

CASE STUDY MAMMOTH CARBON

CHALLENGE

Business growth challenged Mammoth Carbon's AR team. Despite adding headcount to manage increases in invoicing and collections, this threatened to become unmanageable. They needed a solution that would integrate with NetSuite, strengthen reporting, and improve customer communications and payment speed.

ERP

NetSuite

SOLUTION

Up and running in 24 hours and quickly adopted by the AR team, YayPay by Quadient provided actionable insights and automated collections capabilities, while integrating seamlessly with NetSuite.

RESULT

Invoices increased a significant 20% during the onset of the global pandemic and Mammoth Carbon managed this unexpected spike with no added headcount. Even more impressive is the fact that DSO reduced by 10 days. This has reduced working capital needs by at least \$1 million.

INDUSTRY

Pipe supplier for energy, petrochemical, snowmaking, utility, and construction markets

YAYPAY CUSTOMER SINCE

2019



Eben Paul
Chief Financial Officer
(CFO)

Mammoth Carbon is a leading North American supplier of Standard Pipe and Line Pipe for the energy, petrochemical, snowmaking, utility, and construction markets. The company, serving customers from Canada all the way to Mexico, was created with the goal of streamlining business within the industrial goods industry. This goal is achieved through keeping their product lead times to a minimum, ensuring customers get what they need as quickly as possible.



"YAYPAY'S REPORTING AND CUSTOMER COMMUNICATION CAPABILITIES HAVE MADE A BIG DIFFERENCE. OUR AR HAS BECOME MORE TRANSPARENT, MAKING IT EASIER FOR ME AND MY TEAM TO UNDERSTAND THE EXACT STATE OF OUR ACCOUNTS. AUTOMATED COMMUNICATION WORKFLOWS HAVE MADE OUR COLLECTIONS PROCESS SIMPLER AND MORE EFFECTIVE, IMPROVING OUR CUSTOMER RESPONSE RATE AND ULTIMATELY REDUCING OUR DSO."

CHALLENGE

At Mammoth Carbon, projects are defined by purchase orders and within a project, there can be 1-10 invoices depending on the size. Initially, their collections team handled an increase in projects by adding headcount, with the team growing from 2 to 6 people over 5 years. However, they eventually reached a tipping point. Their expanding customer base meant an exponential increase in invoices, and it became clear that managing this was set to become infeasible.

This was made more difficult by a manual collections process. Sending invoices to customers and chasing for payments without automated capabilities was time-consuming and hard to track, and this resulted in a lack of visibility into customer accounts and an increased likelihood that invoices would become delinquent. Adding to headcount was no longer a sufficient solution. The organization needed a smart, automated tool that would help scale their operations. It needed to have a tight integration with NetSuite and be user-friendly to ensure their team adopted the technology.

The decision to invest in such a solution proved particularly pivotal when COVID-19 struck and the company saw their invoice volume grow by 20%, due to increased complexity of sales orders and a general uptick in demand.



“YAYPAY STOOD OUT TO ME WHEN I WAS EXPLORING SMART AR SOLUTIONS. THE PLATFORM’S INTUITIVE USER INTERFACE AND AESTHETIC DESIGN MADE IT A SOLUTION THAT I KNEW MY TEAM WOULD ENJOY USING AND GET VALUE FROM.”

SOLUTION

YayPay by Quadient seamlessly integrated with NetSuite, enabling the team to automate customer communications and take advantage of improved reporting. Automated workflows have made collections consistent, ensuring customers are followed up with regularly and are less likely to miss payment deadlines.

All data is tracked in an intuitive reporting dashboard, which includes a comprehensive AR aging report. This has been fundamental in helping the team understand the status of customer accounts, without needing to review notes or meet to discuss them. This is important in the time of COVID-19, as the entire team is operating as a distributed workforce.

This data can be exported from YayPay, allowing the team to discuss it in-depth and make strategic decisions that improve AR management.

A specific functionality which has proved invaluable is the actual days payable metric, which YayPay instantly highlights for all customers. This metric shows the average number of days it takes for a customer to pay for services.



“YAYPAY INSTANTLY ENABLES MY TEAM TO SEE OUR CUSTOMERS’ DAYS PAYABLE METRICS. THIS HAS BEEN INVALUABLE IN PROVIDING INSIGHT INTO OUR CASH FLOW, HELPING US ANTICIPATE CHALLENGES AND MAKE INFORMED DECISIONS WHEN INCREASING CREDIT LIMITS. HAVING THIS CAPABILITY THROUGHOUT THE COVID-19 PANDEMIC HAS BEEN A GAME CHANGER.”

Customers also benefit from the improved process. In 2020, customers had to transition to remote working and YayPay simplified this. By providing Mammoth Carbon with the ability to attach invoices to their automated customer emails, the AR process has become less disjointed and customers always have the latest billing details. In addition, regular touchpoints have improved customer relationships, ensuring they feel more looked after.

RESULTS

Put simply, Mammoth Carbon achieved AR results that they never would have expected at such a challenging time for businesses.

In a year where invoices increased a record 20%, the organization was able to reduce DSO days by 10. This means that on average, customers are paying 10 days faster, even though invoices are at a record high. This has reduced working capital needs by at least \$1 million, which has improved the company’s operating efficiency and increased the availability of funds for long-term undertakings.

Customer relationships have also improved. Customers feel better looked after due to more regular touchpoints and a user-friendly AR experience. This user-friendly experience is mirrored internally, with the enhanced collections process enabling the business to move their focus from problem resolution to strategy, identifying opportunities that further improve performance.