

Mondelēz International achieves 92% on time payment

Mondelēz International (MDLZ) is one of the largest snack companies in the world, “empowering people to snack right” in more than 150 countries across the world. Formerly part of Kraft Foods Group, Inc., MDLZ operates in more than 80 countries, employs approximately 80,000 people in its factories, offices, research & development facilities, and distribution centers, and processes 6 million invoices per year. The company produces and sells cookies, crackers, chocolate, gum, candy, cheese and grocery products, powdered beverage products and other snacks, and reported net revenue of \$25.9 billion in 2019.

After first partnering with Tungsten Network in 2012, MDLZ took a targeted approach in 2016 by implementing a central, outsourced global straight-through processing function to streamline its accounts payable processing.

MDLZ focused primarily on % STP and % total electronic as its key performance indicators, and by 2020, 92% of the company’s invoices were being paid on time.

This success can be attributed to the organisation’s full commitment to partnering with Tungsten Network and using a KPI-driven approach to achieving 100% e-invoicing enrolment of its suppliers.





OPPORTUNITY

Mondelēz International began its partnership with Tungsten Network in 2012, and in 2016 shifted its focus to consolidating its shared services to address the unnecessary complexities caused by having disparate supply chain functions and service centres.

MDLZ approached Tungsten to **create a central, outsourced global straight-through processing function to deliver end-to-end integration and bridge the gap between the company and its suppliers.**

SOLUTION

To improve electronic invoicing adoption, straight-through processing, and on-time payments, Tungsten worked with MDLZ in the United States, Canada, Europe, AMEA, and Latin America, **implementing electronic invoicing, purchase order services, invoice status service for supplier visibility, and a report service for insights into business practices impacting straight-through processing.**

Tungsten also began **providing ongoing white glove supplier onboarding to ensure a seamless and efficient transition to e-invoicing through the Tungsten Network.**

IMPACT

Now at the end of its ninth year working with Tungsten Network, and its fifth year focused on automating its accounts payable processes, MDLZ is experiencing consecutive years of increased e-invoicing penetration and greater efficiency.

From 2016 through 2020, penetration increased by 25%, and in 2020, MDLZ reported 74% first-pass yield – with 92% of invoices paid on time.

For 2021 and beyond, MDLZ is targeting goals of 75% e-invoicing, with 85% first-pass yield, and 100% of invoices paid on time.

CUSTOMER SNAPSHOT

CUSTOMER

Mondelēz International

INDUSTRY

Consumer Packaged Goods

GEOGRAPHIES

North America, Latin America

Europe, AMEA

KEY OBJECTIVES

- Full electronic invoicing adoption
- Straight-through processing
- On-time payments

SOLUTIONS

- Electronic invoicing
- Invoice status service
- PO services

RESULTS (EOY):

2016 • 35% e-invoicing

2017 • 45% e-invoicing

2018 • 53% e-invoicing

2019 • 58% e-invoicing

• 65% first-pass yield

• 15% auto posting

• 3.5% overdue

• 90% paid on time

2020 • 60% e-invoicing

• 74% first-pass yield

• 2% overdue

• 92% paid on time

Interested in learning more?

Explore our suite of AP & AR solutions, and continue your journey towards achieving world-class performance.

Get in touch

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