



LUXASIA

PURCHASE-TO-PAY
INDUSTRY • Retail ERP • SAP

CASE STUDY



LUXASIA PTE. LTD.

INCREASING EFFICIENCY WITH PURCHASE-TO-PAY AUTOMATION AT A SHARED SERVICES CENTRE

BACKGROUND

Luxasia is a luxury specialist in retail and distribution with headquarters in Singapore and 10 locations across Asia. As a rapidly growing company, Luxasia recently began looking to set up a Shared Services Centre (SSC) in Malaysia to centralise its accounting department and automate the processing of supplier invoices — initially for Singapore and then, in a second phase, for its subsidiaries.

At the same time, Luxasia also began to rethink its internal processes. Employees seeking invoice approvals had previously created purchase requisitions by hand and printed them out. Purchase orders (POs) were then manually created in the company's SAP® system, making it difficult to coordinate and retrieve information and documents. In addition to operational costs and workload escalating, the overall invoice process was progressively slower, resulting in increased dissatisfaction among employees and customers.

Along with purchase requisitions, Luxasia was processing its internal expense claims by hand. Employees would use Excel spreadsheets, scan paper receipts, then print and pass them onto an accounts payable (AP) specialist to process. The AP specialist would then have to manually enter the information into SAP.

In order to improve its accounting process, Luxasia sought an automation solution that could address the following objectives:

- Reduce operational costs
- Increase document visibility and easy retrieval
- Implement a cloud-based solution to facilitate the setup of its SSC
- Integration with the company's existing SAP system
- Facilitate other job functions beyond the AP department
- Automate additional processes with the same vendor

SOLUTION

Luxasia selected Esker's purchase-to-pay solution to automate its purchase requisitions and supplier invoices. The solution was implemented quickly thanks to Esker's use of the Agile Methodology and is seamlessly integrated with Luxasia's SAP system. Esker has helped Luxasia streamline its workflow processes by eliminating all inbound and outbound paper documents, resulting in increased visibility and simplified document retrieval. Today, 561 Luxasia users process documents with Esker.

Purchasing automation

Luxasia can now raise a purchase requisition and trigger a workflow for approval of non-inventory items. Once the purchase requisition is approved, Esker creates the corresponding PO and automatically sends a copy to the supplier. As the person who receives the goods may not necessarily be the requester, they can assign beforehand who will receive the goods. The receiver creates the goods receipt by entering the quantity received and the information is pushed to SAP. By automating its purchasing process, Luxasia has been able to eliminate paper approvals and gain visibility over the entire process, particularly for those outside of the purchase requisition process.

AP automation

Luxasia now automates its 36,000 annual supplier invoices at its recently created SSC. Esker's multi-language capabilities, template-free technology and external-ERP workflow eliminate the headache of processing diverse invoice formats and languages from multiple offices. Esker has delivered new levels of efficiency to Luxasia's SSC.

Beyond invoice automation

The expense claim automation functionality has helped Luxasia reduce 80% of paper use, as users no longer need to print hard copy receipts. Employees can now track their claims and easily communicate with the AP team using the comments section in the solution interface.

Thanks to Esker's flexible platform, Luxasia has also added additional processes to meet internal needs, such as GL account creation, order acknowledgement and payment advice.



“We are now able to track productivity and better manage our resources thanks to Esker’s dashboard and reporting capabilities. Esker has also helped us streamline our processes and ensure a consistent work standard.”

Jasmin Ong | Regional Finance Controller

BENEFITS

Thanks to Esker, Luxasia has achieved numerous benefits, including:



One automated platform – all documents and user interactions are housed in one centralised location



User-friendly interface – one easy-to-use solution interface makes it easy to train users from all departments



External ERP workflow – web-based workflow outside the ERP system delivers simplified setup of SSCs and the ability to connect with different departments



Increased efficiency and processing rates – eliminated manual data entry led to faster processing of invoices, purchasing requisitions and expense claims



Enhanced visibility – critical metrics available at the touch of a button thanks to Esker’s customisable dashboards



Improved communication thanks to the vendor portal and comments tool which facilitates exchanges between different entities and customers on one platform



Cross-border support – Esker’s multi-language capabilities enable the reading and processing of invoices in over 120 languages



On-the-go invoice and purchase requisitions review and approval capabilities – users have 24/7 mobile access thanks to the Esker Anywhere™ application



“Esker’s solution is fabulous! The interface is very user friendly and intuitive. With full process visibility, we are confident that all documents make their way through the system and know that we will be prompted if an issue requires immediate action.”

Account Executive

ABOUT LUXASIA

The Luxasia Group is focused on bringing the best global luxury brands to Asia. Its portfolio, which consists of brands such as Burberry, Bvlgari, Dior, Diptyque, Ferragamo, Hermes, La Prairie and Prada, is curated from over 30 years of experience in the luxury beauty industry.

Merging local knowledge with a global perspective, Luxasia’s consumer-centric go-to-market strategies and omnichannel distribution approach help international brands access Asia. The company has deep local consumer insights, wide distribution capabilities and an intelligent omnichannel ecosystem which helps it bring the best global beauty brands to its Asian consumers. Headquartered in Singapore, Luxasia has a presence in 10 other locations in Asia, including: Malaysia, Taiwan, Hong Kong, China, India, Indonesia, Philippines, Thailand, Vietnam and Myanmar.