CASE STUDY
WATERMARK

CHALLENGE

Watermark Insights was concerned about their ability to manage cash flow for liquidity while still being able to invest in growing the business. With outdated manual processes and limited visibility, they were struggling to build an accurate picture of their business health.

SOLUTION

Quadient's AR cloud-based, smart AR solution not only improved cash forecasting and gave Watermark Insights the visibility and accuracy they needed. When Covid-19 hit, it was critical in improving customer retention, through automation of inefficient AR processes.

RESULT

Watermark Insights has been able to reduce their aging invoices bucket, mitigate risk, and still hit their business KPIs.

INDUSTRY

SaaS

QUADIENT AR CUSTOMER SINCE

2020

Harris Hwang
Chief Financial Officer

Watermark Insights empowers institutions with technology to engage administrators, faculty, and students with better data for learning. Our educational intelligence systems support a holistic approach to learning and development that enables colleges and universities to generate key insights and make strategic improvements at every level.

> "
> *OUR BUSINESS IS CYCLICAL. THIS MEANS FORECASTING OUR PEAKS AND TROUGHS IS CRITICAL TO MANAGING CONSISTENT BUSINESS HEALTH. HOWEVER WHEN COVID-19 HIT AND SOME OF OUR CLIENTS WERE UNABLE TO PROJECT THEIR TUITION CASH FLOW, IT IMPACTED OUR ABILITY TO COLLECT PAYMENTS. SINCE OUR FOCUS WAS ON CLIENT RETENTION, WE NEEDED A WAY TO GAUGE THEIR HEALTH - AS WELL AS OUR OWN."*

CHALLENGE

Watermark Insights initially turned to Quadient AR for assistance with understanding their cash flow and gaining better predictability and accuracy in their forecasting. Their business goals are based on managing cash flow for liquidity while still being able to invest in growing the business. To achieve these goals, they needed greater transparency across their order to cash process, and they needed to ensure their data was accurate. Since many of their AR processes were still manual, and their ERP, CRM and accounting software wasn't linked, this became a significant struggle.

A secondary challenge arose when Covid-19 started impacting their client base. Payments were deferred, but clients did not always communicate this. As a result, the AR team spent time manually chasing each invoice, as every step in the collections process (15 days late, 30 days late, 60 days, etc.) was a manual one. This was inefficient and due to the siloed data sources, invoices would occasionally be issued late or were inaccurate, which negatively impacted the customer experience.

SOLUTION

Quadient's AR cloud-based, smart AR solution not only improved cash forecasting and gave Watermark Insights the visibility and accuracy they needed. When Covid-19 hit, it was critical in improving customer retention, through automation of inefficient AR processes.

Implementing Quadient AR provided Hwang with the data analysis he needed to run the business efficiently, and even grow it, during difficult times.

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> **QUADIENT AR GAVE US MORE PREDICTABLE FORECASTING, ALLOWING US TO UNDERSTAND CASH FLOW FROM A BOTTOM-UP PERSPECTIVE. NOW WE COULD SEE WHAT THE PAYMENT TRENDS WERE AND MANAGE OUR BUSINESS ACCORDINGLY."**

A recent poll by Quadient AR indicated that 88% of businesses said minimizing customer churn was their highest priority since Covid-19 struck.

However, Watermark Insights' disconnected systems and manual processes were not geared to achieve this and managing customers was labor intensive and time consuming.

Amanda Gray, Director of Revenue Operations for Watermark Insights, said, "Before Quadient AR, our data sources weren't connected and we managed our AR processes through manual tools. When we implemented Quadient AR, our customer satisfaction scores shot up - all billing contact information is updated and shared across our systems, which minimizes late invoices and brings payments back into our business more quickly."

Automating order to cash also brought significant benefits. "About 30% of our collections was still based on paper checks when Covid-19 hit," Hwang said. "The automated communications that Quadient's AR platform provides allowed us to quickly transition our clients to electronic invoicing."

The automation and optimization of the collections process also meant:

- Customized workflows for different client cohorts.
- Workflows were customized by the type of language, the cadence, and tailored to team members in different departments.
- Team members now spend more time working on the highest priority, escalated accounts.

RESULTS

Watermark Insights has been able to:

- Improve ageing profile of A/R by decreasing invoices that were 90+ days old, using accurate and efficient payment reminders.
- Reduce the number of customers seeking delayed payment terms to a negligible amount.
- Increase collections, hitting their highest number to date at October end, through improved customer communications and coordinated efforts.

Watermark Insights plans to expand their use of Quadient AR. They currently use Quadient's AR online customer portal for communications and to deliver invoices to customers. In phase two, they plan to leverage the payments functionality to accept ACH and credit card payments. Once that is implemented, the payments process will also be automated, with all required data being delivered directly to the ERP.

quadient
accounts receivable
by YayPay