

The logo for AiteNovarica, featuring the word "Aite" in white with three small orange dots above the "i", followed by "Novarica" in white. The background is a blue gradient with a faint grid pattern.

AiteNovarica

JANUARY 2023

AITE MATRIX: ACCOUNTS PAYABLE AUTOMATION SOLUTIONS

PAUL KIZIRIAN

IMPACT REPORT

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SUMMARY AND KEY FINDINGS

Leveraging the Aite Matrix, a proprietary Aite-Novarica Group vendor assessment framework, this Impact Report evaluates the overall competitive position of each vendor, focusing on vendor stability, client strength, product features, and client services.

- **Criteria:** The criteria used to develop a list of eligible vendor participants include providing invoice and payment automation, accounting reconciliation, purchasing system or purchase order (PO) integration, onboarding support, invoice archival and approval status updates, and tracking.
- **Evaluated vendors:** A total of 19 vendors were invited to participate. Five vendors agreed to be evaluated under the Aite Matrix framework. The following vendors participated in this report's Aite Matrix framework: Basware, Paymode-X (Bottomline), FIS Global, Tipalti, and Yooz.
- **High growth:** Even as fierce competition continues among payments providers, many will expand offerings into accounts payable (AP) automation since solving invoice flows will secure resultant payments business too. AP automation will drive future business-to-business (B2B) payments.
- **Continual customer demand:** Businesses want to streamline AP, of which invoice management is the most troublesome and time-consuming element. Invoices show up daily and never stop; the scale and organization a solution offers promises to bring with it a meaningful return on investment (ROI).
- **Sticky business:** All participating vendors reported greater than 90% customer renewals, in that the solutions are valuable to operations and the ROI is sufficient that customers don't abandon their provider.
- **Pricing models will influence adoption:** First-year expenses range from US\$9,000 to US\$90,000. Aite-Novarica Group projects that businesses globally will spend between US\$22.5 million on the low end to US\$60 million on the highest end in new services within the next 12 months. Pricing models that encourage internal adoption will yield the greatest customer satisfaction. Per-item billing will experience significantly broader adoption than a per-seat model.

- **Best-in-class vendors:** Achieving best-in-class status in the Aite Matrix, a highly governed and quantitative vendor evaluation methodology introduced via this report, is Tipalti.

ABOUT AITE-NOVARICA GROUP

Aite-Novarica Group is an advisory firm providing mission-critical insights on technology, regulations, strategy, and operations to hundreds of banks, insurers, payments providers, and investment firms—as well as the technology and service providers that support them. Comprising former senior technology, strategy, and operations executives as well as experienced researchers and consultants, our experts provide actionable advice to our client base, leveraging deep insights developed via our extensive network of clients and other industry contacts.

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