

CASE STUDY

Early warning for abnormally large invoices

How Unusual Invoice Alerts gave leverage back to PetLab Co and eased their end-of-month



33%

An unexpected vendor price increase caught by PetLab Co



1000%

An unexpected price increase caught early by Stampli itself

About

PetLab Co. is a direct-to-consumer pet supplement brand that aims to enhance the quality of life for pets by developing products to address common pet ailments. Financial Controller George Koukoumpanis is acutely aware of the pressures that hit the Finance team at the end of every month, when all hands are on deck to validate the month's numbers. He's always on the lookout for ways to make the process smoother, and has been an enthusiastic adopter of Stampli's Unusual Invoice Alert feature.

Challenge

In any company, when an unusually large invoice is spotted, the AP team has to understand what's behind the anomaly.

Is the large price increase written into the contract? Is it a typo? Or is the vendor trying to pull a fast one?

If the charges are legitimate, they can significantly impact the company's financial position. If they're mistakes or even fraud, the AP team faces the additional burden of recovering funds, correcting records, and potentially dealing with damaged vendor relationships.

The investigation process is fairly routine. But when it's the end of the month, even routine events are filled with stress.

At month-end, AP teams must verify and reconcile all financial entries, identify and correct anomalies, ensure all invoices are processed, and schedule payments. They must meticulously align every transaction with the right account, department, and period. Mistakes can distort financial reporting and create risks to compliance. Given the high volume of work, the need for accuracy, and tight deadlines, month-end proves a challenging, high-pressure period for AP teams.

AP teams have long resigned themselves to the reality that unusual invoice amounts simply compound the month-end stress. But not the AP team at PetLab Co: They utilize Stampli's Unusual Invoice Alerts, which helps them spot anomalies well before the end of the month.



"This feature saves us stress as much as it saves us money."

George Koukoumpanis, Financial Controller at PetLab Co.

Solution

With Stampli's Unusual Invoice Alerts feature, PetLab Co's AP team is alerted as soon as an invoice deviating significantly from historical patterns hits their system.

"Finance does not usually compare invoices against historic costs on a day-to-day basis. We review as we approach the end of the month. Unfortunately, the month-end is a very stressful period for any finance team, so any discrepancies compound the stress the team already feels," says George Koukoumpanis, Financial Controller at PetLab Co. "Stampli's Unusual Invoice Alerts gets us ahead of the issues. This makes our month-end less frantic and gives us a better chance to protect our cash flow without putting pressure on our employees or our vendor relationships."

The Unusual Invoice Alerts feature scans every new invoice for any significant deviation from historical billing patterns. If it identifies an anomaly, it sends an alert to up to five designated recipients, providing an invaluable safety net against potentially significant financial mistakes.

As Koukoumpanis puts it, "This feature saves us stress as much as it saves us money." In one notable case, this feature even helped them preserve a relationship with an important vendor.

Bottom Line

Created out of necessity

There's an interesting origin story to the Unusual Invoice Alerts feature: it was born out of Stampli's own painful experience. They were once blindsided by a software vendor that quadrupled the cost of an annual subscription, leading to months of back-and-forth. Realizing that businesses universally faced this risk, they created a solution to flag unusual invoices at arrival. As Stampli CEO, Eyal Feldman, put it, "We built Unusual Invoice Alerts because we needed it for ourselves, and we knew other businesses would, too." Since developing this feature, Stampli itself has been able to protect against unexpected charges, including one vendor bill that went up 1000% over the course of a month.

Amplified by Stampli's collaboration platform

Stampli's Unusual Invoice Alerts are made even more actionable thanks to Stampli's unique communications and collaboration layer, which is built directly on top of the invoice. AP and team members can ask and answer questions directly alongside historical invoices, vendor documents, signed agreements, and any other relevant information. These tools can even be used to bring external vendors into the same conversation, ensuring that there's a complete audit trail about the issue and how it was resolved.

Auditable vendor communications

This point bears repeating. One of the standout benefits of Stampli's system is the ability to communicate directly with vendors through the platform. This means that AP teams don't need to use external channels such as email to ask a vendor questions. Not only does this save AP teams from the distractions of switching between apps, but it ensures that all communications are attached to the invoice itself – a full audit trail that makes reporting a breeze.

Cash flow management in difficult times

Cash flow management is critical in any business environment, but it becomes a lifeline during periods of economic uncertainty. Stampli's feature is not just about catching unusual invoices – it's about protecting the lifeblood of the business. It offers an additional layer of financial control and stability at a time when businesses need it most.



“These alerts help us identify breakdowns in our internal communications procedures, leading to new processes that protect our cash flow even further.”

—
Eyal Feldman, Stampli CEO