The age of
Order-to-Cash &
Artificial
Intelligence

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Today, we embark on a journey to understand what AI is, the various AI eras and how they transform and keep transforming the Order-to-Cash process. Think about how we, as humans, make decisions every day. We rely on our knowledge, our past experiences, and our brain's ability to 'memorize and compute' this data. This cognitive process, is like a sophisticated computer system, guides how we navigate through life.

Just as our brain processes information, Machine Learning (ML) and Deep Learning (DL) in AI copy these aspects of human cognition. ML, like our short-term memory, is adept at handling and processing immediate, specific information. It's the rehearsal stage, where AI learns from data to perform tasks more efficiently. On the other hand, Deep Learning reflects the complexity of our long-term memory, capable of storing vast amounts of information and identifying complex patterns, much like how we store and recall our life experiences.

As we dive into AI's evolution, think of it as a journey through the mind's capabilities - from simple memory and pattern recognition (ML) to complex, multifaceted understanding and decision-making (DL). This exploration will not only reveal the technical insights of AI but also its potential to revolutionize finance processes like Order-to-Cash, mirroring the evolution of human thought and intelligence.

Understanding AI era's and how they changed Order-to-Cash

AI isn't new, factually it goes back to just after WWII. There was a vision by Alan Turner and John McCarthy to automate tasks and predict a certain outcome based on other data.

The rise of AI can be divided in different eras, representing the evolution in how machines 'learn, remember, and compute' data to make decisions. Just like humans, we learn as we grow and our decision-making evolves with experience, AI has advanced through different stages, each transforming how businesses, for example in O2C cycles, make decisions, predict outcomes, and interact with customers. Let's explore these eras by example of how route maps have evolved and how that circles back to O2C. To do this we take the example of a map and the evolution during the last centuries.

Pre-AI Era
Analogue map

Detailed but static
Scattered updates
No interaction
Manual record keeping
Decision only on historical data

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Let's start our journey in the time before AI, navigating with a traditional paper map. This map is static and detailed, but it doesn't tell you about road closures or traffic jams, much like the O2C processes of this era.

In the business world, specifically in O2C, this was the time of (poor) manual invoice processing, manual and paper driven ledger entries, and traditional credit risk assessments – all thorough but rigid. Companies made decisions based on historical data and manual record-keeping, like planning a trip with a map that couldn't warn you about real-time road conditions.

Customer interactions, payment tracking, and financial forecasting were often non-existing or very time-consuming. This era could be seen as the first steps towards something like a O2C (or credit management) process, but it lacked technology, automation, data, flexibility, efficiency, and foresight. It was truly analogue, like indeed old paper maps.

First AI Era

A vision of a digital map

Shift from paper to digital
Regular updates
First one-way interaction
Digital Financial records
First automated processes

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As we move into the first era of AI, there was a vision of transitioning from a paper map to a basic digital map. This shift was nothing short of revolutionary. A digital map could store and display more information than its physical counterpart and could be updated on a regular base, rather than being reprinted every now and then.

In O2C terms, we witnessed the initial steps towards digitalizing financial records, automating invoice generation (which is still not digitalizing!), and first approach to basic data analytics. This was the era where businesses started dreaming big – the potential of digital data processing in O2C began to unfold.

Simple, repetitive tasks in finance, like data entry and basic account tracking, started shifting from manual to digital. It marked the beginning of a new age in O2C, opening a world of possibilities and laying the groundwork for what AI could eventually bring to the table – a more streamlined, efficient, and insightful financial process. This era was about exploring the potential, about re-imagining a faster, more accurate O2C cycle, less reliant on manual efforts.

Big Data Era
Interactive digital map

Machine Learning
Suggestions bast on past data
First pattern recognitions
Financial data analytics
Combined insights

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Following the early vision, we enter the era of big data and machine learning, brining us interactive digital maps. These maps began to offer route suggestions based on past traffic patterns or driver preferences. Machine learning enabled AI to learn from data, identify patterns, and make predictions.

This data driven knowledge is also transformative for businesses. Machine learning algorithms can analyze payment histories, customer interactions, and market trends, enabling companies to gain insights on payment behaviors, assess credit risks, and optimize cash flow management.

The O2C cycle became not just faster in processing data, but also smarter in its approach. Companies could now create various workflows to manage their receivables, tailor their customer engagement strategies, and make more informed financial decisions. The map of our AI journey in O2C was evolving into a more dynamic, interactive, and intelligent system, capable of guiding businesses through the complexities of financial operations with greater ease and insight.

In the deep learning era, imagine our navigation system evolving into one with real-time guidance and live traffic updates. It learns from your preferences, the way you drive and what your personal interest are.

This advancement mirrors how deep learning empowered AI to process complex data sets, leading to significant breakthroughs in various fields, including speech and image recognition. In the business world, particularly in finance and O2C, deep learning brought much value: It enabled more sophisticated risk assessments by analyzing complex patterns in customer payment behaviors and real-life market trends.

Deep learning also enhanced customer interactions, allowing for personalized communication strategies based on customer data analysis. Moreover, it facilitated real-time decision-making in the O2C process.

The AI 'map' in this context was no longer just a guide; it became a dynamic, adaptive tool. It provides predictive insights for financial operations, much like a GPS system rerouting in real-time to avoid a traffic jam. In the O2C cycle, this meant being able to proactively manage credit risk, optimize and even personalize collection strategies, and respond swiftly to market changes, ensuring a smoother, more efficient financial flow

General AI Era

Autonomous thinking

Deep learning
Real-time guidance
Complex data sets
Sophisticated risk models
Combined and blended patterns

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As we look towards the future, towards General AI, envision it as the era of the autonomous vehicle within the landscape of Order-to-Cash. Just as an autonomous vehicle navigates, makes decisions, and adapts to its environment with minimal human input, General AI promises a level of intelligence and versatility like human cognition, embedded into O2C processes. This is the frontier where AI is not just a tool but a partner capable of handling diverse financial tasks, learning from complex, even unstructured data environments, and making strategic decisions under uncertainty.

In the world of O2C, General AI could mean systems that not only automate tasks but also bring innovative solutions to complex financial challenges. Imagine an AI that can predict market shifts with high accuracy, tailor financial strategies to individual customer needs, and manage credit and collections with a level of insight and efficiency that surpasses the best human experts. It's a future where AI could dynamically adjust O2C strategies, optimizing cash flow and customer relationships in real-time, much like an autonomous vehicle smoothly navigating through ever-changing traffic conditions.

For businesses, the promise of General AI is a transformative one. It's about AI systems that can think, adapt, and innovate, driving the O2C process towards a future where efficiency, customer satisfaction, and financial insight are seamlessly integrated. The possibilities are as vast and open as the road ahead, opening a new era of financial intelligence and operational excellence.

5 **bold** predictions on how AI will impact the Order-to-Cash

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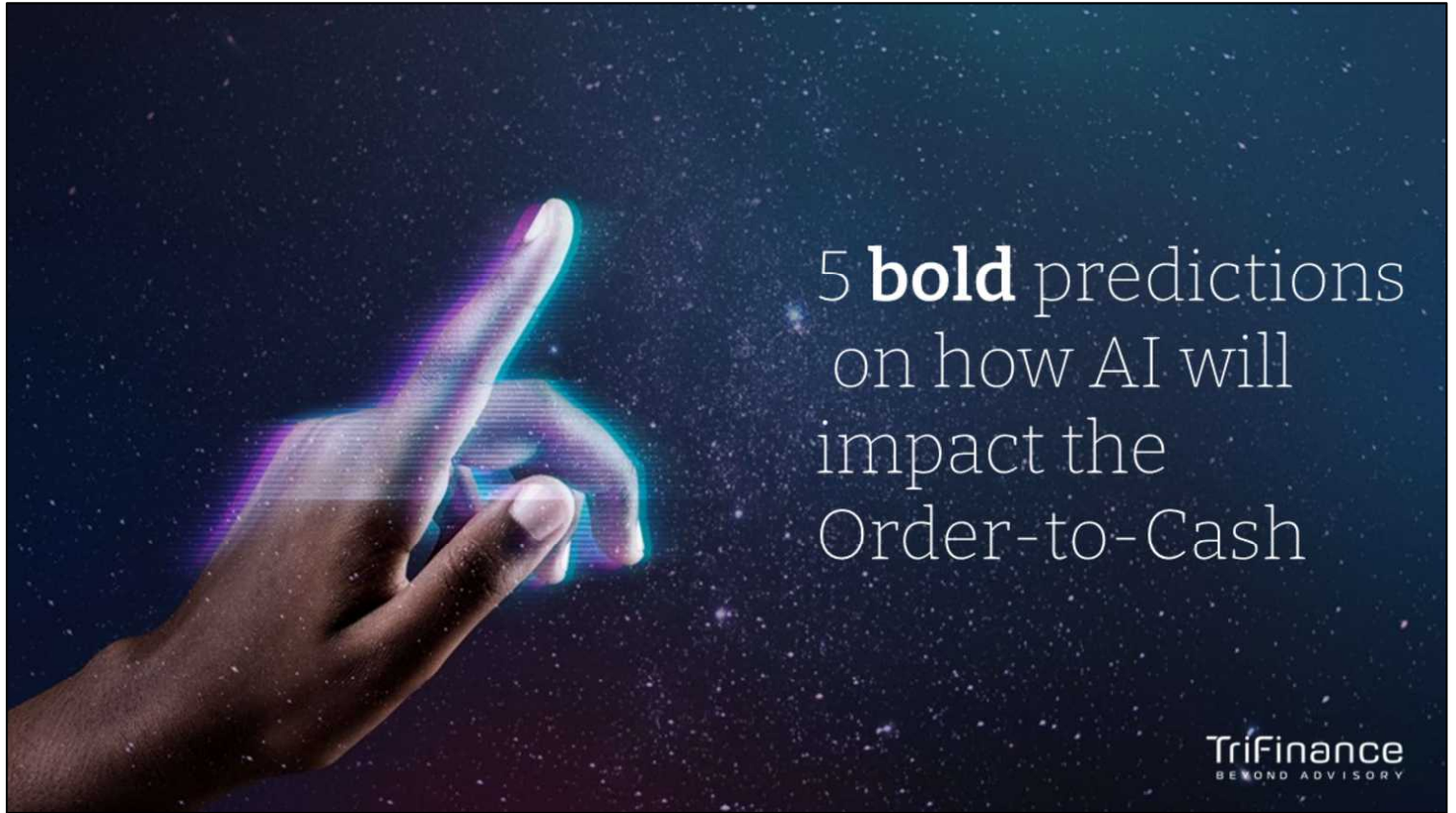
Let's look ahead at how AI is set to revolutionize Order-to-Cash processes. I'll be sharing five bold predictions that showcase the exciting changes we can expect. These aren't just guesses; they're based on the AI trends we're seeing right now. We're talking about a future where AI does more than just support—it transforms how we work with O2C.

1 Dynamic Assessment

AI effortlessly combines data from various sources, such as payment history, market trends, and commercial information, for a dynamic credit assessment. Thanks to the self-learning ability of AI, the assessments become more accurate over time, resulting in consistent and dynamic insights into credit risks and even an increase in revenue.

2 Learning Workflows

AI makes static workflows dynamic by continuously adding new data. The dunning process transforms into a multidimensional trajectory, where AI recognizes patterns and behaviors to intelligently adjust the tone and frequency of communication.

3 Continuous Cashflow Forecast

With AI, cash flow forecasting is simplified and enriched. From volatile market conditions or payment conditions to currency fluctuations, interest rates, and behavioral and risk analyses – AI can integrate all of these. This enables an ongoing, dynamic cash flow prediction, ensuring no factor is overlooked.

Neuro Credit Management

Leveraging the power of AI to recognize emotions and behaviors in B2C interactions. AI analyzes language use and emotions to gain insights into the debtor's situation. These insights are used to tailor follow-up actions, from OCR recognition to sentiment analysis. This enables hyper-personalized communication for matters such as payment agreements or debt consolidation, making the interaction more human and effective.

5 Fraud detection & Prevention

AI enhances fraud prevention by effortlessly combining and continuously analyzing various data sources. This analysis reveals unusual patterns, enabling AI to detect and report fraud. It then links these findings to a specifically designed workflow for quick and effective action.

As we come to the end of our exploration of AI's transformative journey in Order-to-Cash, one key insight stands out: the journey begins with data. The evolution from analog maps to autonomous vehicles in our analogy isn't just about technology—it's fundamentally about the data fueling that technology. In the field of O2C, the same principle applies. The first and most crucial step in revolutionizing these processes is understanding, organizing, and harnessing your business data.

Data is the lifeblood of AI. It's the foundation upon which machine learning models are built and the resource that feeds advanced algorithms of deep learning. In O2C, the quality, accuracy, and accessibility of your data determine how effectively AI can enhance your operations, from automating invoice processing to predicting cash flow trends.

As I hand over to our next speaker from Henri Qvalia, keep this in mind: their approach to business data is not just a segment of the O2C process; it's the cornerstone of building an AI-ready framework. As they are going to take you into their strategies and insights, think about how you can apply these principles to lay a solid data foundation for your own AI journey in O2C.

Thank you for your attention, and let's welcome our next speaker to continue this fascinating discussion on the future of business data in the AI-driven world of Order-to-Cash.

Belgium

Antwerpen
Uitbreidingstraat 80
2600 Antwerpen

Brussels
Keiberg
Excelsiorlaan 4b
1930 Zaventem

Gent
Office 3
Moutstraat 66 B602
9000 Gent

Hasselt
Corda Campus-1
Kempische Steenweg 293
3500 Hasselt

Louvain-la-Neuve
Rue de Rodeuhaie 4
1348 Louvain-la-Neuve

Roeselare
Kwadestraat 151b/21
8800 Roeselare

Germany

Düsseldorf
Klaus-Bungert-Straße 5a
40468 Düsseldorf

Frankfurt am Main
Neue Mainzer Straße 66-68
60311 Frankfurt am Main

Hamburg
Poststraße 23
20354 Hamburg

München
Westenriederstraße 49
80331 München

Luxembourg

Luxembourg
53, Boulevard Royal
L-2449 Luxembourg

The Netherlands

Amsterdam
De Passage 120
1101 AX Amsterdam

Rotterdam
K.P. van der Mandelelaan 90
3062 MB Rotterdam

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