



The Global e-Invoicing Network

DSGi extends its e-Invoicing strategy to include all of its UK suppliers

Introduction

DSG International plc (DSGi), formerly Dixons Group Plc, is Europe's leading specialist electrical retailing group. The company currently trades through 1,450 traditional and online stores, spanning 27 countries and employing 40,000 people. More than 100 million customers shop in-store and online with DSGi every year.

The Challenge

DSGi is operating in a highly competitive market. As one of the first key players in a multi-channel sales environment, the company is well aware that consistency can be a challenge when dealing with customers who expect the same service and buying experience whether they are shopping online or in a store. The task of running traditional retail outlets alongside online stores brings additional challenges, which means that efficient systems and procedures are business-critical if DSGi is to maintain its place as a market leader.

With this focus on efficiency, DSGi is no stranger to electronic invoicing. In fact, by the time the company contacted OB10, it was already processing 90 percent of its invoices through a mix of high-end Electronic Data Interchange (EDI) software and Contempus.Invoice, a customised invoice processing application that allows DSGi to match its merchandise with purchase orders, and to cross-reference highly detailed product information with price and other relevant internal data.

“The argument for making the transition to OB10, the global e-Invoicing network, is very clear cut. Paper-based processes are inherently inefficient and expensive for us and our suppliers.”

Antony Welfare
DSG International plc



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This solution worked well for DSGi, but unfortunately not for all of its channel partners. Although most of the company's large suppliers were using an EDI solution that integrated well with DSGi's invoicing system, there were literally thousands of companies who did not have an EDI solution in place, and that meant that these companies were continuing to supply DSGi with paper invoices. Of course, problems were inevitable – and commonplace.

"Invoices were being lost in the post, or sent to the wrong department, or else they were submitted with incorrect information and had to be returned, which led to additional delays," says Antony Welfare, Head of DSGi's UK Finance Transaction Centre. "Our Internal solutions were 'work-around' at best, which meant that invoices were first counted manually, then batched and scanned before they could be sent to our Contempus. Invoice software for processing via Optical Character Recognition (OCR). And even after all that, around 35 percent of the data still needed to be keyed in manually before the invoice could be processed. It was simply not an efficient system at all."

Although 2000 of DSGi's largest suppliers were using EDI, another 6000 suppliers were not, leaving a large gap in DSGi's e-Invoicing strategy and its focus on efficiency. To address this problem, DSGi was referred to OB10 by Hewlett Packard, another OB10 customer, as a way to simplify and streamline the invoice-to-pay process for companies who were not using EDI.

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The Solution

OB10 was seen as an easy, future-proof way to consolidate DSGi's e-Invoicing initiatives across a wide array of companies, initially in the UK, but eventually across Europe as well.

"We already understood the benefits of e-Invoicing, so for us OB10 was simply the icing on the cake," Welfare says. "We already had sophisticated e-Invoicing solutions in place, but during our expansion over the past four or five years, we have brought a number of new companies into the Group that already had many suppliers of their own. OB10 provided us with a solution that could be easily standardised across companies of many different sizes, and based in many different regions." In addition to its sophisticated software, OB10 offered DSGi another very large benefit: its ability to speak directly with suppliers.

Importantly, OB10 works with any billing or accounting system, which means that DSGi did not have to make changes to its suppliers is low. Better still, neither buying organisations nor their suppliers are required to implement hardware or software. OB10 is also compliant with the requirements of VAT and e-Invoicing legislation and currently operates in 100 countries.

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The Benefits

By providing a way to reach out to a greater number of its suppliers, OB10 has enabled DSGi to take the extra step required to truly reap the full benefits of electronic invoicing. In fact, by bringing thousands of additional suppliers into DSGi's e-Invoicing scheme, OB10 has already replaced more than 100,000 paper documents. At the same time, suppliers can be sure that their invoices are delivered accurately and are more likely to be paid on time, which means that DSGi's purchasing team can negotiate very strong deals that benefit both sides.

"With OB10, our entire invoicing process has certainly become much more efficient," Welfare says. "We are now able to offer some suppliers seven day terms, and that would have been impossible before."

Plus, OB10 has drastically reduced the number of queries that come into the department, which will have a large impact on our productivity and ultimately our bottom line."

The Future

Whilst working with OB10 to include more and more of its suppliers on the OB10 network, DSGi is planning to consolidate its systems even further by bringing the rest of its European Operations in line with the UK.

"Within five years I expect that more of our European operations will use electronic invoicing. This knowledge made OB10 even more attractive to us, since we are confident that OB10 will make that transition very easy for us," concludes Welfare. "We were already big proponents of electronic invoicing before working with OB10, but we needed an easy way of bringing e-Invoicing to our suppliers who had not yet made the leap. With its expertise in supplier recruitment and a global e-Invoicing network that is easy to use, OB10 helped us achieve that goal."

About OB10

OB10, the leading global e-Invoicing network simplifies and streamlines the complex invoice process. Neither client organisations nor their suppliers are required to implement any hardware or software, and OB10 is independent of data file formats. OB10 can reduce the cost of paper invoice processing by typically 60 percent and can deliver an ROI in less than a year. Operational across Europe, North America and Asia, OB10 is compliant with the requirements of VAT, tax and e-Invoicing legislation and receives invoices from suppliers in over 100 countries.

Customers include:

Agilent Technologies, Barclays, Cargill, DHL, DSG International, Eli Lilly & Company, Fisher Scientific, General Motors, GlaxoSmithKline, Hewlett Packard, IBM, Imperial College, Kellogg's, Logica, Norwich Union, SaraLee, and Steria.