Enabling Logistics Transaction Orchestration: Order-to-Cash

John Bermudez, Product Marketing

futurelink

Agenda

- Why Outsource the Order-to-Cash process
- Business Benefits of Outsourcing Order-to-Cash
- Current Challenges – What We Have Heard from the industry
- Data Flows Required to Support Order-to-Cash
- How MINT Supports the Data Exchange for Order-to-Cash
- Business Value Delivered by MINT
- Call to Action

Why Outsource Order-to-Cash?

Leave order fulfillment to the experts!

Order-to-Cash is a Critical Supply Chain Process

Patients

Hospital Dispensers & Retail Pharmacies

Wholesale Distributors

3PLs

Pharma / Life Sciences Company

- - - Product Flow
- - - Transaction Flow

Order-to-Cash:

- Goal is to convert orders to cash in the shortest possible cycle time.

- Outsourcing to 3PLs can reduce costs but can impact data available for customer service, ERP planning and financial reconciliation.

Outsourced Order-to Cash Benefits

- Reduced warehousing costs
- Reduced order processing costs
- Support for complex storage and shipping requirements
- Fill orders from regional distribution centers
- Access to lower shipping rates
- More efficient invoicing and cash collection
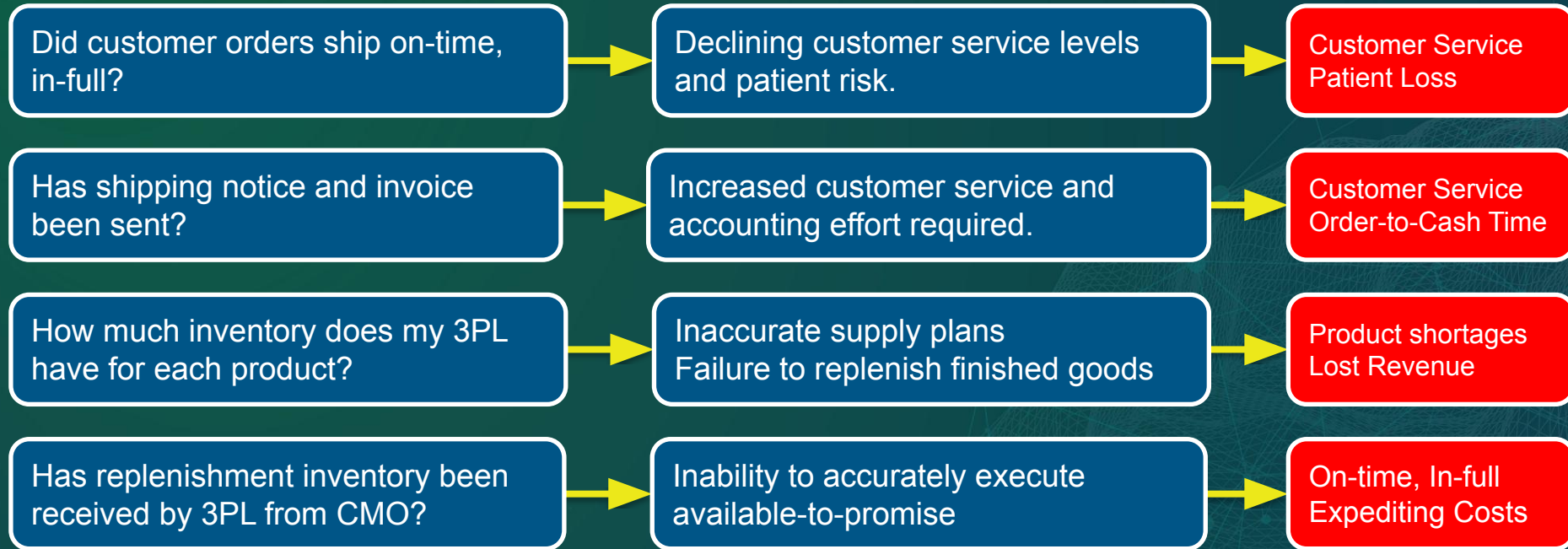- Increased customer satisfaction

What You Need to Know From Your 3PLs
Challenges working with Outsourced Order-to-Cash Processes

Need to Know	Implications	KPIs
Did customer orders ship on-time, in-full?	Declining customer service levels and patient risk.	Customer Service Patient Loss
Has shipping notice and invoice been sent?	Increased customer service and accounting effort required.	Customer Service Order-to-Cash Time
How much inventory does my 3PL have for each product?	Inaccurate supply plans Failure to replenish finished goods	Product shortages Lost Revenue
Has replenishment inventory been received by 3PL from CMO?	Inability to accurately execute available-to-promise	On-time, In-full Expediting Costs

Data Flow Required for Digital Order-to-Cash

Customers

3PLs

Hospital Dispensers

Purchase Orders →

Purchase Orders (copy) →

Purchase Acknowledgements ←

Pharma / Life Sciences Company

Advance Ship Notices →

Advance Ship Notices (copy) →

Wholesale Distributors

Invoices ←

Invoices (copy) →

Credit/Debit Memos →

Credit/Debit Memos (copy) →

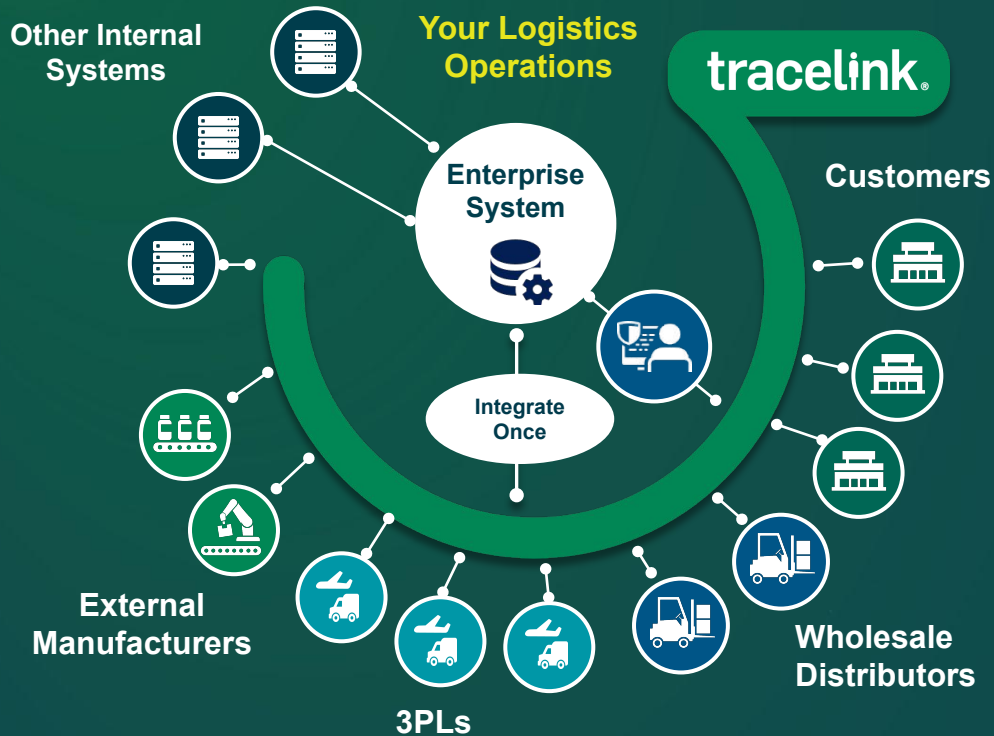**Retail Pharmacies**

Remittance →

Forecast →

Inventory Balance/Updates →

- – – **Product Flow**
- – – **Transaction Flow**
- – – **Notification Flow**

MINT for Logistics – Order-to-Cash

- **Integrate-Once™ for:**
  - Purchase Order
  - PO Acknowledgement
  - Invoice
  - Remittance
  - Warehouse Shipping Order / Advice
  - Advance Ship Notice
  - Inventory Balance Report / Update
  - Forecast / Forecast Response
  - Forecast Response
  - Warehouse Stock Transfer Shipping Advice
  - Warehouse Stock Transfer Receiving Advice
- **Real-time business transaction exchange to:**
  - Receive accurate customer order data
  - Confirm order shipments
  - Send ASNs for all shipments
  - Exchange on-hand inventory balances and real-time updates with 3PLs
  - Receive stock transfers from CMOs

Impact of Using MINT for Logistics - Order-to-Cash

- **Real-time Visibility to Global Logistics Operations of 3PLs at Reduced Costs**
  - Manage order fulfillment and order-to-cash processes with real-time data exchanged with all 3PLs using a single, low-cost integration to the TraceLink network.

- **Reduce 3PL Switching Costs to Maximize Service Levels**
  - Reduces the cost and complexity to switch logistics service providers by leveraging a single integration for each transaction type desired for information exchange.

- **Accelerate Expansion to New Markets**
  - Speed up the time to market for any product approved for a new region by rapidly onboarding any 3PL that can provide real-time logistics orchestration information via a single integration.

- **Improve Logistics and Inventory Data Accuracy in ERP**
  - Source real-time B2B information directly into ERP systems, which greatly improves the accuracy of data needed for the order-to-cash, inventory management, ERP planning, and financial reconciliation processes.

- **Reduce the Business Team's Dependence on IT for Expensive Integrations**
  - Eliminate the need to wait for IT to build and maintain new EDI connections or point-to-point integrations which often get stuck in backlog.

Call to Action

- Share with your colleagues responsible for order-to-cash process

- Schedule a meeting with your TraceLink account executive to discover how MINT can improve your order-to-cash process

- Stop by the Product and Partner Solution Fair to see MINT live.

Thank You

futurelink