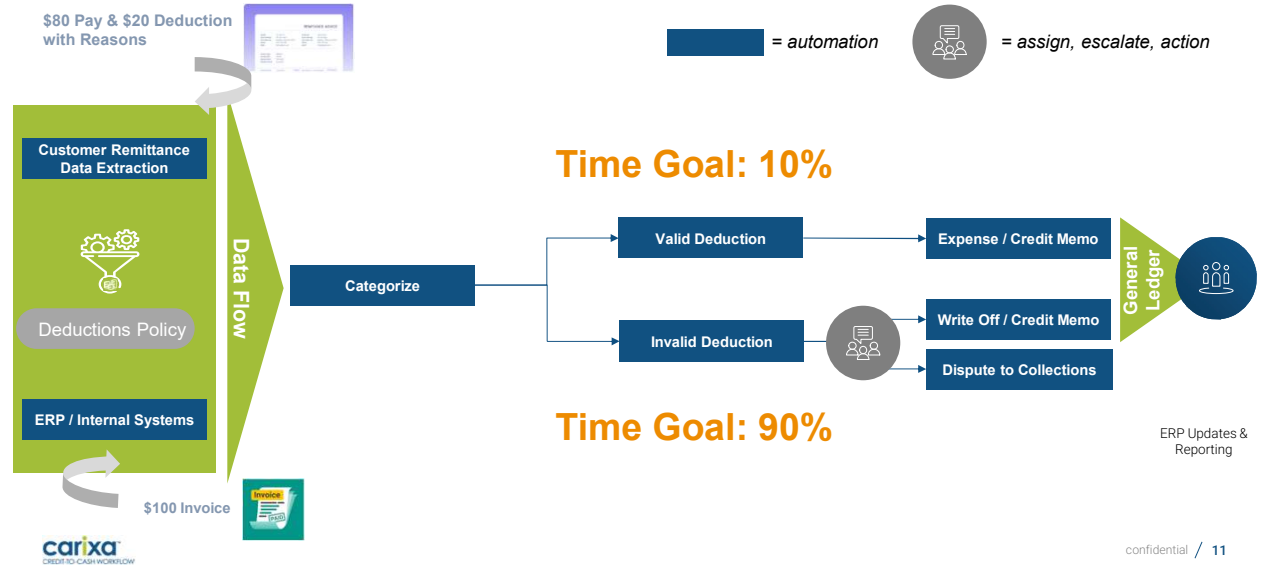
ROI for Automation....

How Do I Get Started?

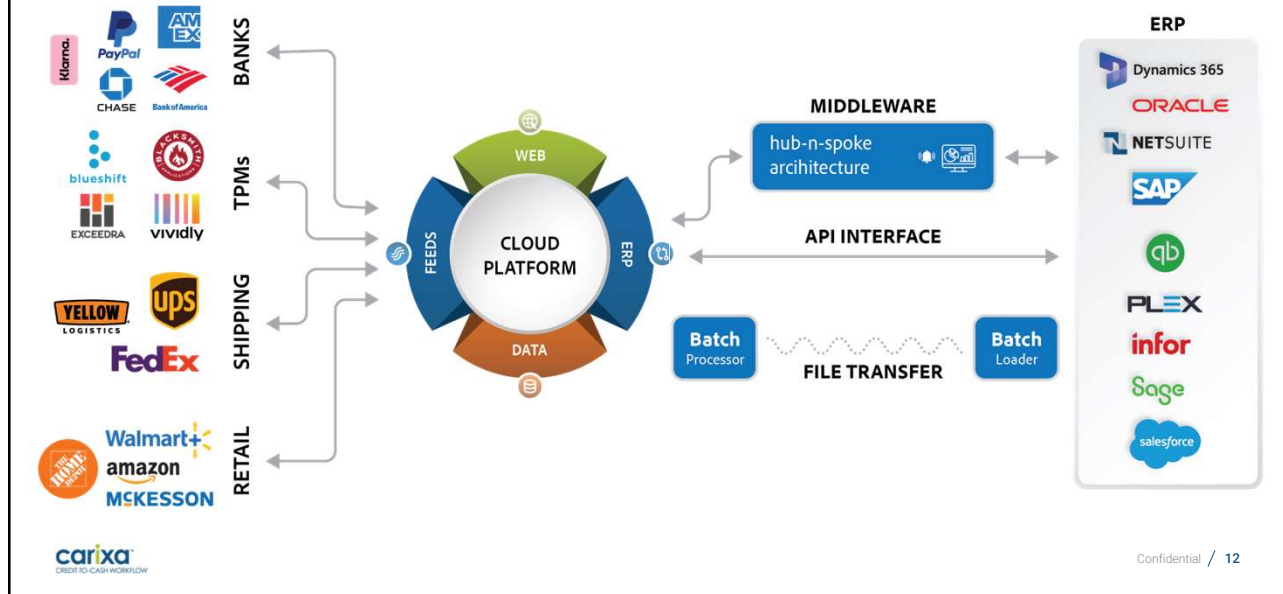
Capital	Collaboration	Leakage	Insights
<ul style="list-style-type: none"> Invalid Days Deductions Outstanding metrics (DDO) Speed up validation research (i.e., resolution times) 	<ul style="list-style-type: none"> Elimination of manual tasks with customers (e.g., Portals) Follow up prioritization framework: assignments to Sales, Pricing, Warehouse, Billing and Collections with all back ups 	<ul style="list-style-type: none"> Recovery rates (i.e., measured from invalids) Eliminate the problem through root cause 	<ul style="list-style-type: none"> Customer profitability to manage relationships Productivity gains for the team tracked



Automating Deductions



Decoupling Data



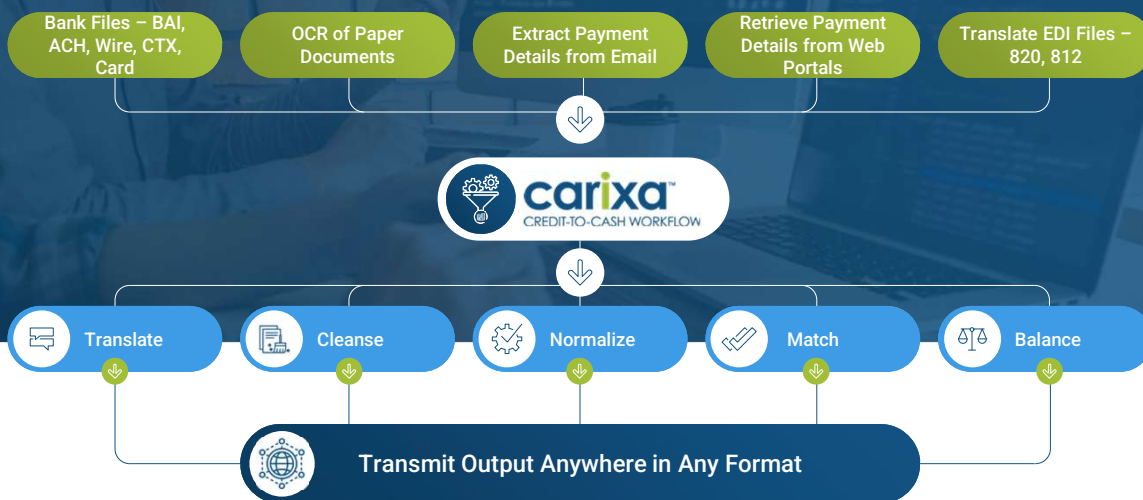
Part 1: Customer Data

- Customer master
- Credit line Items
- Debit line items
- Remittances

RPA

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Data Transformation



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CREDIT-TO-CASH WORKFLOW

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Robotic Process Automation



Retrieve

- Customer Portal Data
 - Debit Memo
- Shipping & Freight
 - BOL
 - POD
- Other



Reconstruct

- Structured and Loosely Structured Data
 - Email
 - PDF
 - Excel
- Image to Text OCR Conversion
- Data Extraction



Reconcile

- Adjust
- Cleanse
- Map to ERP Data
- Attach to Dispute Records
- Identify differences



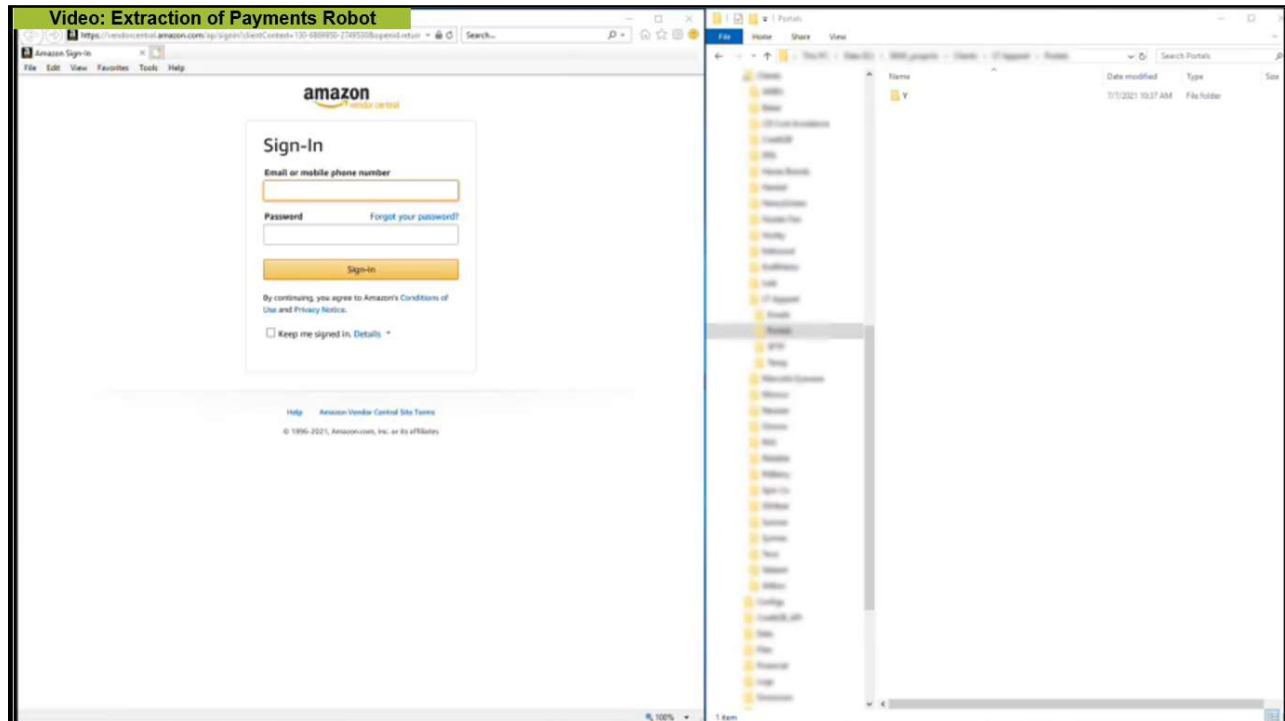
Report

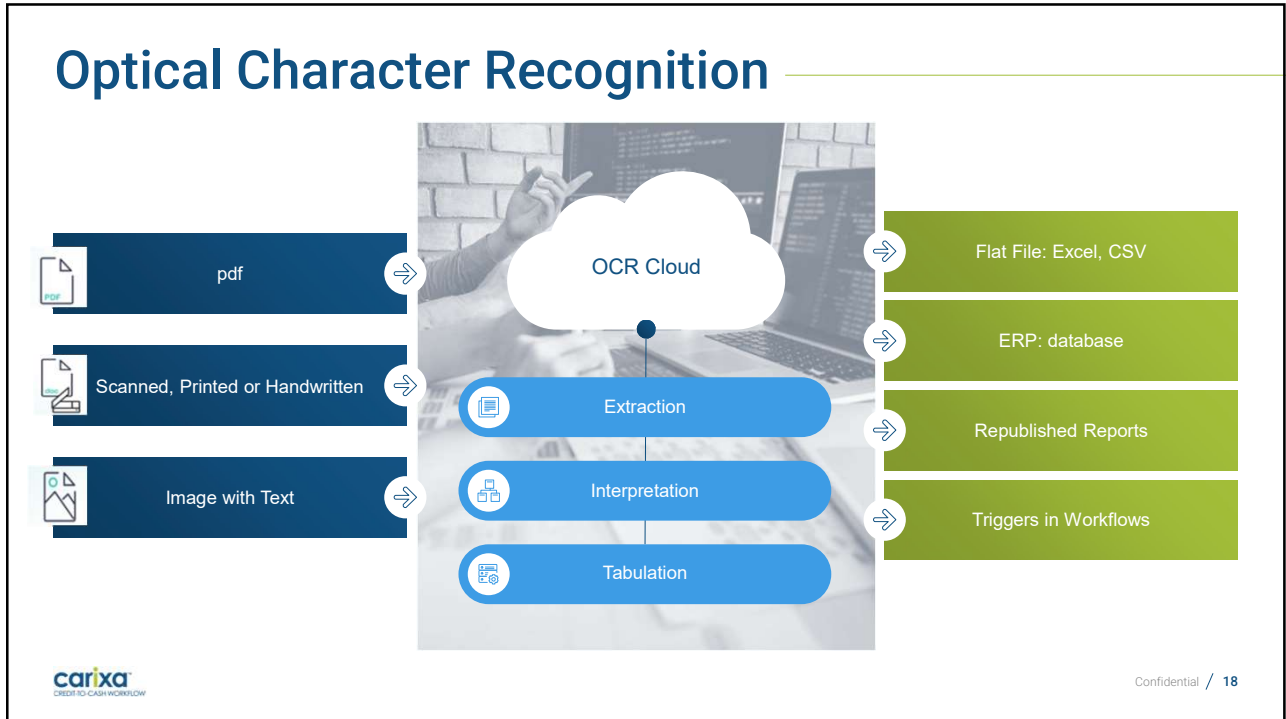
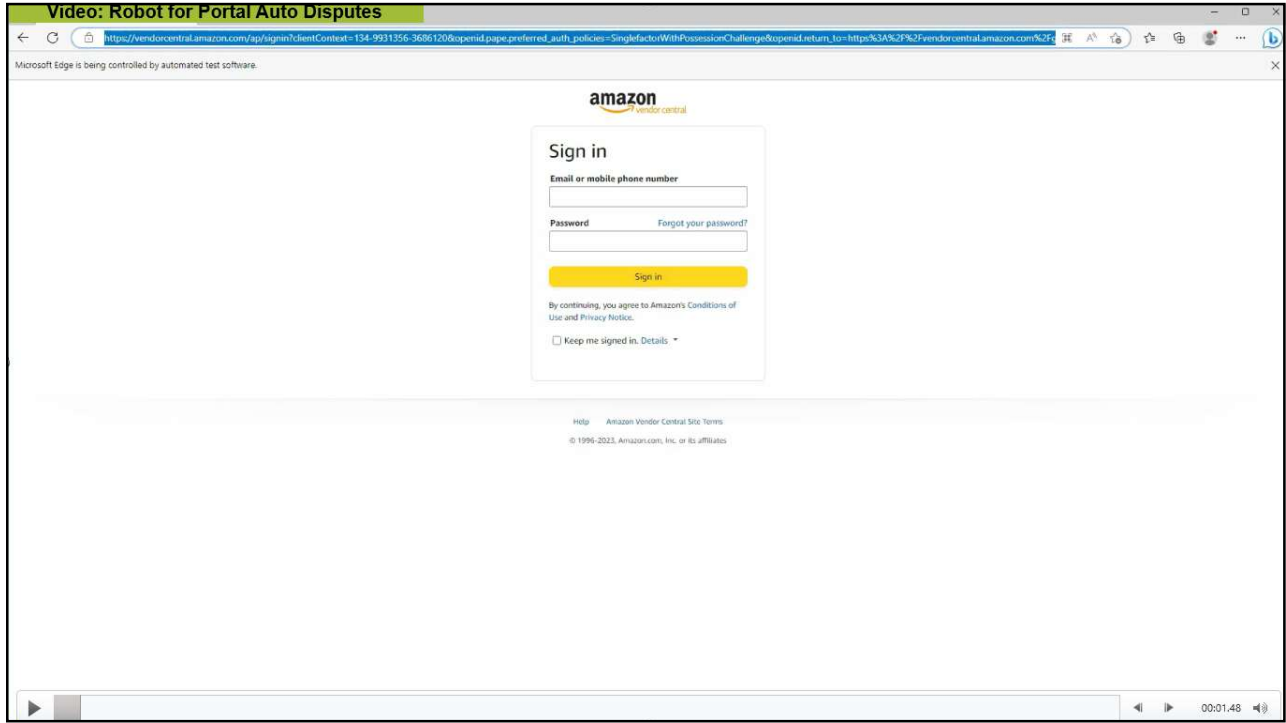
- Exception for follow ups
- Retrieval success rates
- Automated Delivery
- Update data in Customer Portal - Disputes
- Multiple Formats
 - Excel, CSV, TXT

RPA eliminates these steps when retrieving data



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Video: Building a Robot – 38 Page Remittance in 43 seconds

Choose an input or project file or drag it here.

Table

Table	Mandatory
Tabular Layout	Fixed
Field positions	Two or more to
Field delimiter	

Filters

- Vertical range
- Skip lines
- Include mask
- Exclude mask
- Starting position

Advanced

Input fields	Type	Connected to

Project Properties

Options

- Record delimiter: <End Of Line>
- First line: 1
- Lines for preview: 3000

Advanced

Filters

- Vertical range
- Skip lines
- Page break: none
- Suppress empty lines
- Case sensitive: off
- Upper case output
- Suppress duplicates
- Batch processing
- Cleanup input files: Leave

Output properties

- Append to existing table
- Add timestamps

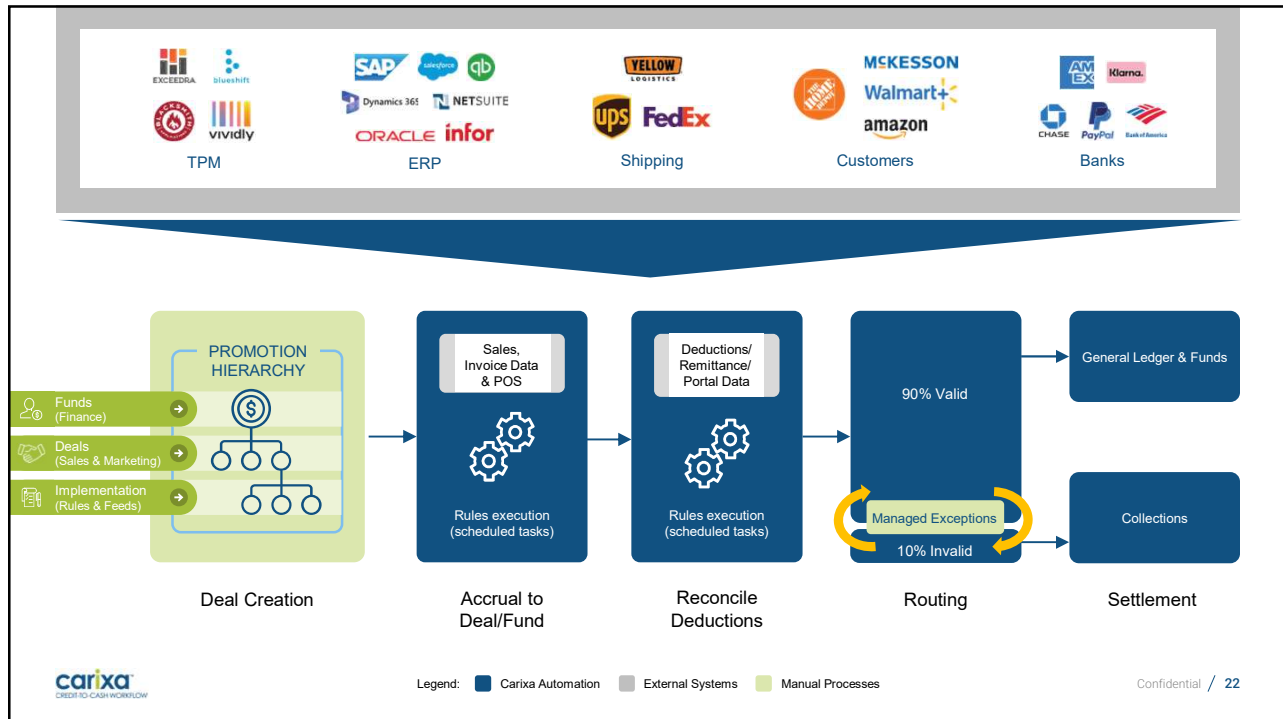
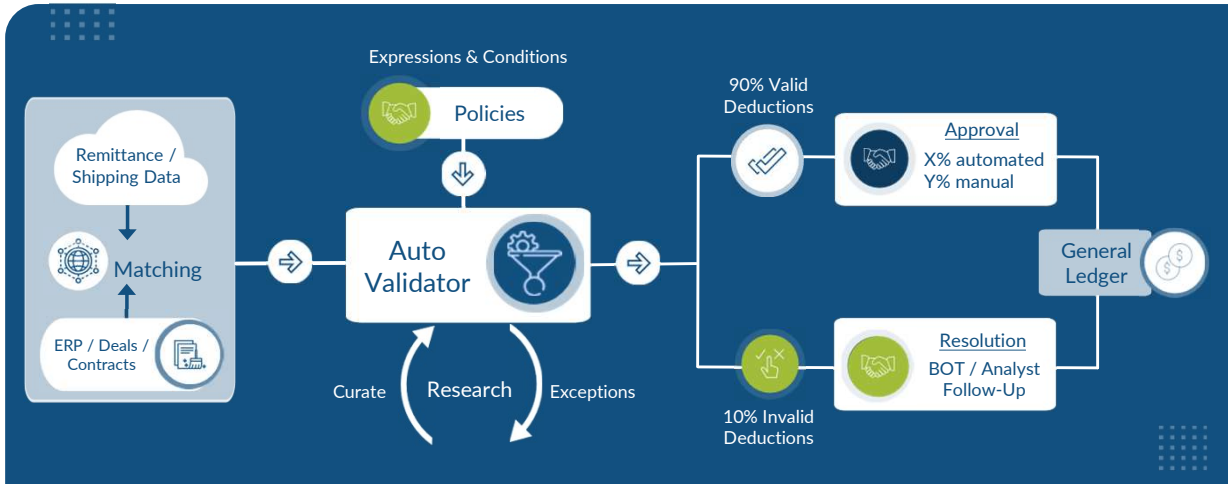
Input Lines: 1155, Output Records: 271

Page: 1 Line: 70

Part 2: Validation

- Deduction accrual from ERP/system data/external data
- Remittance item matching to deduction accruals
- Settlement of valid versus invalid
- Research and workflow

Auto Validate using AI



Live Video Recording



Live Video Recording



Live Video Recording

Part 3: Exceptions

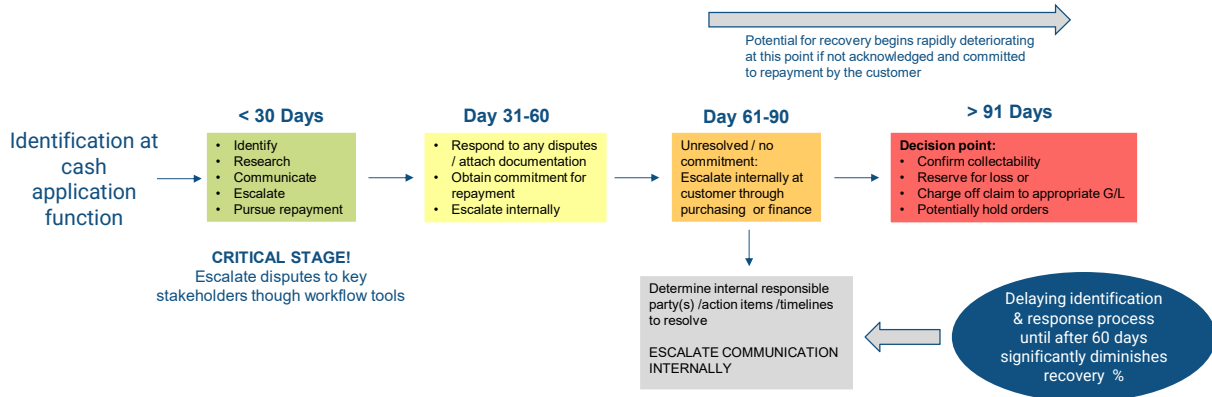
- Manual research
- Workflow approvals
- Customer collections
- Offsets
- Back to the ERP

A central diagram with "RPA" in a large white circle. It is surrounded by various icons connected by lines, including a person, a clock, a pie chart, and gears. The background is a blurred image of a hand holding a smartphone.

RPA

Workflow: Recovery of Invalid Deductions

- Speed of identification & escalation for resolution is key to success
- Integration of Cash App and Deduction Tracking Is Critical to Ongoing Success



Deploying workflow automation facilitates collaboration & speed

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Assisted Workflow

Item Level Workflows	Demo Client
Workflows 10	
Description	Type
5. Wal-Mart Returns	DR
1. Return - Distribution Center	DR
1. Full Dup Invoice - Courtesy Step 1	IN
4. Shortage Deduction	DR
8. Pin Deduction - Pinning	PO
3. Invoice Collection	IN
9. Unreconciled Cash Disc	DR
3. Freight Claim	DR
7. Promotional Allowance	IN, DR
On Account Cash	UC
Workflow Items 6	
Step No. A	Pr
1	Has credit memo been issued?
2	Was product received from Wal-Mart? Ask Returns Department
3	Ask customer to supply POR (proof of return)
4	Was POR received from customer?
5	POR received, does it match debit memo?
6	Issue credit memo (POR matches debit memo)

Automated Workflows

- Customer, category and reason code rules
- Compliance with vendor manual terms
- Autonomous rules for retrieval and upload
- Automatic validation and tolerance write offs
- Smart assignments & escalations
- Multiple stakeholders informed
- AI based prioritization tied to recoveries

Workflow definition	Has credit memo been issued?	New	Update	Delete
Category	Division	Risk Class	Company	
Active	Security	Customer No.		
Type	Reason Code	Uncheck all	Status	Uncheck all
Balance from	000 Documents Not Available	<input type="checkbox"/>	ACT Active	<input type="checkbox"/>
Balance to	010 Invoice	<input type="checkbox"/>	ADK Claim valid per supporting paperwork	<input type="checkbox"/>
Document Exp. Date	011 INV - Goods Returned	<input type="checkbox"/>	ASA Taiwan/Japan	<input type="checkbox"/>
	012 INV - Goods Returned	<input type="checkbox"/>	AUT Auto adjust per client	<input type="checkbox"/>
	013 INV - Goods Not Received	<input type="checkbox"/>	BAC Billing Address Error	<input type="checkbox"/>
	014 INV - Missing/Incorrect PO	<input type="checkbox"/>	BCB Branch CB	<input type="checkbox"/>
	015 INV - Shortage	<input type="checkbox"/>	BFE Bank Fees	<input type="checkbox"/>
	020 Shortage	<input type="checkbox"/>	BKA Broker authorized	<input type="checkbox"/>
	021 SHTG - Carton/Case	<input type="checkbox"/>	BKR Pending broker	<input type="checkbox"/>
	022 SHTG - Concealed	<input type="checkbox"/>		<input type="checkbox"/>
Item definition	Has credit memo been issued?	New	Update	Delete
Step No. 1	Trigger	days after the	Doc. Date	Due Date
Send to:	<input checked="" type="checkbox"/> Analyst	<input type="checkbox"/> Manager	<input type="checkbox"/> User	Priority: Normal
<input type="checkbox"/> Email to Contacts	Template			Edt
Type	Contact	Email	Fax	



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Part 4: Wrap Up

- Extract
- Validate
- Transact
- Track and Fix

RPA

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Thank You!

To follow-up with the Carixa Team about this session, please reach out to Monique Brown at mbrown@carixa.com or (908) 681-4508