



THE 2024 TOTAL SPEND MANAGEMENT BENCHMARK REPORT

KPIs to Make Margins Multiply™

This annual report provides CFOs and finance and procurement leaders with actionable insights based on Coupa community performance. Learn how to use Coupa's AI-driven Source-to-Pay platform as a margin multiplier.

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Thriving in a New Era

Nearly every company is susceptible to the margin erosion zone. It's emerged from macroenvironment pressures and internal inefficiencies, and it stands firmly between how a company survives today and how it needs to perform to stay viable and create profitable growth. Every day, that zone becomes wider. Breaking free and stopping margin erosion forever can seem insurmountable.

A business's staying power depends on how well finance and procurement leaders can apply advanced technology and re-imagine processes to gain margin multipliers - even when faced with external pressures. They're asking questions such as:

- Are we controlling costs with precision to increase cash flow and improve margins?
- Where can we free up more money?
- Which suppliers can offer the right combination of price, speed, and sustainability?

They're using margin multipliers to change the way they do business and drive exponential margin growth.

This report offers best practices for margin optimization at companies of every size and in every industry. It includes **22 operational KPIs** with benchmarks powered by the Coupa community along with recommendations on how to improve. Using the report as a baseline, leaders can learn:

- How well their company is positioned to adapt
- Which investments and actions will build margin-multiplying capabilities
- When and where AI drives better outcomes and smarter decisions

Top performers in the Coupa community

Saved **£17 million** to reinvest in the facilities transformation business



Requisition cycle time improved **30%** on a year-to-year basis



60% slash in single-source suppliers



Went from **weeks to minutes** to order all indirect goods needed to open a new store

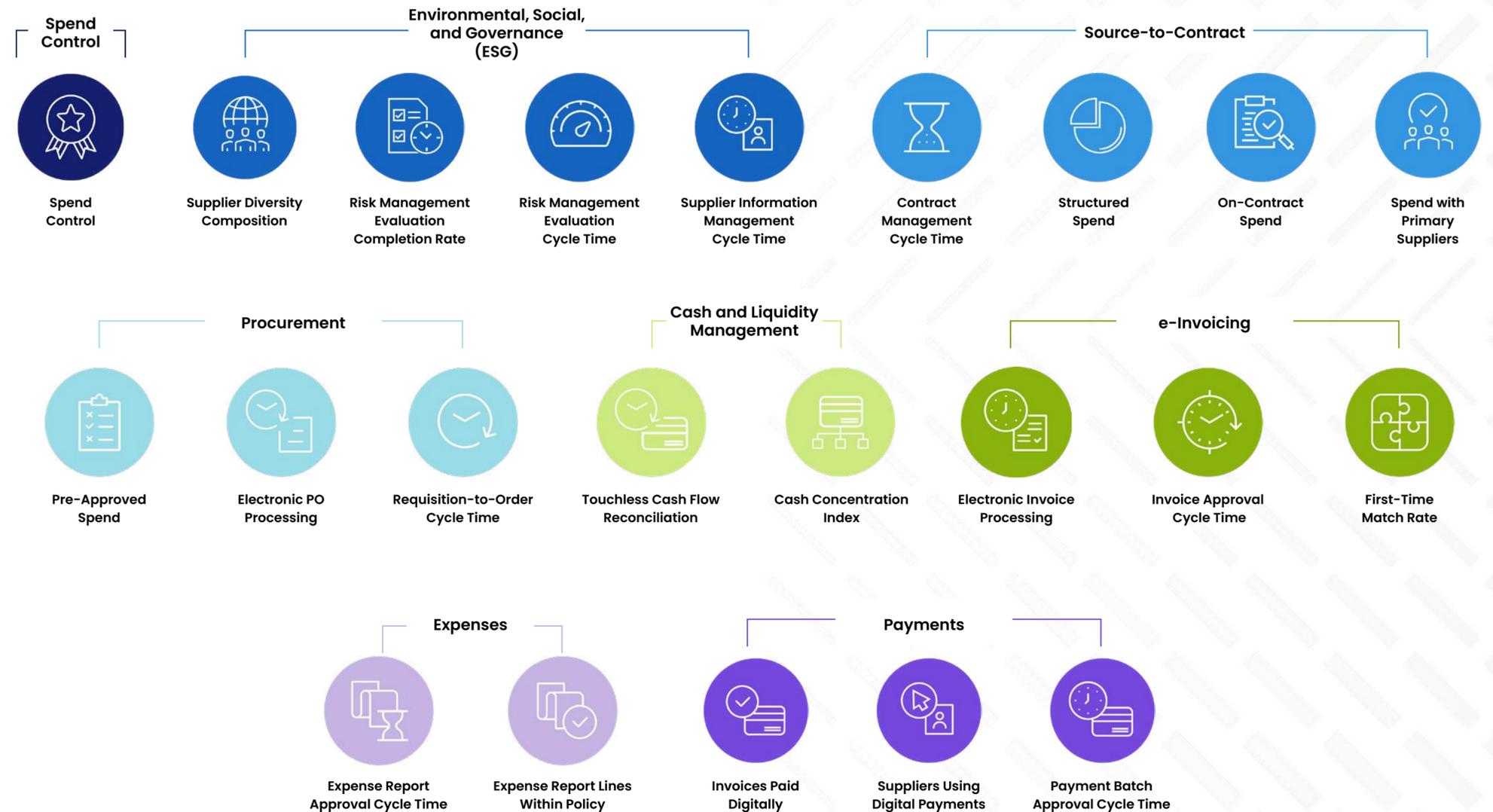
NORDSTROM

22 KPIs Across Source-to-Pay

The best practices that underpin the benchmarks in this report build off each other. When leaders apply them holistically to their S2P process, they create compounding impact that results in a margin multiplier for the business.

Each benchmark measurement represents the median value of the top quartile of Coupa customers for that KPI.

The following pages also include recommendations on how to improve performance. Every company can follow these best practices, no matter where they are in their journey to realize greater efficiencies, make smarter trade-offs in more places, and, ultimately, grow more profitably.



The Power of Data and AI to Multiply Margins

What turns a benchmark with a number attached to it into a benchmark that helps companies expand their margins and drive profitable growth? It's the right data - data that have been safely and ethically sourced for years, from thousands of customers and millions of suppliers, kept safe and secure, and only used with private large language models (LLMs).

The right data are crucial because any AI solution designed to support smarter decisions is only as good as the data it's built on. Data scraped off the internet (or based on surveys), collected for a few months or from a limited number of customers, and run through public LLMs will train AI-driven solutions that reflect these limitations, and, ultimately, do little to move businesses out of the margin erosion.

GAIN MARGIN MULTIPLIERS WITH THE RIGHT DATA FOR AI

These are unlike any others available to finance and procurement leaders. They're based on more than **\$6 trillion** of real-time global transactional spend across a network of roughly **10 million** buyers and suppliers. These data are used to train our community-generated AI for real margin impact. Predictive insights, prescriptive decisions, and automated actions - these are capabilities we've been innovating and building with our customers for more than a decade.

Learn more about Coupa AI



100%

of finance leaders* say they're currently using AI to cut costs and increase productivity across different business areas.

*[*Source: The Strategic CFO: Rebuilding Confidence and Unlocking the Potential of AI, Coupa, April 2024](#)*

Spend Control: A Margin Multiplier Powerhouse



High-performing companies save

5.8%

of their overall spend.

As it becomes clear that short-term measures don't prevent margin erosion, total spend management is emerging as a reliable, sustainable, and comprehensive approach to ensuring profitable growth. Sales forecasts may stay unpredictable, so CFOs and finance leaders are paying closer attention to what they can control – spending practices across their organizations. What happens before, during, and after the direct action of spending money? What controls and processes are in place?

A complete picture of direct and indirect spend is crucial, as evidenced in the KPIs that follow.

An investment in a total spend management platform gives CFOs and finance leaders the visibility they need to understand how resources are being used across the company, such as:

- End users being able to quickly, easily, and consistently buy goods and services that are on-contract and have negotiated lower prices.
- Automatic reconciliation as a way to avoid unnecessary transaction fees and re-allocate cash where it's needed.
- The adoption and use of e-invoicing and digital payments to capture early-payment discounts and rebates that increase working capital.

With increased visibility across all spend types, from cost of goods sold (COGS) to operating expenses, CFOs and finance leaders are better equipped to help fund their company's growth through ongoing and disciplined spend control.

“Our industry can't rely on a significant increase in activity next year to drive earnings growth. We must think about how we minimize spend to deliver improved earnings in a low-to-no growth environment. And having a tool like Coupa – with visibility all the way through our spend column – enables us to optimize our business regardless of market conditions.”

David Schorlemer, CFO

PROPETRO



ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

Ensure ESG Compliance and Manage Risk

“In **digitizing risk management** with the Coupa platform, the bank was able to quickly understand the measures that suppliers and third parties are taking to stay safe and resilient.”

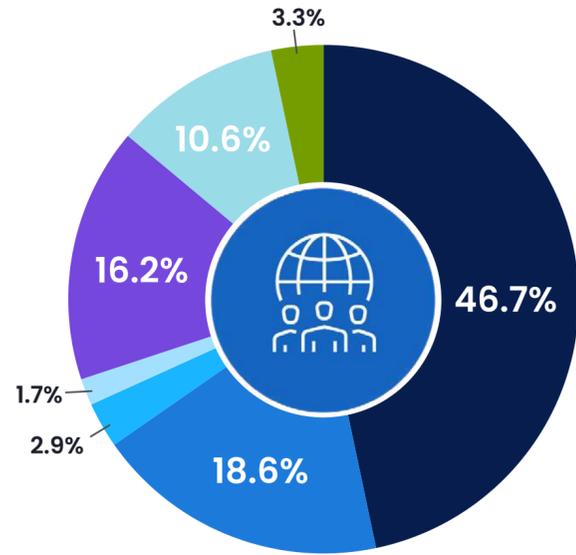
Bank of Montreal

- Legislation around the world is directing businesses to create positive social impact in communities, reduce emissions, and prevent environmental degradation or ethical misconduct - not only within their own operations, but also their supply chain. Non-compliance can result in fines and reputational damage.
- Increasingly complex supplier relationships and collection and reporting requirements across geographies and risk domains can no longer be properly managed by spreadsheets and manual processes.

Learn more about comprehensive risk management 



Supplier Diversity Composition



- Small Business
- Minority/Indigenous-Owned
- Veteran-Owned
- LGBT+-Owned
- Woman-Owned
- Underrepresented Business
- Disability-Owned

*Includes overlaps across categories. For example, it is possible for a supplier to be counted as woman-owned and a small business.

DEFINITION

Supplier Diversity Composition measures the percentage of every diverse dollar spent on the Coupa platform that flows to specified diverse categories.

MARGIN MULTIPLIER

SUSTAINABILITY

WHY IT MATTERS

- As part of their ESG programs (and, in some cases, executive compensation targets), companies have set commitments to increase their business with diverse suppliers.
- U.S. government contractors are required to track their spend with diverse suppliers and meet aggressive targets. In continental Europe, supplier diversity is an emerging consideration, giving companies a tremendous opportunity to lead the way in inclusive procurement practices.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Diversify the supply base with a platform that automatically collects Tier 1 supplier diversity certifications and provides access to pre-sourced, diverse suppliers in common categories.
- Drive diverse spend by highlighting suppliers directly within search results or bubbling offerings to the top.
- Use diversity dashboards within [Coupa SIM](#) to track Tier 2 spending and see activities, and transactions.

Learn more about building a supplier diversity program ➤

Discover how this data and analytics company is using Coupa to meet their targets for [diverse spend](#).



Risk Management Evaluation Completion Rate



79.7%
of Evaluations Issued

Risk Management Evaluation Completion Rate measures third-party completion rate of digitally administered risk questionnaires.

CALCULATING RISK MANAGEMENT

As Coupa has grown and changed over the years, we've adapted how we define and measure risk management. This KPI and the data underpinning it demonstrate how top performers are managing risk today in real business environments and with due diligence.

MARGIN MULTIPLIER

RESILIENCE

- Companies are now responsible for the actions of their suppliers and their suppliers' suppliers in many areas, such as information security and ethical sourcing. Any suppliers and subcontractors who represent risk must be identified.
- The global rate of ESG legislation is rising rapidly – and with it, the cost of non-compliance. The US SEC Climate Disclosures were updated in March, while the CSRD and CSDDD in Europe will drive specific reporting requirements in the near future.
- Digital risk questionnaires help teams quickly and easily understand the risk and mitigation measures in place. As a result, they can assess a greater number of suppliers and perform vetting more frequently and consistently.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Free up time for risk management teams by including a requirement for suppliers to complete risk questionnaires periodically as part of terms and conditions.
- Select an easy-to-use platform that allows teams to monitor where suppliers get stuck in the process and to quickly update questionnaires as regulations change.

Learn about evaluating vendor risks



Discover how this commercial property and casualty insurance company used [digitization](#) to get control over spend and manage third-party risk.



Risk Management Evaluation Cycle Time



30.1
Business Hours

MARGIN MULTIPLIER

PRODUCTIVITY

DEFINITION

Risk Management Evaluation Cycle Time is the time it takes for third parties to respond to risk assessments.

CALCULATING RISK MANAGEMENT

As Coupa has grown and changed over the years, we've adapted how we define and measure risk management. This KPI and the data underpinning it demonstrate how top performers are managing risk today in real business environments and with due diligence.

WHY IT MATTERS

- A fast and efficient vetting process is crucial to onboarding new suppliers quickly and finding replacements when problems arise. Risk management teams can improve their service levels to the business, too.
- Buyers can make decisions regarding supplier preferences and alternatives faster without compromising on due diligence.

HOW TO IMPROVE

✓ LOWER IS BETTER

- Centralize third-party risk management on one platform which accelerates vetting and provides assessment templates. Gain prescriptive recommendations on what to adjust when suppliers get stuck.
- Connect sourcing and third-party risk management to speed up how information is shared.
- Further mitigate risk by automatically sending certificate expiration reminders and defining contract review and approval workflows based on granular risk scores.

[Learn more about managing risk for improved resilience and compliance](#)



Supplier Information Management Cycle Time



8.2

Business Hours

MARGIN MULTIPLIER

PRODUCTIVITY

DEFINITION

Supplier Information Management Cycle Time is the time it takes for suppliers to respond to digital requests to update their information.

EVOLVING SUPPLIER RELATIONSHIPS

As Coupa has grown and changed over the years, we've adapted and refined the tools our customers use to do business with their suppliers. This KPI and the data underpinning it demonstrate how top performers are working with suppliers today in real business environments and with due diligence.

WHY IT MATTERS

- Inaccuracies or gaps in supplier data can lead to major problems for businesses. Suppliers may change their bank accounts or payment information and fail to notify buyers, resulting in bank fees and delays.
- Delays in submission of up-to-date certificates and other information increase risk exposure and lead to costly manual follow-up for supplier managers.
- Suppliers managing their own information through a self-service digital process prevents error and fraud – no more manual data entry errors, no unauthorized changes.
- Faster contract execution removes uncertainty in the supply chain, leading to better planning and quicker business enablement.

HOW TO IMPROVE

✓ LOWER IS BETTER

- Request missing supplier information at the time when the supplier is most engaged – when they're receiving a PO or trying to submit an invoice.
- Inform suppliers that payment won't be possible unless they update their banking information while submitting an invoice.
- Choose an S2P system with robust supplier management that provides an excellent experience for everyone and makes compliance easy.

Learn more about supplier information management



"Supplier Information Management is a great tool available within Coupa. It streamlines our automated process of onboarding and [protects the supplier data](#) that comes back into our system."

Chris Fontana
Director of Procurement

Freeman¹



Source-to-Contract

Reduce Costs and Risk Across Source-to-Contract

“We’ve been working together for many years. [The tools we have] help us make fact-based negotiations so we can **launch products and adapt our supply chain quickly**. And for many years, we’ve been delivering savings – this would not have been possible without Coupa.”

Tetra Pak, a multinational food packaging and processing company

- As a result of recent economic disruptions, spend management professionals are reexamining their approach to contracts. Some are favoring more contracts with shorter term durations. Others are choosing to go all-in with a few trusted suppliers.
- Sudden disruptions make it essential for contracts to be created, reviewed, and executed easily. When teams can quickly move the results of sourcing activities and risk mitigation terms into contracts, businesses can respond with greater agility and maximize the value of supplier negotiations.
- Visibility into and control over contracts is often limited, causing teams to manage the costs of unanticipated auto-renewals.

Learn more about the connections between sourcing and contracting 



Contract Management Cycle Time



8.2
Business Days

MARGIN MULTIPLIER

PRODUCTIVITY

DEFINITION

Contract Management Cycle Time is the time between requesting a contract and the contract being signed.

WHY IT MATTERS

- After the up-front work of sourcing is complete, a contract is necessary to formalize the agreement. Long contract cycle times delay the business benefits of new agreements.
- Long cycle times [create the risk](#) that the business starts working with a new supplier before the contract protections are in force.
- Teams can respond more quickly to supply issues by accelerating the time to bring new suppliers and awarded bids into contract and purchasing.
- Faster contract execution removes uncertainty in the supply chain, leading to better planning and quicker business enablement.

✓ LOWER IS BETTER

- Implement Contract Lifecycle Management (CLM) capabilities and link them to sourcing and third-party risk. This helps teams include the right terms in the contract to mitigate the risk assessed for the counterparty.
- Choose a platform designed to secure the most favorable terms. AI-driven contract intelligence generates negotiation recommendations and extracts metadata to ensure key terms and clauses are included.

Learn about integrating CLM into your S2P processes

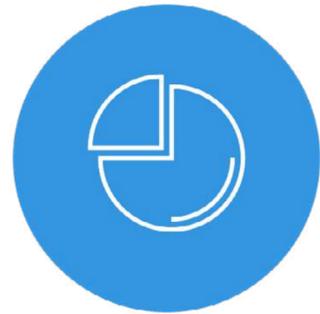


“We were able to complete a critical contract [in weeks](#) that would have taken months to negotiate before.”

Kevin Hensley
Director of Sourcing



Structured Spend



70.4%

MARGIN MULTIPLIER

GROWTH

DEFINITION

Structured Spend describes the percentage of spend that goes through company-hosted and vendor-hosted catalogs (a.k.a. punch-outs).

WHY IT MATTERS

- A good intake experience upfront is essential. It guides infrequent users to what they need at the right price from the right vendor – with little to no work on their end. It also greatly reduces custom or duplicate requests.
- Catalogs drive control, efficiency, and lower prices. Items and services bought on an ad-hoc basis may not capture savings negotiated elsewhere in the business or come from a supplier who has been properly vetted.
- Maximizing structured spend offers a scalable way to manage change and control costs quickly as goods and services are introduced.

⬆️ HIGHER IS BETTER

- Simplify the process of helping every user get what they need with [AI-powered intake](#).
- Connect high-quality catalogs and punchouts to intake. This creates the right experience for end users and maximizes spend with vendors at terms of choice.
- Use AI-driven insights to surface recommendations that improve catalog search results and to identify where expenses can be moved into procurable spend.

Learn about source-to-pay (S2P)



“Leveraging Coupa, Uber can [identify any misalignment](#) between what goods and services are available and what employees need.”

Mark Arrigotti
Head of Global Procurement

Uber

On-Contract Spend



83.7%

MARGIN MULTIPLIER

GROWTH

DEFINITION

On-Contract Spend measures the percentage of spend put through pre-negotiated contracts to enable better prices and terms.

WHY IT MATTERS

- It gives finance teams more options to lower operating expenses. Procurement's role is critical here - negotiating lower pricing in the future with contracted suppliers by channeling more spend through each contract.
- AP teams can improve cash flow when higher amounts of spend are covered by favorable payment terms in each contract.
- Higher on-contract spend [reduces financial risk](#) because it prioritizes relationships with suppliers who have risk-related contract protections in place.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Develop and execute a category sourcing strategy that targets the categories providing the highest value to the business.
- Help procurement professionals to quickly and easily implement contracts into purchasing policy through an integrated Contract Lifecycle Management (CLM) system.
- Use AI-driven intake and orchestration to scan for risks in real time, pull in the right processes (such as supplier onboarding and new contracts), and automatically serve up contracted items and services.

[Learn about managing contracts](#)



"Coupa has transformed our business. We went from rogue spend to 100% on-contract spend classified in Coupa."

Chris Courtemanche
Procurement Innovation Manager

GLENCORE

Spend with Primary Suppliers



17.4%

MARGIN MULTIPLIER

GROWTH

DEFINITION

Spend with Primary Suppliers is the percentage of total suppliers with whom a company spends 80% of its total spend.

WHY IT MATTERS

- Although tail suppliers may often be important niche suppliers, the low amount of spend and infrequent volume often means it does not go through procurement or show up in catalogs.
- Excessive tail spend is undesirable for multiple reasons. Little to no fraud control is in place. Suppliers may not have undergone the right screening. And it means a company isn't consolidating spend to get better prices.
- Reducing tail suppliers and increasing primary suppliers generates value through negotiated contracts, greater buying power, lower risk, and favorable payment terms.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Use [AI Spend Classification](#) to analyze direct and indirect spend in high-value categories. Identify top suppliers for each, then consolidate tail suppliers and redistribute their expected spend to preferred suppliers in exchange for lower prices, better terms, or both.
- Reduce supplier risk by using [AI-driven community sourcing programs](#) to access a pool of vetted and managed suppliers.

Learn more about working with primary suppliers



Discover how this Australian market leader in hospitality experiences used Coupa to [gain the benefits](#) of bulk buying and tightening control while consolidating 400 suppliers to 100.





Procurement

Reduce Costs and Drive Efficiency Across Procurement

“We now have four times the amount of savings, and it’s extremely motivating that procurement and our digital journey are now supporting the growth of the company.”

Novo Nordisk, a Danish multinational pharmaceutical company

- Procurement’s agenda is full of responsibilities that didn’t exist a few years ago. The function has a great opportunity to drive results in multiple strategic areas, supporting near-term financial results and longer-term growth.
- The challenge is to improve margins while ensuring that processes and controls can be used with surgical precision and to shift budgets as needed.
- Procurement’s success hinges on several factors including: maximum visibility and control of spend under management, digitization and the application of AI, driving digitization, and strong supplier relationships.

Learn more about the top priorities of today’s CPOs 



Pre-Approved Spend



96.1%

MARGIN MULTIPLIER

GROWTH

DEFINITION

Pre-Approved Spend is the total amount of invoiced spend linked with approved POs.

WHY IT MATTERS

- Finance teams can inspect each transaction before the spend is committed and control costs in real time to [meet targets and increase working capital](#).
- AP generates accurate accruals without follow-up when teams have greater and earlier visibility into spend that's committed but not invoiced.
- It helps lower operating expenses since it's more likely to go onto negotiated contracts, resulting in lower prices and better terms.
- [Virtual cards](#) help streamline pre-approved spend. Teams can increase liquidity by driving card rebates and optimizing the card's payment cycle.
- Fraud prevention is more robust when more invoices are matched against POs automatically.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Choose a platform that provides [AI-powered intake and orchestration](#) as well as P2P capabilities. Users can easily buy what they need, and suppliers are onboarded faster. At the same time, finance and procurement teams get the spend visibility and control they need as the business grows.
- Implement a [category strategy](#) such that high-spend categories have pre-negotiated prices, terms, and approval rules.

Learn more about pre-approved spend



Discover how this global healthcare company uses pre-approved spend to streamline operations and [speed up PO cycle times](#).

Electronic PO Processing



98.8%

MARGIN MULTIPLIER

EFFICIENCY

DEFINITION

Electronic PO Processing describes the percentage of total POs that are approved and received by suppliers electronically.

WHY IT MATTERS

- Many companies struggle with highly manual PO processes. Digitizing purchase orders includes the electronic transmission and supplier confirmation of POs.
- This drastically reduces low-value, manual work while [accelerating the process](#) to manage, confirm, and change POs.
- Digitization improves [visibility into any issues](#) by letting suppliers provide status updates at the line item level, giving managers time to respond.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Provide a [modern procurement experience](#) to make it easier for every user and supplier to work with the new system.
- Incentivize electronic submissions with a “no-PO, no-pay” policy.
- Use a [structured marketplace](#) to surface every supplier’s goods and services. Use AI-driven data insights to show which suppliers are enabled for digital purchasing and invoicing, and drive buyers to those suppliers.

Learn how procurement maturity can guide digital transformation



Discover how this global auto supplier used Coupa to achieve [real-time transparency](#) on non-product material spend of approximately \$9.5 billion across more than 1.47 million purchase orders.



Requisition-to-Order Cycle Time



3.8

Business Hours

MARGIN MULTIPLIER

PRODUCTIVITY

DEFINITION

Requisition-to-Order Cycle Time is the average time it takes to process purchase orders, from the initial requisition to the final approved PO.

WHY IT MATTERS

- With greater uncertainty in today's supply chains, shorter cycle times help companies stay agile. Users can quickly get the goods and services they need, especially mission-critical ones, even when conditions change suddenly.
- When users trust that the ordering process runs smoothly, they're more likely to use the right processes and systems every time. This increases spend under management.
- Shorter cycle times also increase supplier satisfaction and strengthen relationships.

HOW TO IMPROVE

✓ LOWER IS BETTER

- Adopt [intelligent intake](#) to guide users to the right next step for catalog items, services, and software.
- Use an intelligent workflow engine to orchestrate what's needed to process the request quickly.
- Create hosted catalogs and punchouts based on an [AI-driven marketplace](#) to give users access to pre-negotiated items. Link the intake experience to these catalogs and punchouts.

Learn more about smarter requisition systems



"Coupa has an [enhanced user experience](#) relative to the other platforms under evaluation, with a rich functionality that met AstraZeneca's business requirements."

Rob Christmas
Finance Director





Cash and Liquidity Management

Unlock Yield through Cash and Liquidity Management

“You can’t have good risk management without **good cash management**. Only Coupa could provide what we needed in terms of capabilities but also at such rapid pace. For this kind of challenge, we could not have been supported by another tool available on the market.”

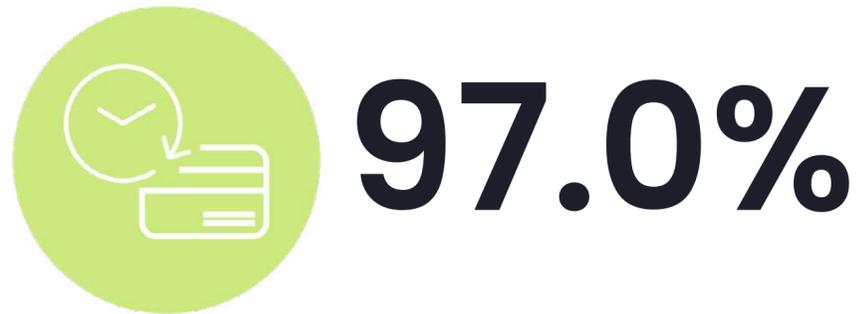
Primetals Technologies Ltd., a global engineering and plant construction company

- Companies are paying more attention to cash forecasting and knowing precise cash positions as part of establishing strong business continuity plans.
- With limited visibility into cash, treasurers and cash managers have fewer options to quickly generate accurate cash forecasts, optimize working capital, drive rebates through virtual card programs, and minimize fees. They also hold on to cash to account for last-minute needs and avoid high-interest loans.
- Treasurers and cash managers can engage in smarter liquidity planning with [early visibility into approved PO and invoice data](#) on a single, unified platform.

Learn more about cash and liquidity management 



Touchless Cash Flow Reconciliation



MARGIN MULTIPLIER

GROWTH

DEFINITION

Touchless Cash Flow Reconciliation measures the percentage of cash flow reconciliations performed automatically on the Coupa platform.

WHY IT MATTERS

- Cash flow reconciliation handled manually is problematic for several reasons. It takes away time from more valuable and strategic work. It also draws out the financial close. Errors can creep in, especially if treasurers and cash managers need to log into multiple accounts and systems, leading to inaccurate reports and forecasts.
- When managed efficiently, cash flow reconciliation presents companies with a tremendous opportunity to put liquidity to good use across the company by optimizing payment timing. Automatically reconciled intraday trading, for example, allows users to make quick decisions based on near real-time balances.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Invest in a spend management platform that unites payment and treasury management capabilities, such as liquidity planning, for greater visibility into cash.
- Move to automatic reconciliation of receivables and payments. Reconciled forecast data is used to accurately categorize transactions, which frees up valuable time and reduces false assignments.

Learn more about reconciliation



Discover how this distribution and service company used Coupa to [accelerate](#) their treasury team's work by nearly 50%.



Cash Concentration Index



73.0%

MARGIN MULTIPLIER

GROWTH

DEFINITION

The **Cash Concentration Index** measures the distribution of a company's cash across all bank accounts.

WHY IT MATTERS

- At its core, cash concentration is a way of using surplus cash generated by one part of the business to support liquidity and working capital requirements of other parts of the business. Treasurers and cash managers move cash between accounts by pooling funds (known as cash pooling).
- Cash pooling reduces bank overdrafts since internal entities access internal liquidity instead of external sources of finance.
- The central treasury team can quickly and easily access available cash directly. Instead of spending time locating cash across multiple accounts and systems, treasurers and cash managers can make better decisions on investments and external liabilities.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Use a unified spend management platform to gain real-time visibility and transparency across multiple subsidiaries, currencies, and accounts in the business.
- Capture [physical cash pools](#) to gain transparency and optimize concentration. Visualize [notional cash pools](#) to reflect interest optimization.
- Process funds transfer and cash pool payments on a platform that doesn't require additional bank integrations.

Learn more about cash pooling



Discover how this manufacturing company used Coupa to [centralize cash management](#) within seven months.





E-Invoicing

Reduce Inefficiency and Fraud Risk with E-Invoicing

“I now have a seat at the table with the treasurer and the CFO on how we manage cash because now I have the visibility to see potential spend over the next three to six months. ”

GameStop, an electronics retail company

- High-value AP personnel should be focused on optimizing working capital and accurate accruals, not on processing loads of paper invoices.
- Paper invoices also cause delays and errors that undermine financial reporting, limit working capital management, and open the door to duplicate payments and fraud.
- Digital invoicing helps accruals because more invoices can be processed each period before the close.
- With government mandates on the horizon, particularly in Europe, companies will face fines and reputational damage if their invoices are not tax compliant.

[Learn more about digitizing AP](#)



The GameStop logo, consisting of the word "GameStop" in white, bold, sans-serif font, centered within a dark blue circular background. The background of the slide features a blurred image of a person's hands holding a white video game controller in front of a screen displaying a game.

Electronic Invoice Processing



83.1%

MARGIN MULTIPLIER

PRODUCTIVITY

DEFINITION

Electronic Invoice Processing represents the percentage of invoices processed through any electronic, automated means.

WHY IT MATTERS

- Electronic invoicing (e-invoicing) improves [compliance](#) by using automated controls to match invoices to POs, apply account coding, and route for approval according to Designation of Authority rules.
- Suppliers gain real-time visibility into approval and payment status, which can reduce time spent on updates.
- E-invoices let AP optimize payment timing to either maximize Days Payable Outstanding or capture early-payment discounts.
- With visibility into invoice data, treasurers can plan for upcoming payments and reduce cash shortfalls.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Digitize invoicing and procurement on a single AI-driven platform. Process e-invoices faster using a data extraction engine to determine each invoice aspect, PO line pairing, tax code recommendations, and the ability to validate country-specific requirements.
- Provide open, frictionless access to multiple automated channels for suppliers to submit invoices and offer greater visibility into invoice and payment status.

[Learn more about invoicing management](#)



Discover how this global manufacturing company took a regional, compliance-driven approach to [e-invoicing](#) to quickly meet ROI targets.

JABIL

Invoice Approval Cycle Time



10.6
Business Hours

DEFINITION

Invoice Approval Cycle Time is the average time from when an invoice enters the system to the time it's approved for payment (but not necessarily paid).

MARGIN MULTIPLIER

PRODUCTIVITY

WHY IT MATTERS

- With paper invoices and disjointed approval processes, it can take days, if not weeks, to approve a simple invoice. AP is bogged down in excess manual work, such as identifying the right account for each invoice, applying coding, and manually chasing approvals.
- Faster approval times help avoid late payments, penalties, and potential supplier frustration, which in severe cases may even void contracts or lead to the refusal of future projects.
- Faster approvals can improve returns on working capital by realizing early payment discounts and can enable finance teams to close the books faster, as invoices are processed quickly.

HOW TO IMPROVE

✓ LOWER IS BETTER

- Introduce policies that vary the approval chains depending on the amount or category.
- Configure systems to automatically approve pre-approved, low-amount invoices. Incorporate AI-driven, [real-time spend monitoring](#) to screen for fraud and keep audits focused.
- Prioritize processing and approvals with an invoice workbench.

Learn five key steps to transforming your AP process



“We are just thrilled with the results and how quickly we obtained the value of [process efficiency](#).”

Amanda Prochaska
Former Vice President, Procurement PMO



First-Time Match Rate



97.0%

MARGIN MULTIPLIER

PRODUCTIVITY

DEFINITION

First-Time Match Rate describes the percentage of invoices that are two-way or three-way matched with POs and receiving documents without the need for exception handling.

WHY IT MATTERS

- A high match rate indicates efficiency. Invoices that fail the match must be reviewed manually, preventing AP teams from doing higher-value work.
- A high match rate also indicates that compliance policies are effective and reducing the risk of unauthorized or erroneous payments.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Digitize POs and invoices to drive a massive increase in first-time match rate.
- With procurement and invoicing capabilities on a single platform, suppliers can automatically create an accurate invoice based on the PO information.
- Consider using a three-way match with a goods receipt. Teams can opt to pay invoices automatically that match within certain tolerances.

[Learn more about invoice matching](#)



“First-time match rate is a must-have for companies who really want to transform in the digital age and make the best use of resources.”

Josh King
SVP, Supply Chain & Strategic Projects





Expenses

Control Costs and Free Up Resources Through Expenses

“We decided to do the T&E project for two reasons: one, to automate the T&E process and two, we’ll actually be able to **streamline that process** and take a tremendous amount of workload off the approvers in the field.”

Service Corporation International (SCI), American provider of funeral goods

- With companies focused on margins, full visibility into and control over all spend, including employee expenses, is essential. Items which **should be pre-approved** are often expensed instead, and negotiated savings in that category are lost. Treasurers also need a view of upcoming spend for accurate cash positioning and forecasting.
- Smarter expense management drives adherence to company policies, reduces the number of surprises for FP&A teams, and drastically improves day-to-day efficiency.

Learn more about end-to-end expense management 



Expense Report Approval Cycle Time



7.6
Business Hours

MARGIN MULTIPLIER

PRODUCTIVITY

DEFINITION

Expense Report Approval Cycle Time is the average time from when an expense report enters the system to the time it's approved for payment.

WHY IT MATTERS

- Paper or spreadsheet-based processes and disjointed expense management systems make it nearly impossible for AP teams to process expense reimbursements quickly.
- Slow reimbursement is a major source of frustration for employees expensing items or services.
- Short approval times encourage the timely submission of expenses and improves budget control.

HOW TO IMPROVE

✓ LOWER IS BETTER

- Choose a system that captures expenses when they occur and uses intelligent expense tracking to control costs.
- [Use AI](#) to auto-capture information from receipts and auto-populate expense categories and fields.
- Enable and promote the use of mobile devices for real-time, in-field expense report submissions.

Learn more about comprehensive expense management



Expense Report Lines Within Policy



98.9%

MARGIN MULTIPLIER

RESILIENCE

DEFINITION

Expense Report Lines Within Policy measures the percentage of lines that meet policy limits within expense reports.

WHY IT MATTERS

- Employees may be unaware of existing expense policies and submit non-compliant expense reports. Manual approvals that often don't leave time for detail review dramatically increase the potential for error and fraud as well as compromise compliance.
- Changing regulations, varying global per diems, and a variety of tax structures make it difficult for AP teams to maintain compliance through disjointed and paper-based processes.
- More expense report lines that comply with policies reduce the overhead of manual audits and accelerate reimbursement times for employees.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Implement a system with real-time notifications or warnings that line items might not adhere to policy.
- Leverage [AI capabilities](#) to monitor expenses, allowing reviewers to spot non-compliance and flag investigate fraud proactively.
- Apply process insights to compare cycle times against the community and identify where to improve.

Learn more about comprehensive expense management





Payments

Build Resilience by Modernizing Payments

Discover how this company used Coupa to [transform its business payments](#), seeing 90% improvement in payment fulfillment requirement and dropping late payments from 70% to 10% in one month.

CBRE, a commercial real estate services and investment firm

- Digital payments improve financial performance through virtual card rebates, early payment discounts, and lower transaction fees. Optimized timing increases working capital.
- Treasurers can uncover excess and deficit cash through increased visibility from source-to-settle as well as upcoming payments that are automatically incorporated into the cash position. Full transparency into supplier payment terms improves hedging decisions, too.
- Digital payment processes including supplier remit-to information management, batch creation, approvals, and reconciliation, allow teams to streamline the back office, prevent fraud, and simplify controls requirements.

[Learn more about digital payments](#)



The CBRE logo, consisting of the letters "CBRE" in a bold, white, sans-serif font, centered within a dark blue circular background. The logo is positioned in the foreground, partially overlapping a background image of a modern glass skyscraper.

Invoices Paid Digitally



95.8%

MARGIN MULTIPLIER

EFFICIENCY

DEFINITION

Invoices Paid Digitally is the percentage of invoices tied to digital payments out of all the total electronic invoices processed on the Coupa platform.

WHY IT MATTERS

- Digital payments improve payment security and fraud detection through additional control mechanisms and AI-driven learning.
- AP teams work much more productively with touchless operations. Digital payments reduce manual work to increase SG&A efficiency, and they enable automatic reconciliation.
- Teams can also see which payment to make when, without error. This creates more opportunities to optimize working capital and manage cash through virtual cards and early-pay discounts.
- It's easier to strengthen relationships with suppliers when they know they'll be paid – in the right amount, on time, and consistently.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Implement digital payments capabilities to enable data continuity, automated reconciliation, and multiple automatic checks that reduce errors and prevent fraud.
- Expand digital payment strategies to include virtual cards. Consider adding a “get paid by card” offer in POs.
- Show suppliers the ease of payment management online using a secure self-service portal.

Learn more about five common payment pain points



“Moving to [card on invoice with Coupa](#) has enabled us to eliminate extra charges that suppliers were passing through. Now we are tracking the dollars saved, and it is significant.”

Elizabeth Mozley

Director of Global Category Management



Suppliers Using Digital Payments



93.9%

MARGIN MULTIPLIER

EFFICIENCY

DEFINITION

Suppliers Using Digital Payments reflects the percentage of suppliers who receive payments digitally, i.e. not via paper checks or external bank-to-bank transfers.

WHY IT MATTERS

- Digital payments streamline the AP process. All payments are made from the same system, and they eliminate time-consuming status updates and manual follow-up – especially for tail suppliers, which typically require alternate invoice and payment methods.
- They also ensure that there are proper internal controls in place, such as setting rules on who can approve and how the approval chain works.
- Digital payments provide additional visibility into and control over outgoing funds. Teams must be able to respond quickly and enforce compliance if, for example, bank accounts change or a region is placed under sanctions.

HOW TO IMPROVE

⬆️ HIGHER IS BETTER

- Incentivize adoption with early payment discounts, flexible payment terms, and a broad set of payment options.
- Increase awareness of virtual card payments. If one-time, long-tail suppliers will accept this method, include it as a preferred method in the PO.
- Identify suppliers who are already accepting digital payments with other buyers and prioritize enabling digital payments with them.

[Learn about transforming business payments](#)



“Prior to Coupa, we were cutting over 80,000 paper checks per year. Now 100% of the suppliers that we onboarded fresh and new in Coupa are on digital payments, a host-to-host connection through Coupa.”

Travis Hodge
Director of Procurement



Payment Batch Approval Cycle Time



1.9

Business Hours

MARGIN MULTIPLIER

PRODUCTIVITY

DEFINITION

Payment Batch Approval Cycle Time measures how quickly a batch of payments to suppliers can be approved.

WHY IT MATTERS

- Faster batch approval processes allow teams to execute payments at the right time. This reduces the need for rush payments and creates more opportunities for early-payment discounts.
- With approvers distributed regionally or even globally, overburdened AP personnel spend valuable time on hunting down signatures by email or on paper.
- Truly efficient payment approval processes build [separation of duties](#) into the approval chain. Roles are clearly defined up front to avoid confusion and prevent costly and time-consuming mistakes.

HOW TO IMPROVE

✓ LOWER IS BETTER

- Streamline approvals by minimizing the complexity of approval chains and matrices.
- Authorize multiple releasers for any approval process so no bottlenecks develop.
- Improve how batches are created and scheduled with the payment workbench on the S2P platform.

[Learn more about streamlining payments](#)



Discover how this specialist provider of products and services reduced its [sign-off times](#) for payment runs from hours to minutes per week.

SAGA

A Roadmap to Profitable Growth

This report gives finance and procurement leaders a sense of how ready their company is to adapt to today’s business environment, including rapid and disruptive advances in AI. But that’s only part of the equation. To create transformation roadmaps that drive durable, profitable growth, leaders must also understand why their organizations struggle to stop margin erosion, do more with less, and ensure effective compliance and governance.

HELP CIOs CHOOSE THE RIGHT INVESTMENT FOR GROWTH

With fewer projects being funded and every partnership under scrutiny, IT’s buy-in on total spend management is critical. But 73% of CFOs and finance leaders are **never aligned** with their CIO on strategic priorities. A strong partnership helps CIOs understand the dramatic shift in buying behavior and how they can support larger profitable growth initiatives that go beyond IT.

- Does every solution scale? Will it survive attrition?
- How can we capitalize on and integrate AI advances without introducing additional risk or cost?
- What discrete outcomes can we focus on (instead of “work productively”)?

ASSESS FINANCE AND PROCUREMENT MATURITY

Maturity models offer CFOs and finance leaders a quick and clear picture of what’s working well (and what isn’t) in finance and procurement organizations – and which investments in people, processes, and technology will amplify the margin multiplier effect of their S2P platform.



Regain control over financial health 



Prepare for the future of procurement 

22 KPIs Across Source-to-Pay

	KEY PERFORMANCE INDICATOR	GOAL	BENCHMARK
Spend Control	 Spend Control	⬆️ HIGHER IS BETTER	5.8% High-performing companies save more of their overall spend
Environmental, Social, and Governance (ESG)	 Supplier Diversity Composition	⬆️ HIGHER IS BETTER	7 Categories
	 Risk Management Evaluation Completion Rate	⬆️ HIGHER IS BETTER	79.7%
	 Risk Management Evaluation Cycle Time	⬆️ LOWER IS BETTER	30.1 Business Hours
	 Supplier Information Management Cycle Time	⬆️ LOWER IS BETTER	8.2 Business Hours
Source-to-Contract	 Contract Management Cycle Time	⬆️ LOWER IS BETTER	8.2 Business Days
	 Structured Spend	⬆️ HIGHER IS BETTER	70.4%
	 On-Contract Spend	⬆️ HIGHER IS BETTER	83.7%
	 Spend with Primary Suppliers	⬆️ HIGHER IS BETTER	17.4%
Procurement	 Pre-Approved Spend	⬆️ HIGHER IS BETTER	96.1%
	 Electronic PO Processing	⬆️ HIGHER IS BETTER	98.8%
	 Requisition-to-Order Cycle Time	⬆️ LOWER IS BETTER	3.8 Business Hours
Cash and Liquidity Management	 Touchless Cash Flow Reconciliation	⬆️ HIGHER IS BETTER	97.0%
	 Cash Concentration Index	⬆️ HIGHER IS BETTER	73.0%
E-Invoicing	 Electronic Invoice Processing	⬆️ HIGHER IS BETTER	83.1%
	 Invoice Approval Cycle Time	⬆️ LOWER IS BETTER	10.6 Business Hours
	 First-Time Match Rate	⬆️ HIGHER IS BETTER	97.0%
Expenses	 Expense Report Approval Cycle Time	⬆️ LOWER IS BETTER	7.6 Business Hours
	 Expense Report Lines Within Policy	⬆️ HIGHER IS BETTER	98.9%
Payments	 Invoices Paid Digitally	⬆️ HIGHER IS BETTER	95.8%
	 Suppliers Using Digital Payments	⬆️ HIGHER IS BETTER	93.9%
	 Payment Batch Approval Cycle Time	⬆️ LOWER IS BETTER	1.9 Business Hours



THE 2024 TOTAL SPEND MANAGEMENT BENCHMARK REPORT

About Coupa

Coupa makes margins multiply through its community-generated AI and industry leading total spend management platform for businesses large and small. Coupa AI is informed by trillions of dollars of direct and indirect spend data across a global network of 10M+ buyers and suppliers. We empower you with the ability to predict, prescribe, and automate smarter, more profitable business decisions to improve operating margins. Coupa is the margin multiplier company™. Learn more at coupa.com and follow us on [LinkedIn](#) and [X \(Twitter\)](#).

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