

Navigating a Complex ERP Landscape to Streamline Credit Management

Learn how Land 'N' Sea Distributing Company Turbocharged the Credit Operations Engine for 18,000 Customers



The main reason behind automating credit was to focus our effort where it mattered most.

Paul Watters, Director Worldwide Credit & Treasury, Mercury Marine

Company Overview

Mercury Marine is an industry-leading developer and manufacturer of a broad range of marine propulsion systems for recreational and commercial applications acquired by Brunswick Corporation in 1961.

Challenges

Two lines of business: Service Marine Parts & Accessories (Land 'N' Sea), and Engines.

Land 'N' Sea distributes marine parts and accessories to over 18,000 customers through the US, Canada, and Latin America. Primarily commodity product 1,800 customers added yearly. Their Credit Management was driven primarily by spreadsheets and emails.

Multiple ERP systems leads to increased complexity

Mercury Marine has operations in US, Canada, and Latin America. In addition to working in multiple regions, they had four disparate ERPs storing customer details: Land 'N' Sea, Attwood, Garelick, and Mercury Marine. These business units had common customers. The existing systems were antiquated, inefficient, and incapable of interface. Between these businesses, they had an inconsistent credit approach which led to increased complexity.

Complex Credit Management scenario

1. Multiple external data sources:

Data had to be manually pulled from different credit agencies, including Experian and Equifax. Public financials or credit insurance companies like Yahoo Finance were not considered.

2. Time-consuming data entry:

The entire process relied on spreadsheets, faxes, and email chasing.

Data had to be entered twice, once on a spreadsheet and then again on the ERP.

3. Disconnected ERP systems:

Since different business units had different ERPs and some of these business units had common customers, this led to dealing with multiple ERPs for retrieving and updating customer data.

COMPANY

Mercury Marine

INDUSTRY

Marine Engine Manufacturer

REGION

North America

REVENUE

\$719.7 million

PRODUCTS

Credit Cloud

BENEFITS

- ✓ 100% improvement in team productivity
- ✓ 67% reduction in Customer onboarding time from 4.5 days to 1.5 days



Handling New Customer Applications and Existing Customer Reviews

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Challenges with New Customer Applications:

- Prone to error due to manual data-entry from various sources such as e-mail, paper, and fax
- Back-and-forth correspondence for information
- Onboarding a new customer required 4.5 days

Challenges with Existing Customer Reviews:

- Existing customer details such as payment history, transaction details had to be manually pulled from four different ERPs
- Key 200-300 customers – reviewed once every year. Other customers – reviewed only every other year

A credit analysts' nightmare – managing credit data across multiple ERP systems

Mercury Machine had multiple business units, and it was likely that there were common customers across businesses. If a customer worked with Garelick, Mercury Marine, and Attwood, then to manage the credit risk, the credit analysts needed to manually look at the customer information present in four different ERPs.

For the future, the strategy is to have all the information consolidated in one place, so that credit risk is reduced and the credit risk assessment process is standardized.

Successful Outcomes



100% improvement
In A/R team Productivity



67% reduction
In Customer onboarding time
From 4.5 days to 1.5 days

About the Solution

Faced with a lot of manual processes, Mercury Marine was looking for a solution that could:

- Eliminate the double-data entry in spreadsheets
- Be able to pull information from credit agencies
- Simplify the tracking of credit application statuses
- Enhance collaboration between credit team and sales
- Increase adherence to periodic credit review policy
- Effectively handle periodic credit reviews for 18,000 customers

The HighRadius solution met the above challenges by providing:

Online Credit Application

With the complete shift of data input from paper to online, it completely got rid of dealing with paper.

Integration with Agency Reports:

The solution eliminates the need for credit analysts to manually collect information from different credit agencies. The solution is integrated with multiple credit agencies, such as Experian and Equifax, for the seamless capture of agency reports automatically.

The Solution – Analyst Workbench:

The credit analysts get their own individual worklists in the solution. The worklist gets populated with the new customer applications in real time for review. During the review process, the solution pulls data from credit agencies and payment trends and calculates an updated credit score and credit limit.

Prioritization of Large Accounts:

The solution prioritizes accounts with large amounts outstanding. This reduces credit risk by focusing on high-risk