

Bottomline

The 2027 Guide to Accounts Payable Transformation

CONVERTING RISK AND INEFFICIENCY TO BETTER OUTCOMES

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Making AP Better

Today is all about same-day shipping, the promise of AI, and instant person-to-person payments, so naturally the phrase “the check is in the mail” sounds antiquated. And it is. As organizations continue their march to digital payments, some paper is still in the mix.

Most organizations have transformed some of their accounts payable (AP) by automating pieces of the process or certain payments types. However, they still struggle with paper, manual processes, and legacy systems, which are costly, complex, slow, and error-prone. Indeed, most modern AP departments have a mishmash of antiquated processes and attempts at automation.

Unfortunately, many automation initiatives won’t deliver the desired result of a cost-effective, streamlined, and secure AP process. Businesses often cobble together distinct technologies, processes, and vendor onboarding approaches for invoice automation and payment automation, which makes visibility across the complete invoice-to-pay life cycle impossible. The rise of AI and machine learning make a robust, thoughtful solution more important than ever.

If instead you implement an end-to-end integrated solution that streamlines your entire process — from invoice receipt through payment — you can truly transform your AP function. This solution will not only help you drive efficiency and productivity, but it can help you improve control over cash flow, better your vendor relationships, and secure your payments.



Best-in-class organizations see a 60-80% reduction in payment and invoicing processing times.

— Ardent/SAP Concur 2024: BIG Trends and Predictions

The State of AP Today: Change Is in the Air

Several factors are driving businesses to reevaluate how they receive, process, and pay invoices. First, consumers are increasingly comfortable with seamless electronic payments, and that expectation for ease and simplicity is seeping into business payments. 66% of finance professionals said efficiency was their top driver for acquiring an AP automation solution, and it’s not hard to link that to the efficiency they enjoy in their personal lives.[1].

Another factor is cost. Receiving and processing paper-based documents is expensive. Including staff and operational costs, the average organization spends almost $13 to process a single invoice, according to Ardent Partners Research.[2] Without integrated, fully automated, end-to-end AP solutions, you can struggle to approve invoices for on-time payments, which can mean incurring late fees. Plus, your organization may miss out on opportunities to reduce costs by applying available discounts, or to earn rebates.

79% of businesses were a target of attempted fraud in 2024, per the Association of Finance Professionals,[3] and the FBI reports that fraud losses rose by 26% in 2025.[6] That’s happening as AI gives fraudsters a new suite of tools to use to try to part your business from its money.[4]

What’s frightening is that most fraud isn’t caused by technology vulnerabilities, but by human vulnerability, process deficiencies, and social engineering, in which criminals trick employees through non-traditional means. This is supercharged by AI. The right technology augmented with improved processes, however, can help you prevent fraud no matter how bad actors attack.



66% of finance professionals said efficiency was their top driver for acquiring an AP automation solution.[1]

1. Blue Whale/Bottomline
2. Ardent Partners
3. AFP Payments Fraud and Control Report
4. FBI Internet Crimes Report
5. J.P. Morgan
6. Javelin
7. Strategic Treasurer

Welcome to AP Transformation

Long considered a cost center, businesses are beginning to realize the value of accounts payable to the entire enterprise, but that realization has not translated to clarity. Per Ardent Partners, only 49% of AP teams have clear performance goals, making it more difficult for those functions to realize their potential.[2]

While you want to transform your AP technology and processes, you likely have to overcome some perceived roadblocks. You may be concerned — and rightfully so — about undertaking what you assume will be a lengthy and complicated implementation. You may worry about AI risks and how it fits into your processes.

What you may not realize is that this need not be the case. With AP automation technology that syncs seamlessly with your ERP, the lift can be small for a significant long-term payoff. The right solution offers your organization the opportunity to automate your entire AP process from end-to-end, or initially focus just on streamlining and securing your payments.

Or, you may worry that you don't have the information you need to make a compelling business case that highlights the ROI opportunities of an AP automation solution. With so many choices now available, it can be difficult to know which solution is right and will future-proof your organization as payments technology evolves.

Additionally, not everyone embraces change. To make the case for the investment, **focus on four main benefits of AP transformation:**

1. A single AP automation platform streamlines and digitizes your entire invoice-to-pay process, which reduces cost, improves efficiency, and increases visibility to cash.
2. It helps your organization optimize working capital and monetize accounts payable spend with better control of payment timing and opportunities to earn rebates.
3. The right AP automation technology can drastically reduce your risk of payment fraud and associated losses — from a variety of increasingly innovative fraud schemes.
4. Partnering with the right solution provider can help your organization stay ahead of the evolving payables technology landscape.



of businesses have clear goals for their AP teams. [2]

5 Keys to Selecting an Accounts Payables Transformation Partner

Transformation requires a big picture approach, and done right, it will help elevate your AP team to their rightful strategic position in your organization. Selecting technology that is easy to implement and integrate into your organization's current and future systems can protect against obsolescence as new innovations emerge.

AP transformation is a journey, and it can be a smooth one with the right partner **Here are five key considerations when choosing an AP transformation partner:**

1



Understand the Financial Gains

AP transformation will have a positive financial impact on your organization. It goes without saying that the combination of hard cost savings, new discounts captured, and rebates earned on virtual card and ACH transactions can make a compelling business case. As you look at your cost-savings calculations, be sure to take into account often overlooked costs of a manual process, such as positive pay fees paid to your financial institution, the burden of escheatment tracking, staff time spent re-keying information and manually following up on approvals, and the cost of printing and mailing checks.

Having multiple payment types at your disposal (such as virtual card, premium and traditional ACH, and check) and flexibility on payment terms, depending on which payment type a vendor accepts, can help your AP team optimize Days Payable Outstanding (DPO) and working capital.



2



Streamline and Digitize from Invoice to Payment

The pinnacle of AP transformation is digitizing the entire AP process, from invoice receipt through payment, in a way that ties in with your core business systems and bank relationships. Your goal should be to digitize every aspect of the process, including on-site or outsourced invoice receipt and pre-processing, matching invoices to purchase orders or non-PO invoices to the appropriate general ledger costs, and streamlining the issuing of payments — whether virtual card, ACH, or check.

Select a technology partner that offers the choice of on-site or outsourced receiving and pre-processing invoices and provides a technical integration option that is right for your business whether through APIs, an ERP connector, file upload, or data transmission. Take a hard look at their AI offerings, too, to see what technology they're integrating and whether it's wisely capitalizing on new technology or slapping together pieces to say they're on the cutting-edge. Integration with your ERP system allows you to automatically update invoice status and send and reconcile payments without manual intervention. It also gives you increased visibility across the entire invoice-to-pay process and ensures a single source of truth.

3



Ensure Better Vendor Adoption

If your vendors do no adopt and accept electronic payments, your organization won't see the full range of benefits of an automated, streamlined process. Often as AP teams embark on automating processes, they rely on internal staff to "sell" vendors on the benefits of getting paid electronically and gather vendor bank account details with fraud-prone, paper-based forms exchanged by email or fax.

The right AP automation partner manages this process on your behalf, driving vendor adoption through its own network of businesses already transacting electronically and creating outreach campaigns tailored to your organization to those vendors who aren't signed up.

Selecting a solution with multiple electronic payment types helps ensure your vendors get paid in a way that works best for their accounts receivable process. If the solution offers tangible benefits for your vendors to encourage adoption, like a built-in invoicing and payment reminder tool, scheduled reports, and faster reconciliation, even better. To that end, the ability to deliver detailed electronic remittance information to vendors in a format of their choice, such as CTX, EDI 820, custom AR file, or email, will also help incentivize adoption and drive a positive payments experience between your business and your key trading partners.

4



Secure Your AP Processes

Fraudsters have successfully infiltrated even the most established and sophisticated organizations, which makes security a critical component of AP transformation. Only a layered approach that includes multiple defense strategies can protect against threats, such as account takeover, social engineering, and most critically business email compromise.

You may have long used multifactor authentication as one line of defense, but fraudsters can circumvent the standard of sending one-time passcodes (OTP) to a mobile device using SIM card swaps and other methods. Adding device fingerprinting technology for those transactions that are at risk can more effectively thwart fraudsters.

You can also incorporate user behavior monitoring to identify anomalies that could indicate fraudulent activity and payment risk scoring to identify potential fraud before it even occurs.

Bank account information is highly susceptible to theft, and securing this information is a challenge. A good solution will do that work for you, as well as the important work of gathering and holding vendor data. Be sure to choose a technology partner that can hold this data in a highly encrypted and secure network that adapts to evolving threats. In addition to securely storing bank account information, it is important that a solution partner validates that the banking information provided by your vendor payees is accurate — both at initial sign-up and anytime the account information

5



Future-Proof Your Solution

The payables technology landscape in 2027 and beyond is dynamic, and you need to adapt to change quickly. It's critical to choose a technology provider that can work with your business to scale, add components and AI capabilities as needs evolve, and has the power to innovate around new and emerging payment models. A technology provider should be a true partner, with the ability to understand your organization's needs and offer best practices based on experience to help ensure your AP transformation is a success. They should know what today's technology can do and what tomorrow's technology *will* do.

Bank account information is highly susceptible to theft, and securing this information is a challenge. Instead, select a technology partner that can hold this data in a highly encrypted and secure network uses AI, layered protection, and expertise to adapt to evolving threats.

Getting from Point A to B

Businesses are recognizing the impact that accounts payable transformation can have on their organization. Streamlining the entire invoice-to-pay process not only drives efficiency and reduces costs in accounts payable but can provide a more holistic view of payables data, improve security, and enable working capital optimization.

Your organization can take a step-by-step approach to transformation, perhaps using your ERP and accounting system transformation initiatives as an impetus to begin the journey to accounts payable transformation. The payoff can be significant, as accounts payable can add value and intelligence to your organization.

Most organizations have made headway in automating parts of the AP process, likely implementing stand-alone systems that address a part of the process or offer a specific payment type like virtual card. But you can achieve the next stage of transformation with an end-to-end integrated solution. Bottomline provides complete invoice-to-pay automation and supports the variety of payment types you use today and in the future.

With Bottomline's streamlined approach, your organization can save money, reduce fraud risk, and even improve your relationships with vendors.

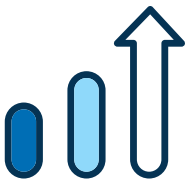
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End-to-End AP Automation

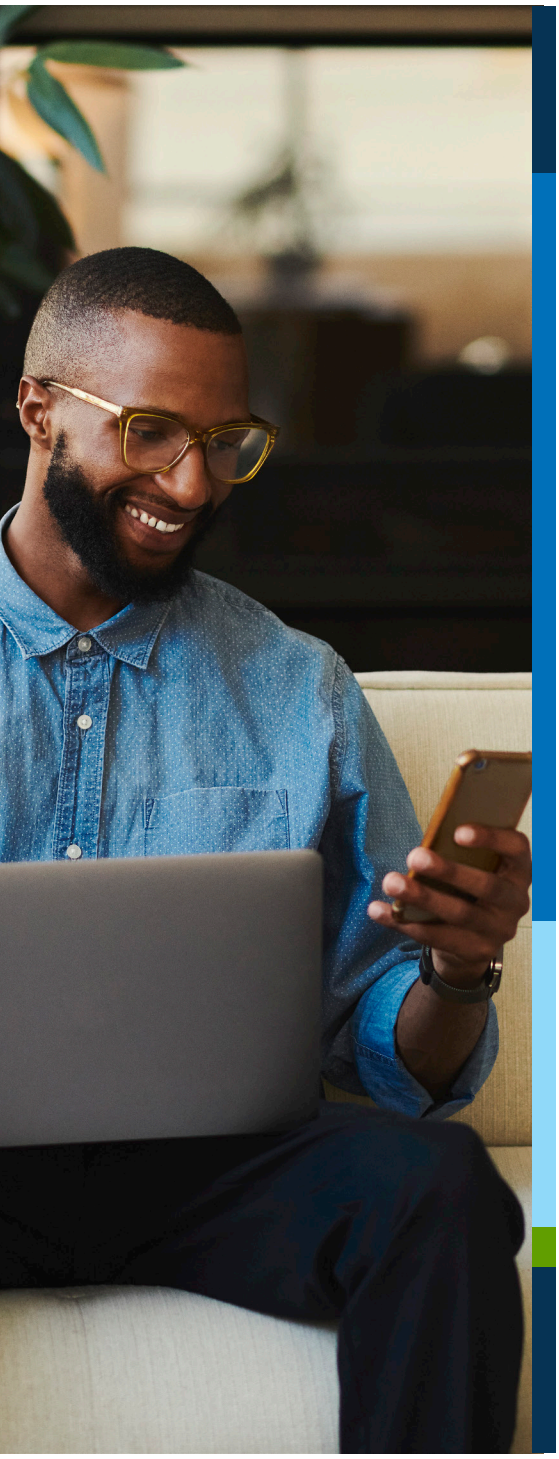
Maximize efficiency, visibility, and security by automating the entire invoice-to-pay process



Dashboard & Reporting | Storage & Retrieval | Audit & Compliance | Security & Fraud Prevention | ERP Integration | Rebates



Streamlining the entire invoice-to-pay process not only drives efficiency and reduces costs in accounts payable but better data and visibility, improved security, and better cash flow.



5 Signs Your Business is Ready for AP Transformation

While AP transformation with an end-to-end integrated solution provides a host of benefits, you first need to evaluate your readiness to embark on the transformation journey.

If you answer "no" to any of these questions, your business is a candidate for AP transformation:

- Have you automated the receipt, capture, and workflows of invoice approvals and embraced AI?
- Do you currently have separate approaches to virtual card, ACH, and check processing?
- Are your vendors satisfied with their payment experience, including the remittance detail they receive?
- Have you implemented payment fraud prevention technology that incorporates AI, monitoring, and authentication?
- Does your AP team and accounting leadership have visibility into where invoices and cash are tied up throughout your approval process?

See how easy it can be to achieve complete AP transformation.

Learn More

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