



**SKALABLE  
STREAM™**

Simplify Complexity,  
Amplify Success.



## CASE STUDY

# Stream Empowers MedSpa's Digital Transformation With AI First Approach to Invoice Automation

A fast-growing MedSpa chain experienced explosive growth, expanding from 40+ locations to over 300 locations in just two years. This rapid expansion brought significant challenges in managing their accounts payable operations. They turned to Skalable to implement Stream, an AI-powered invoice automation solution with two-way seamless integration with their Microsoft Dynamics 365 ERP system, to streamline their processes and support their trajectory.

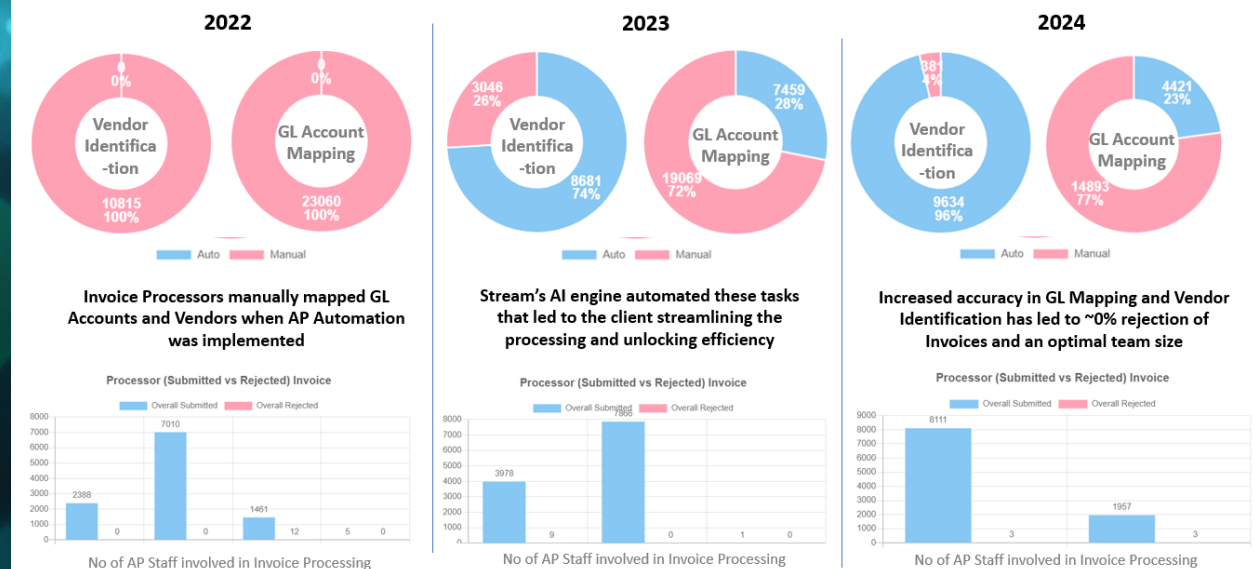
## CHALLENGE

In 2022, with 40+ locations, the company's invoice processing was entirely manual. They realized they needed both a solution, and partnership that would help alleviate bottlenecks like—

- **Manual Invoice Processes:** AP staff were handling vendor identification and GL account mapping for over 14,000 invoices annually.
- **Strain on AP Team:** As the company rapidly expanded to 300+ locations, the volume of invoices grew exponentially, threatening to overwhelm their team.
- **Complex Reporting Structure:** With various management layers overseeing different numbers of locations, data gathering and sharing became cumbersome.
- **Time-Consuming Reporting:** Preparing board or investor presentations took a week of manual work to compile spreadsheets and PowerPoints.

## How Stream's AI Powered Solution is increasing accuracy and unlocking efficiency?

(Invoice Automation Case Study of a Client in Health and Fitness business)





***The solution was designed to automate vendor identification and GL account mapping, reducing manual labor and improving efficiency to keep pace with the company's growth, all while maintaining a single source of truth for financial data.***

#### **SOLUTION**

Skalable implemented Stream, an AI-driven invoice automation system that offers two-way seamless integration with Dynamics 365.

This integration ensures that:

- Invoice data is automatically synced with the ERP system in real-time.
- Vendor information, GL codes, and approval workflows are consistently updated between Stream and Dynamics 365.
- Financial reporting in the ERP reflects up-to-the-minute invoice processing status.
- Users can access and process invoices directly from within the familiar Dynamics 365 interface.

## RESULTS:

The impact of Stream's implementation was transformative over a two-year period, even as the company grew to 300+ locations:

### 1. Vendor Identification Automation:

- 2022 (40+ locations): 0% automated
- 2024 (300+ locations): 76% automated

### 2. GL Account Mapping Automation:

- 2022 (40+ locations): 0% automated
- 2024 (300+ locations): 70% automated

### 3. Invoice Processing Efficiency:

- 2022 (40+ locations): 3.17% rejection rate
- 2024 (300+ locations): 0.54% rejection rate

### 4. AP Staff Optimization:

- Despite a 7.5x increase in locations, the number of AP staff involved in invoice processing decreased significantly.

### 5. Streamlined AP process, laying foundation for improved cash flow through better payment terms and optimal Days Payable Outstanding (DPO)



## Key Benefits of Stream:

### 1. Time Savings:

- Estimated 75% reduction in time spent on vendor identification and GL mapping.
- Approximate saving of 1,500 hours annually on these tasks alone.

### 2. Cost Reduction:

- Estimated 50% decrease in processing cost per invoice.
- Potential annual savings of \$100,000+ in direct processing costs.

### 3. Scalability:

- System easily handled a 5x increase in invoice volume without requiring proportional staff increases

### 4. Error Reduction:

- 83% decrease in invoice rejection rate, potentially preventing thousands of errors annually.

### 5. Improved Cash Flow Management:

- Faster processing allows for better control over payment timing, potentially improving cash flow by \$500,000+ annually through optimized payment schedules.

### 6. Staff Reallocation:

- Freed up approximately 2-3 full-time equivalent positions to focus on higher-value financial analysis and strategic tasks.

## Benefits of Two-Way Seamless Integration:

### 1. Data Consistency:

Eliminates discrepancies between invoice processing system and ERP, ensuring financial data integrity.

### 2. Improved Visibility:

Reduced financial reporting preparation time by an estimated 80%, from one week to just one day for board or investor presentations.

### 3. Streamlined User Experience:

Allows AP staff to work within a single, familiar interface, reducing training needs and improving productivity.

### 4. Enhanced Compliance

Ensures all financial transactions are properly recorded and traceable within the ERP system, supporting audit requirements.

### 5. Flexible Reporting:

Enables creation of comprehensive financial reports that combine invoice processing metrics with other ERP data for holistic business analysis.

## Conclusion

By leveraging Stream's AI-powered solution, this MedSpa chain not only improved accuracy and efficiency but also successfully managed a period of explosive growth. The company expanded from 40+ to 300+ locations while simultaneously optimizing their AP team, allowing them to process 7.5 times the volume of financial transactions with improved accuracy and reduced staff burden.

The two-way seamless integration between Stream and the company's Dynamics 365 ERP system played a crucial role in this success. It ensured that as the company grew, all financial data remained consistent, accessible, and actionable across the organization. This integration was key to maintaining financial control and visibility during the period of rapid expansion.

