



PYMNTS Benchmark Spend Management Survey

The dreaded mid-market: where spend goes to disappear.

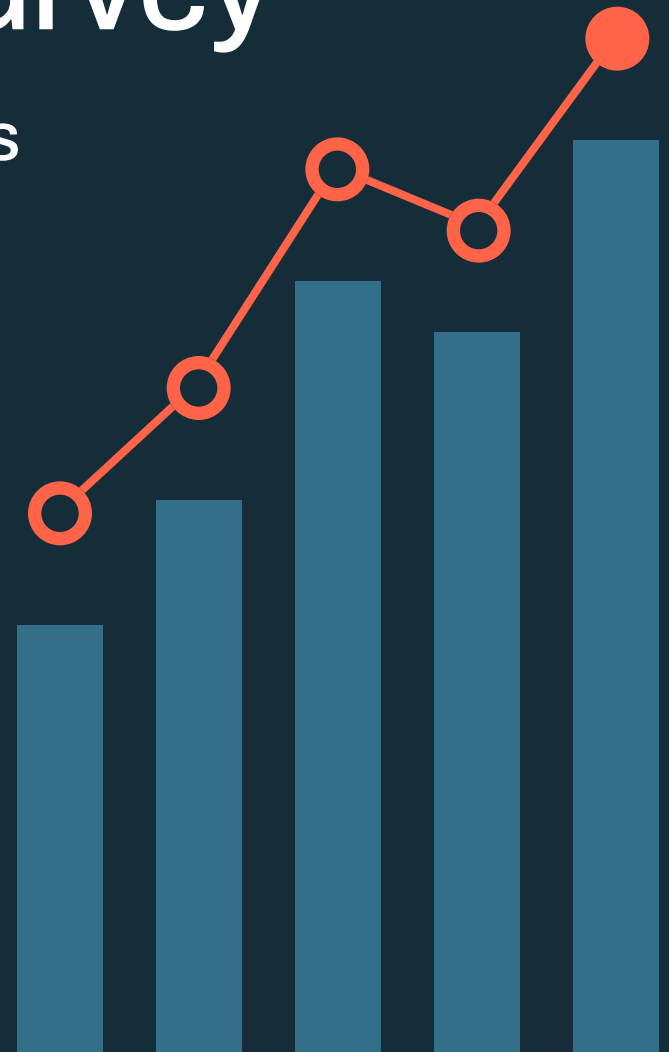




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01

Introduction.



Methodology.

We worked with [PMYNTS.com](https://www.pmynts.com) to develop a survey of finance professionals which examined their purchasing processes, including AP, card spend, and reimbursements.

PMYNTS collected responses from 225 finance executives across a variety of SaaS firms with between 100 and 1,500 employees.

More than 90% of firms report not having full visibility and control over non-payroll spending: if spend isn't visible, it can't be managed or controlled.

These results reflect a range of concerns about the spend processes today, but two truths stand out — time and money are being wasted.

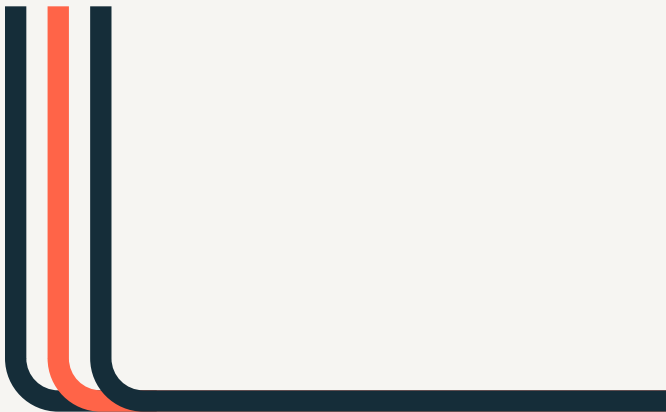
* We define “the system” as a system that allows for enhanced automation and the ability to manage three areas of non-payroll spending in a single system. Those three non-payroll spending areas are: corporate cards, bill payments, and employee reimbursements.



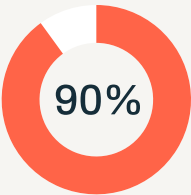
02

Key findings

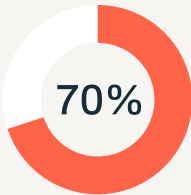
What you need to know about spend management amongst B2B SaaS companies.



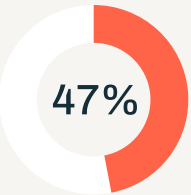
The most pressing spend management issues for B2B SaaS companies, at a glance:



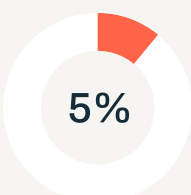
Lack full visibility and control over non-payroll spend.



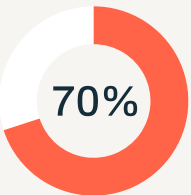
Lack of visibility before spending is committed.



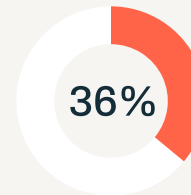
Data entry errors.



Of total company spend that could be saved with spend management.



Lack control before spending.



Difficulties accessing real-time data.



03

Visibility.

When you see clearly, you save money.



The difference between visibility and review.

A lack of visibility before spend is a primary issue within non-payroll spend processes, and is leading to wasted spend and creating risk.

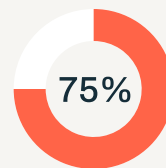
Wasted spend is an inevitability, but you can reduce it.

Companies without spend management tools experience wasted spend of up to almost **15%** (of total spend).

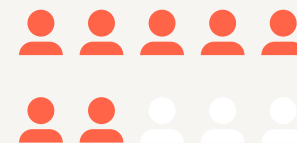
With spend management tools, that drops to about **10%**.

That's a **5%** difference in total spend — why wouldn't you put that money back in your pocket?

Getting visibility before spend is possible but requires pre-approval workflows and the right system.



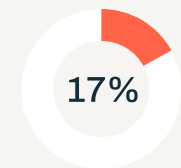
Experience issues related to the management of non-payroll spending.



Seven out of ten executives lack visibility before spending.

The bigger your firm, the bigger the problem.*

* 77% of executives cited this at larger levels.



Increased visibility was 17% more beneficial than executives expected before implementing a consolidated spend management system.



04

Control.

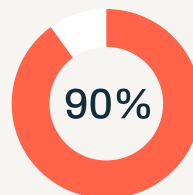
Without it, capital runs away.



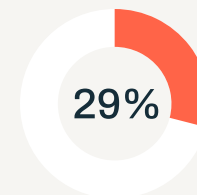
Moving into 2023, there is a clear focus on efficiency and risk management. These risks included wasted spend, duplicate payments, internal fraud, and zombie or rogue spending.

A consolidated spend management system creates airtight controls that touch on your whole purchasing process.

It's automated, with **secure 3-way match, secure payments, rigid approval processes, secure interactions with vendors**, and so much more.



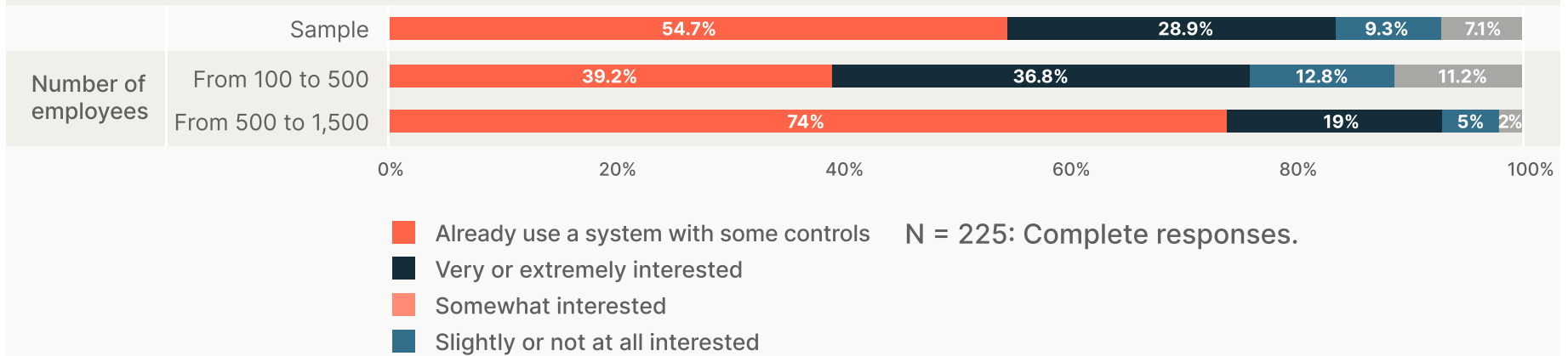
Are willing to pay for a system that controls and manages all non-payroll spend.



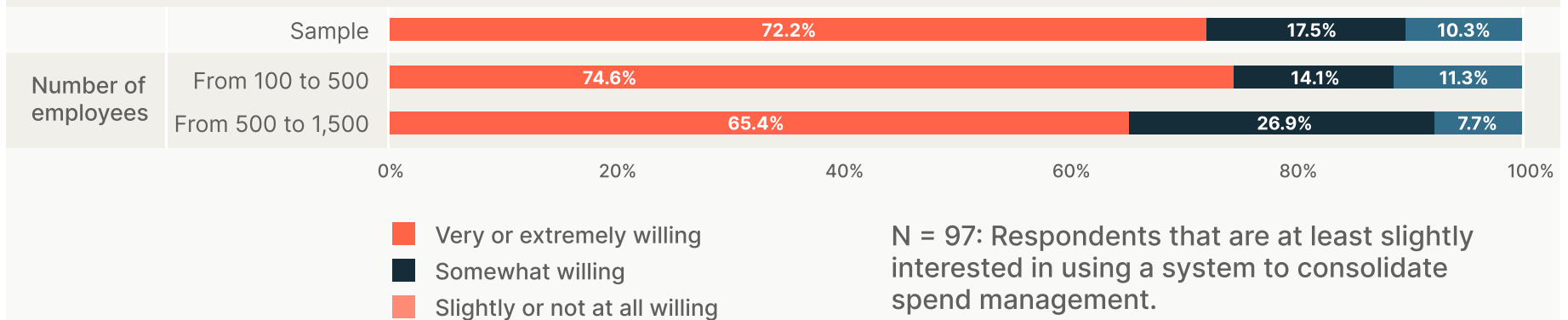
Have an above average interest in such a system.



Interest of firms using a system to manage non-payroll spending, by demographic.



Willingness to pay for use of a system to control and manage non-payroll spending, by demographic.





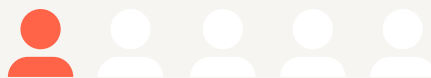
05

Avoidable errors and inaccessible data.

Clean, accessible data will save you time and money.



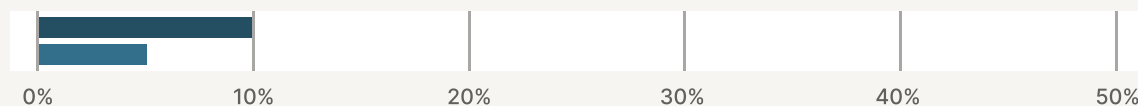
The revolutionary characteristic of spend management is its ability to wrap software around your payments and card program. Automation takes care of errors and delays, and payments are expansive and secure.



For a **fifth** of executives, data entry errors are the most important challenge.

On the payment line ...

10% of payments require revisiting and readjusting due to errors when processing.



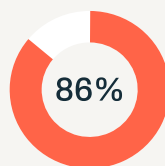
5% are incurring late fees due to such delays.

Beyond messing up the details ...

39% report that payments take too long to make.



29% noted that making payments in the recipient's preferred method is an issue.



It's no surprise that **86%** of executives are therefore willing to pay for a system that simplifies payable tracking.

Make sure your single source of truth is telling the truth: **28%** of executives agree that a lack of ERP integration is an issue.



Data is your informant — so make sure you stay informed.

Many teams lack efficiency and flexibility around pulling accurate data. Unprotected data also creates huge risk.

A consolidated spend management system means one stop when looking for accurate, secure, and up-to-date data.

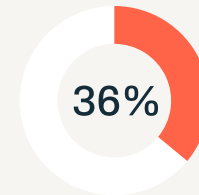
All transactions automatically book to your ledger, creating a single source of truth.

“Having a consolidated spend management system would improve our operations by helping us make better and faster decisions, while also integrating all data into a single system.”

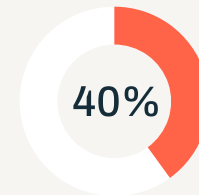
SURVEY RESPONDENT

Want to tighten up your processes further? Meet automated approvals. Customizable, end-to-end, up-to-date approvals that can happen right within Slack or email. [Find out more here.](#)

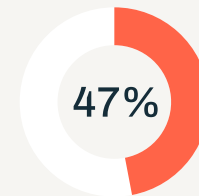
Top 5 overall challenges for our executive respondents.



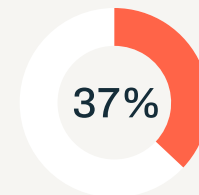
Difficulties accessing real-time data.



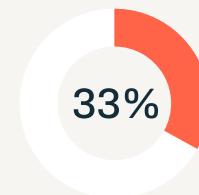
Experience delays in processing their expense reports.



Cited **data entry errors as an active challenge within their reporting processes.**



Cited **fraud and dealing with fraud as a top challenge.** It was **10%** lower for those with a spend management system.



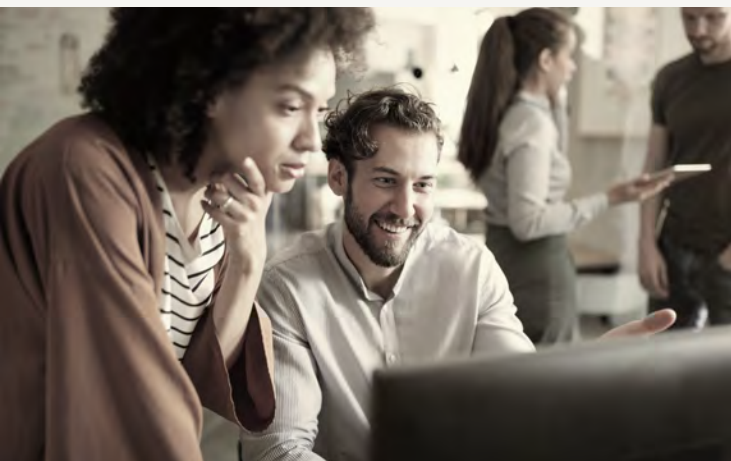
Cited **lengthy or complicated approval processes as an issue.**



06

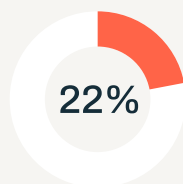
Retire your manual processes with automation.

Automation is changing how we work at many levels.

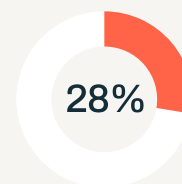


From onboarding new vendors, to errors when executing payments, to manual data entry errors, **outdated and manual processes in non-payroll spend are causing problems.**

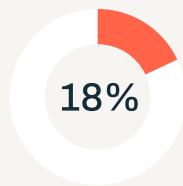
It's a radical relief to automate bill payments and corporate card programs for any finance and accounting team, and doing this can provide a new frontier for teams looking to perform more high-value work.



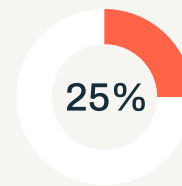
Manual processes are causing problems.



Want a spend management system that would reduce manual work.



Time AP teams are spending **on manual tasks** every month.*



Have **difficulty onboarding new vendors.**

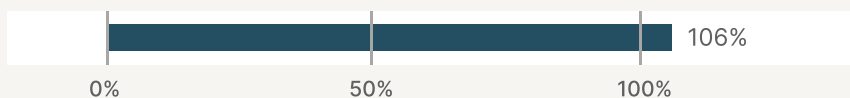
* Key Performance Indicators for B2B SaaS Companies, p12.



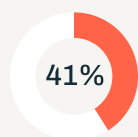
As companies grow, priorities and pain points shift...

At mid-market, automation can offer cutting edge efficiency and value. Implementing the system and feeling those benefits early on can bring huge value to a mid-market AP or finance team.

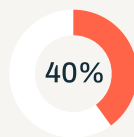
While larger companies tend to have fast task processing as standard, mid-market companies were 106% more likely to cite it as a benefit of the system than larger companies (500-1,000). This showed that at mid-market, the benefits of a spend management system really stood out and were felt even more than at later stages.



Smaller firms were also...



More likely to cite increased transparency.

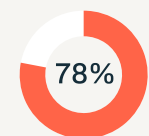


More likely to cite better invoice tracking.

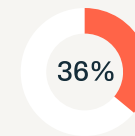
Larger companies tend to shift their focus to having increased payment options and reduced errors in payment processing.

At the larger stages (500-1,000 employees), companies were twice as likely to already have some spend management tools or solutions.

Likelihood to have spend management tools at different stages...



Companies with 500-1,000 employees.



Companies with 100-500 employees.

Early implementation of a scalable spend management system avoids rip-and-replace later on. The system also creates the audit trails that will be needed eventually and provides compliance that is a greater focus for larger companies.



07

Extra hours don't grow on trees, but they do grow with spend management.

Let automation free up your time.



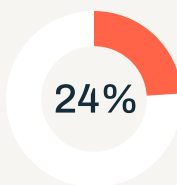
Full-time AP employees spend **42%** of their time managing employee spending. AP teams devote:

- **17 hours a week to managing non-payroll spend**, namely:
 - 8 hours per week tracking and collecting receipts.
 - 9 hours per week processing expense reports.

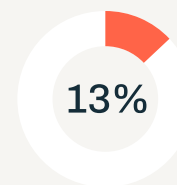
28% spend too much **time monitoring/tracking non-payroll spend**.



Implement now, save time later. Early implementation means you'll feel the benefits of spend management earlier, have a fuller audit trail, a system that captures *all* spend since the beginning, and avoids rip-and-replace later or wasted spend on partial solutions.



Firms **without a consolidated spend management system** spend **24% of time on manual tasks**.

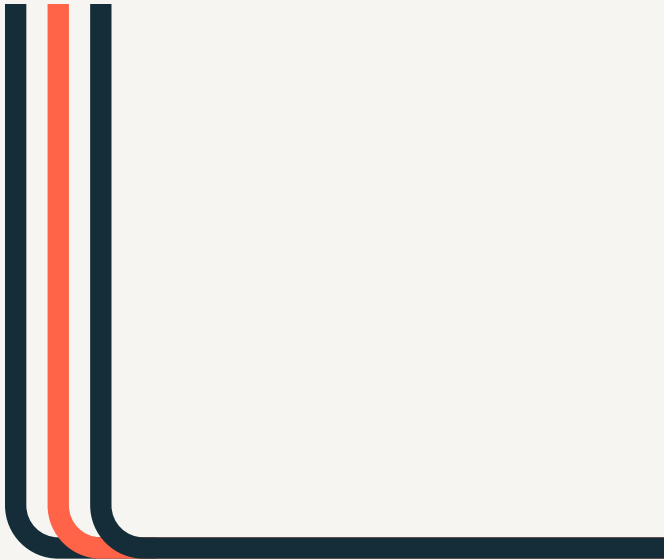


Companies **with such systems** spend just **13% of time on the same processes**.



08

Conclusion.



Our respondent executives voiced a clear need for more visibility and control and a willingness to invest in it. **If the already rapid growth of spend management is anything to go by, the time to start making such investments is now.** From this survey, we can conclude that:

- Most SaaS companies have inefficient processes (including manual and labor-intensive processes) to manage non-payroll spend.
- As a result, additional costs and friction have incurred within the companies.
- Unnecessary costs result from the amount of time and number of employees required to complete manual tasks as well as inefficient payment processes.
- SaaS businesses have a high interest in a system that would allow them to manage all different types of non-payroll spend in a single system, with 90% being willing to pay for one.

In the long-term, the bigger you get, the more value you'll get from your system. Implement early and start saving spend now.

Spend management systems are built for scale and are configurable to the changing needs of your company as you grow across payments, approvals, and end-user functionality.

Discover how modern spend management can give your company full visibility and control over all non-payroll spend — [schedule a demo](#) with Airbase today!