

# CASH CULTURE PULSE #1 2022

What cash culture tells us about **finance teams' efficiency**

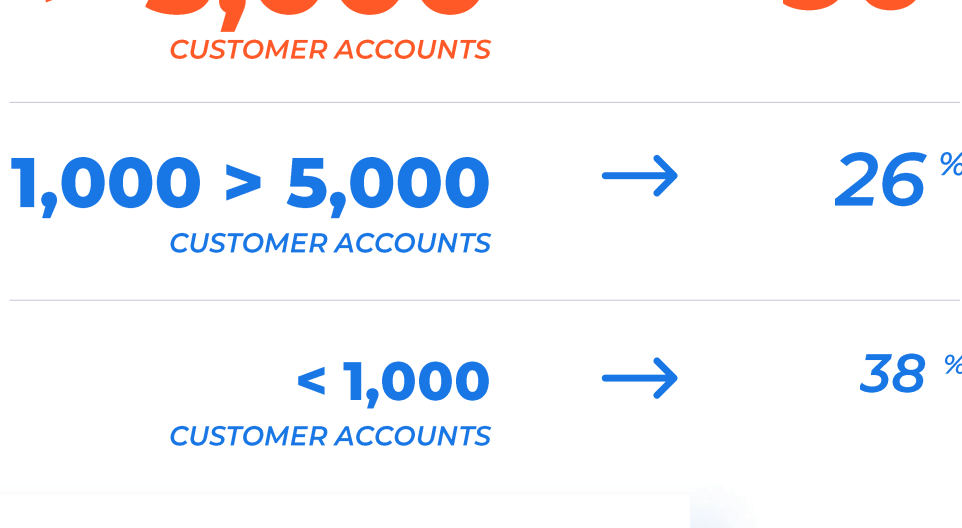
## REDUCING DSO: STATE OF THE ART

### Scope of respondents' responsibilities



The respondents represent a range of positions across the Order-to-Cash cycle, providing a broad vision of the business situation.

1/3 of the businesses manage over 5,000 customer accounts



When a company has a very high number of customers, they need process automation and dedicated software to be efficient at every stage of the customer journey.

### CASH & CREDIT to be centralized

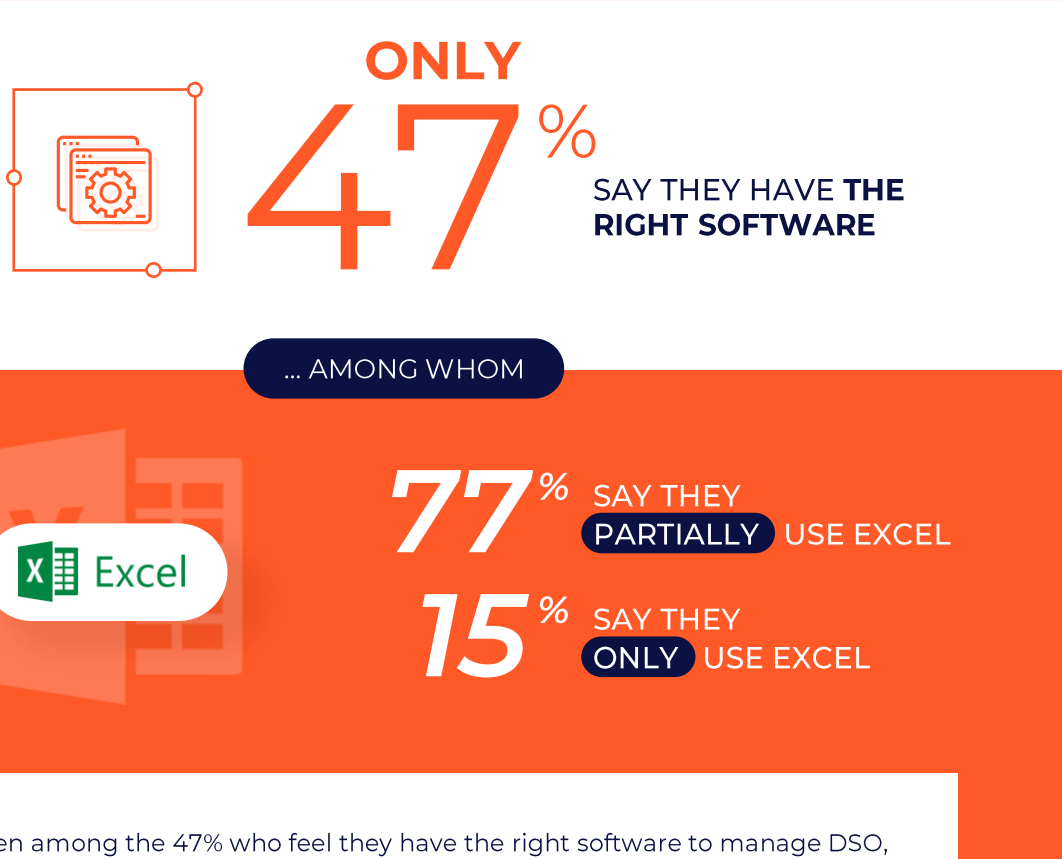


Beyond cutting costs or headcount, centralization boosts performance and helps deal with the difficulty of recruiting.

### Prevalence of customer credit policy



### Strong need for accounts receivable software



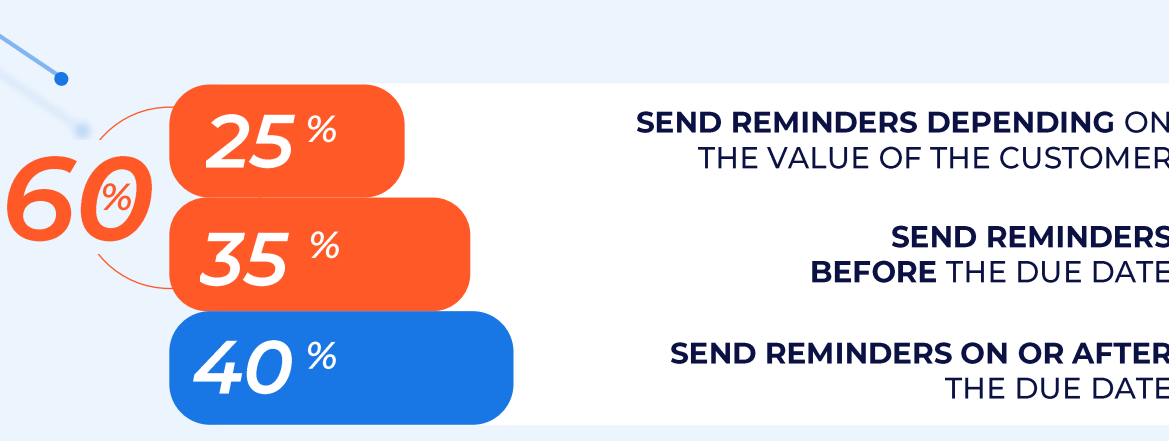
Even among the 47% who feel they have the right software to manage DSO, over-reliance on Excel most probably will not allow them to meet the challenges of rapid digital transformation and remote collaboration.

### Dedicated business software drastically reduces DSO



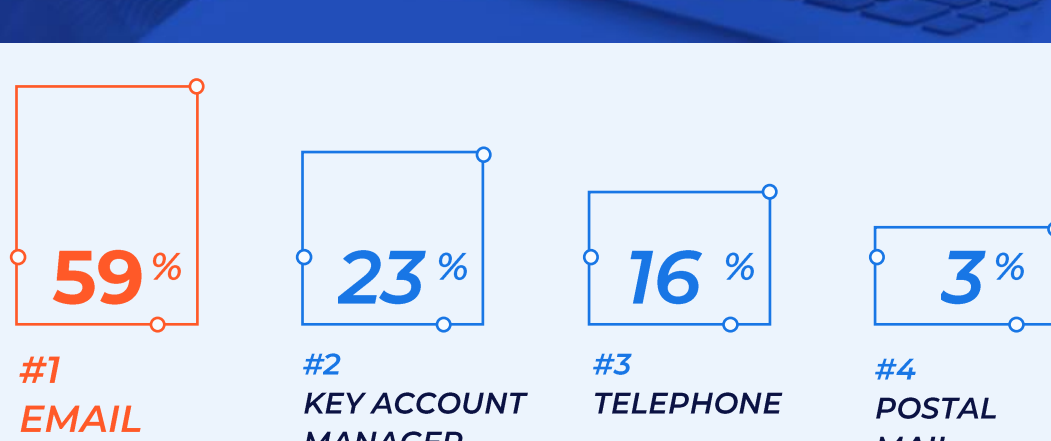
Businesses with dedicated Order-to-Cash software are half as likely to have a high ratio of overdue invoices.

60% of collection reminders are preventive or depend on customer value



The most efficient businesses anticipate overdues and adapt collection according to the value of the customer. By using dedicated business software, they eliminate 34% of reminders that would be sent on or after the due date.

### Email is the main channel for collection



The switch to paperless is everywhere you look in business. With the rise of email over snail mail, there is now an opportunity to take advantage of intelligent applications for reminder messages. These enable teams to generate timely custom messages that get results quickly and efficiently.

## BREAKDOWN OF THE RESPONDENTS

### Profile of the 149 businesses surveyed

DEPARTMENT	INDUSTRY	ROLE
Finance 87%	Utilities & Environment 4%	CxO 16%
IT 15%	Retail 8%	Director 34%
Sales & Marketing 4%	Financial Services 9%	Manager 50%
	Transport & Logistics 6%	
	Manufacturing 20%	
	ICT (Information, Communication & Technology) 14%	
	Life Sciences 2%	
	Services 24%	
	Construction & Mining 4%	
	CPG (Consumer Packaged Goods) 9%	

TERRITORY	REVENUE - M€
North America 10%	< 100 36%
Europe 45%	100 to 500 14%
UK & IE 40%	500 to 1000 10%
Middle East 2%	> 1000 40%
Asia 3%	

Cash Culture Pulse 2022 is a three-part study ( #1 #2 #3 ), conducted by Sidetrade in the last quarter of 2021. It gives a realistic and uncompromising view of the characteristics and trends of cash culture. The quantitative data provided, along with information from businesses, offer invaluable insights for finance departments seeking to secure and accelerate cash flow.