

Client Testimonial

basware



CLARINS

A successful transformation of Clarins's supplier accounting process. The architecture for customer success? Pinpoint the needs, adopt a solution, and support the digitization of suppliers. How did Clarins do it? Through the employment of Basware's best-of-breed technology (AP Automation and Network solution) and procure-to-pay advisors, Fluxym.

"We wanted to stay as close as possible to the standard solution. And it was completely workable thanks to the smooth settings of Basware's AP Automation solution."

*Arnaud Robine
Accounting Director France at Clarins*

Responsible Innovation

Clarins, based in France, is one of the most prestigious beauty brands in the world. Present in 141 countries and ranked #1 in European luxury skincare, Clarins produces all their products in-house in France. Clarins continues to pursue their mission, while maintaining what made them successful: strong customer relationships, the ability to innovate, and their dedication to responsible beauty

"In total, more than 60,000 invoices were handled manually each year. It appeared necessary to centralize the supplier invoice processing with one tool to standardize the processes and gain real-time visibility on each invoice's progress," says Emmanuelle Guay, Supplier Accounting Manager at Clarins.

Advised by a consulting agency that identified their functional and technical needs, Clarins launched a request for proposal in 2017 with several suppliers of procure-to-pay solutions. They shortlisted two providers and presented them to some of their subsidiaries and key users. Basware, alongside their integration partner, Fluxym, was selected.

Sector

▶ Retail-Cosmetics, Skincare, Fragrances

Key figures

- ▶ 10,000 employees
- ▶ France (7 entities)

Basware Modules

- ▶ AP Automation
- ▶ Basware Network



Collaboration between teams

The project launched in 2018 with the implementation of Basware's AP Automation solution. Collaboration between accounting, management control, and IT teams was critical. Starting with AP automation allowed them to completely rethink their processes for supplier invoice processing from receipt to payment.

Focusing on AP also harmonized the validation threshold of all the entities involved in the project and gave Clarins the opportunity to define two ways to receive invoices. Suppliers could either mail invoices to a scanning center for automatic invoice matching or email them directly. PDF, EDI and XML invoices were then integrated into the Basware solution.

Pilot Programs

Early 2019, two pilot projects launched to develop use cases for future larger-scale deployment. One pilot project with the IT department, which had a large amount of accounting cases (typology of purchases, fixed assets, etc.) and high invoice volume. The other pilot project was with the international training department, which had lower invoice volume but whose staff lacked time to process due to frequent travels.

"In both cases, the results were quickly conclusive," recalls Isadora Quesada, Head of Basware Functional Administration at Clarins. "All stakeholders can now see the payment status in real-time, and easily inform a supplier if necessary. Suppliers can also verify if their invoices were successfully delivered to Clarins."

Project goals

Standardize, centralize, and improve the reliability of supplier invoice processing.

Rationalize the validation processes and have access to indicators on the invoice processing progress.

Track compliance with the payment deadlines.

Improve supplier relationships as part of a CSR approach.

Sponsorship for success

Building on the success of the pilot deployments, the Basware platform was progressively implemented at Clarins with Fluxym's integration support. By the end of 2019, seven commercial entities had been equipped in France, representing around 30,000 annual invoices and more than 400 internal users (approximately 300 verifiers and 100 approvers).

During the deployment, the solution and the portal were the subjects of intensive communication with suppliers. A vast majority of them embraced the new processes: "To this day, more than 1,000 suppliers have signed up on the portal," says Robine.

"The cleansing of the supplier database upstream, as well as the training and user support downstream are fundamental," says Guay. "You have to be transparent with the teams: an adjustment period is necessary, and concrete results are not immediate because of the high correlation with the adjustment period of the internal users and suppliers." The time invested by the teams in charge paid off. The strong sponsorship of the CFO and project ambassadors assured the future use of the platform.

Key factors for success

- ▶ Rely internally on a sponsor to justify the decisions.
- ▶ Aim for simplicity: do not hesitate to rethink the processes, the thresholds, etc.
- ▶ Start with a clean supplier database.
- ▶ Put collaborators and consultants in charge of the project full-time.
- ▶ Differentiate the type of trainings needed (content and duration) based on the different profiles.
- ▶ Create a pilot project to get the internal teams on board.
- ▶ Communicate, communicate, and communicate! Use internal ambassadors to encourage continued progress.

"We sincerely appreciated the availability of the Fluxym consultants as well as their good understanding of our needs. They guided us throughout the whole project, from specifications to the deployment of the solution and user training."

*Emmanuelle Guay,
Supplier Accounting Manager at Clarins*