



**ZURICH INSURANCE  
FOR THOSE WHO TRULY LOVE**

**CASH APPLICATION**

# Insuring the Scalability of Faster Cash Application

Learn how Zurich Insurance strategized its Cash Application solution by leveraging automation coupled with artificial intelligence to beat market trends

## Challenges in Cash Application

- Manual processing of Wire/ACH applications:**  
Unable to exploit the exceptional benefits of electronic application, the Credit and A/R team of Zurich, struggled to manually process the bulk of electronic payments and receipts.
- Erroneous DNOC and Dunning letters:**  
Delayed cash application process led to erroneous status of accounts/ invoices. Even if the customer has paid for an invoice, they might wrongfully receive DNOC or dunning letters resulting in unsatisfied customers and disparate status of accounts
- Numerous internal calls with several commercial teams:** In order to resolve the errors in the system, the Credit and A/R team was frequently compelled to have multiple internal calls or meetings with brokers, underwriters, account executives and Finance Operations managers.

### About Zurich Insurance

Zurich Insurance Group Ltd. is a Swiss insurance company, commonly known as Zurich. The company is Switzerland's largest insurer. Zurich is a global insurance company which is organized into three core business segments: General Insurance, Global Life and Farmers

*Headquarters:* Zürich, Switzerland  
*Revenue:* US\$ 67.245 billion  
*Industry:* Financial services  
*No. of employees:* 53,894  
*Products:* Life and non-life insurance, pensions, investments

### Receivables Landscape

The Cash Application team of Zurich manually processed the entire end-to-end process. Over the years, they have taken several initiatives to work on improving the existing cash application process, yet they face multiple challenges.

## Goals and Objectives

To build a scalable, Zurich extensively researched banks, vendors and multiple cash automation solutions to identify methods for applying cash more accurately, timely and cost effectively. Their ultimate aim was to find a solution that provides 75% cash automation at the customer level. The key considerations were:



### Exploit The Benefits Of Electronic Transactions

With the advancement of electronic transactions over the years, Zurich wanted to have a solution that can automatically aggregate and reconcile data from these transactions as compared to the earlier manual, slow and error-prone process



### Reduce Expenses Of Cash Processing

Zurich wanted to have a cash application solution that can reduce its bank lockbox fees along with the operating cost. Moreover, they wanted to re-assign their resources to other value-adding tasks instead of the repetitive manual tasks



### Improved Customer Satisfaction

While providing the customers with a richer experience and a freedom to pay/send remittances in their desired format, Zurich also wanted a solution that can have real-time visibility into the status of accounts/invoices to avoid incorrect dunning or DNOC.



CASH APPLICATION

Results Across the Board



**83% Faster  
Payment Applied**



**Six FTEs Re-allocated**



**Reduced Exception  
Handling**



**Reduced Bank Fees**

About the Solutions

Cash Application

Teams used to spent a large amount of time manually processing ACH/Wire payments. This delayed cash application led to broken customer experience and complicated internal collaboration. This was resolved by:

- 1. **Data Aggregation Engine:** The data aggregation engine aggregates remittance and payment information from a variety of sources like customer portals, bank websites, FTP, emails and extracts data from several formats including EDI, paper, web email
- 2. **AI Enabled Optical Character Recognition:** An artificially intelligent built-in OCR engine that automatically captures data from check remittances.
- 3. **Automatic Linking Engine:** An intelligent pattern matching and transformation rules engine that applies customer specific rules for invoice matching, deduction identification & coding, and cash discount analysis.

Key Features

Multi-ERP Integration

The Cash Application solution has a unique ability to integrate with multiple ERPs

Bank File Integration

The solution could also integrate with all types of bank file formats

Email Parsing

The solution will automatically parses emails and their attachments to collect and process remittance information.

Optical Character Recognition

AI enabled OCR feature that can automatically extract remittance information from paper images

Web Aggregation Capability

The solution also has a web-based technology that can log in to website portals, download and extract remittance information

Automatic EDI Parsing

The solution can parse all formats of EDI files including EDI 823, EDI 820, 812, bank BAI or BAI2 formats.