

MORE CUSTOMER SATISFACTION THROUGH AI-SUPPORTED ORDER ACCEPTANCE

Phoenix Contact, the industrial electrical engineering, electronics, and automation specialist, uses AI to create an automated workflow for recording, processing, and archiving incoming orders and invoices. The standard products from Insiders Technologies convince through individual configurability, low maintenance effort, high recognition rates, and deep integration in SAP. In many cases, partially automated processing is possible. Due to a significant reduction in processing times, same-day processing of incoming orders is now the norm.



CUSTOMER

Phoenix Contact

COUNTRY

Germany

HIGHLIGHT

Process optimization and acceleration of workflows

PRODUCTS

smart ORDER
smart INVOICE

THE CHALLENGE: A LARGE NUMBER OF ORDERS, INDIVIDUALLY CONFIGURABLE

Whether in industrial production plants, in the field of renewable energies, in infrastructure, or for complex device connections, Phoenix Contact solutions are used wherever processes must run automatically. Since 1923, Phoenix Contact has been developing the right products for connecting, distributing, or controlling energy or data flows. Phoenix Contact is both a global player and a family-owned company. The group of companies, headquartered in Blomberg, North Rhine-Westphalia, includes more than 50 own companies, for which 22,000 employees work worldwide.

Although EDI is gaining importance for order transmission, more than one thousand orders reach the company daily via various channels such as PDFs. The orders often have hundreds of order items. Time efficiency in processing incoming orders is the key to economic success. In order taking, individual customer requirements - a particular competitive advantage of Phoenix Contact - pose a challenge for the company

CHALLENGES

- ✓ High order volume with sometimes hundreds of order items per order
- ✓ Wide range of articles with many options for configuration
- ✓ Enable same-day order processing as a rule
- ✓ Integration into SAP processes and system landscape
- ✓ Global, multilingual companies should work with a uniform solution

in addition to the sheer volume of orders. Previously, manual processing of all orders, including data entry into the SAP system, was the norm. This meant a great deal of time and was prone to errors. In addition, order information was only available after manual entry into SAP. Tracking and reporting were correspondingly cumbersome.

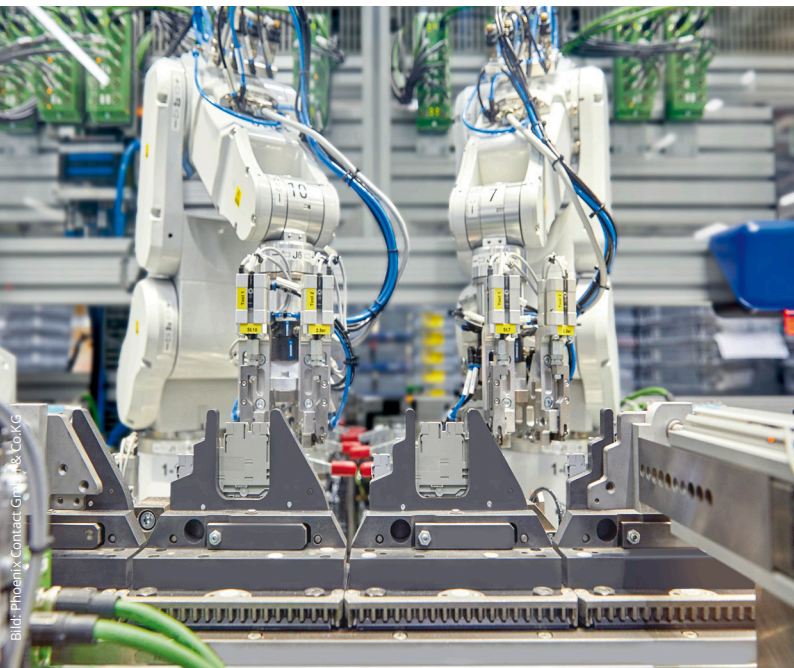
THE WISH: A DIGITAL WORKFLOW WITH SAP INTEGRATION

Phoenix Contact therefore wanted a largely digitized workflow for processing order or purchase order documents, regardless of the initial format, with the option of designing the process flexibly and individually and being able to intervene if necessary. The aim was to ensure that even individual configurations are automatically recognized and that the processors could see immediately whether the desired items had been correctly identified according to the respective customer requirements. Any necessary post-processing of the orders should be possible quickly and conveniently. In conjunction with a solution for automated accounts payable processing, integration into the existing SAP

system, and archiving of the documents, Phoenix Contact wanted to optimize and accelerate its entire order-to-cash and purchase-to-pay processes.

COMPLETE PACKAGE FOR CAPTURE, PROCESSING, AND ARCHIVING

In searching for a suitable solution, the smart product family from Insiders Technologies was convincing as the best solution on the market due to the comprehensive options for individual expansion. Based on a free-form approach, the smart ORDER service for automated order processing intelligently matches customer master and article data and pulls in all order-relevant data, regardless of the form and its placement on the order. The self-learning software can easily resolve blurring in the text recognition or different spellings and thus achieves high recognition rates with low maintenance effort. Orders in new formats from previously unknown customers are also processed smoothly. If there are uncertainties in the recognition, the orders are forwarded to Phoenix Contact employees for manual reworking and the questionable passages are marked in color.



"We can recommend the Insiders Technologies solution. We now have a uniform tool that can be used by all employees and speeds up our processes."

STEFAN KIRCHHOFF

DIGITAL PROCESSES AND SOLUTIONS,
PHOENIX CONTACT GMBH & CO. KG

"With Insiders Technologies, you have a service provider on your side who knows what he is doing and takes time for the customer. Both the commercial and technical advice convinced us and the support is competent and fast when the shoe pinches."

STEFAN KIRCHHOFF

DIGITAL PROCESSES AND SOLUTIONS,
PHOENIX CONTACT GMBH & CO. KG

After extraction and classification, the data relevant to the order is transferred to the SAP system. The order documents are automatically archived for storage in the integrated Doxis archiving application.

Phoenix Contact relies on the Insiders solution smart INVOICE for processing incoming invoices and delivery bills. Here, the approval process is integrated into the SAP workflow. Since smart ORDER and smart INVOICE have the same technical basis, there are corresponding synergies in know-how development and operation. Phoenix Contact is also happy to take advantage of opportunities for innovation with the smart products. For example, dangerous goods are now automatically detected on delivery bills and corresponding messages are generated for detection and management of hazardous goods.

This has resulted in a homogeneous system landscape at Phoenix Contact with tools that all users can use in multiple languages - including internationally. In tranches of three to four rollouts per year, all the company's companies are gradually being connected.

MANY IMPROVEMENTS WITH LITTLE EFFORT

Today, Phoenix Contact has significantly reduced effort for post-processing documents, which speeds up the business process. In addition to the reduced susceptibility to errors, employees feel secure when working with the tool, as they are directly shown where information is ambiguous during order entry and should be rechecked.

The globally identical procedure for all affiliated companies makes it possible for key users

in one country to train key users in another country and for them to exchange information with each other. This also corresponds to the template approach that runs through Phoenix Contact's entire system landscape: achieving the greatest possible improvements with little effort. Accordingly, in the sense of a continuous improvement evaluation, the company checks at regular intervals, which adjusting screws can still be adjusted to optimize processes further.

For the future, Phoenix Contact plans to extend the smart components to other document types, introduce a feature matrix that directly checks whether selected order components are valid, and migrate from the current on-prem infrastructure to the cloud.

BENEFITS

- ✓ Uniform solution for all users of the company and its companies
- ✓ Process optimization and acceleration of workflows
- ✓ Reduced susceptibility to errors
- ✓ Same-day order processing is now the rule
- ✓ Flexibility in ordering remains for customers
- ✓ A platform for further innovations in document handling

KEY FACTS

- ✓ Satisfied customers thanks to flexible order acceptance and rapid processing
- ✓ More than 90% of the data transferred to the SAP system can be processed in the dark
- ✓ More efficient and accelerated O2C and P2P processes
- ✓ More safety and workload reduction for employees
- ✓ Synergy effects for all companies of the company



SMART ORDER: BOOSTER FOR THE ORDERING SYSTEM

smart ORDER is a proven standard product for automated order processing. It immediately captures all necessary order information and forwards missing or illegible information to a post-processor ("human-in-the-loop"). Thanks to intelligent learning algorithms, only minor system adjustments or prior training are required. smart ORDER exports the extracted data from the purchase order to any process automation, CRM, or ERP system.

<https://insiders-technologies.com/de/b2c-automation/>

ABOUT PHOENIX CONTACT GMBH & CO. KG

Under a global umbrella brand, Phoenix Contact offers innovative products, solutions, and digitization expertise for the electrification, networking, and automation of all sectors of the economy and infrastructure. In this way, the family-owned company empowers industry and society to transform to a sustainable world with long-term growth prospects for all. The core business is organized into three business units. In new business areas, the potentials of digitalization, electrification, and changed mobility are also being tapped beyond the core business. Phoenix Contact employs around 22,000 people and generated sales of 3.6 billion euros in 2022. Worldwide, production is carried out in a manufacturing network in 11 countries with varying degrees of vertical integration. The Phoenix Contact Group includes more than 50 sales companies worldwide, which ensure proximity to the markets and customers.



<https://www.phoenixcontact.com/de-de/>

ABOUT INSIDERS TECHNOLOGIES GMBH

Insiders Technologies is a technologically leading and market-established provider of software for Cognitive Process Automation. More than 4,000 customers from all industries rely on the innovative solutions of the product house from Kaiserslautern to optimize their document-centric business processes. As the most successful spin-off of the German Research Center for Artificial Intelligence (DFKI), Insiders has made it its mission to transform cutting-edge AI into real customer benefits. Thanks to the latest Deep Learning technologies, the software solutions understand heterogeneous content, extract business-relevant information, automate transactions and shorten response times. In doing so, the technological pioneering spirit and agility are a guarantee for continuous innovations and products on the pulse of time.

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