

# Accounts Payable *Automation:*

Transportation Companies  
Innovate To Drive Growth

PYMNTS | **Routable**

December 2022

AP Automation: Transportation Companies Innovate To Drive Growth, a PYMNTS and Routable collaboration, is based on the findings of a survey of 51 transportation, shipping and logistics executives that was conducted from Feb. 15 to March 2. Respondents were asked about their plans to automate their AP platforms and how automation can aid companies' long-term growth. We examine the challenges companies face when processing large volumes of payables and reveal how platform innovations could help.



# Table Of Contents



**02**

Introduction

**10**

Continuing the rapid  
pace of growth

**14**

The many challenges  
that get in the way of  
processing payables

**18**

The importance  
of platform  
automation  
in fixing AP  
systems' flaws

**22**

The problems  
AP innovation  
can fix

**24**

AP innovation in the  
years ahead

**28**

Conclusion and  
methodology

PYMNTS | **Routable**

## Acknowledgment

AP Automation: Transportation Companies Innovate To Drive Growth was produced in collaboration with Routable, and PYMNTS is grateful for the company's support and insight. PYMNTS retains full editorial control over the following findings, methodology and data analysis.

## Introduction

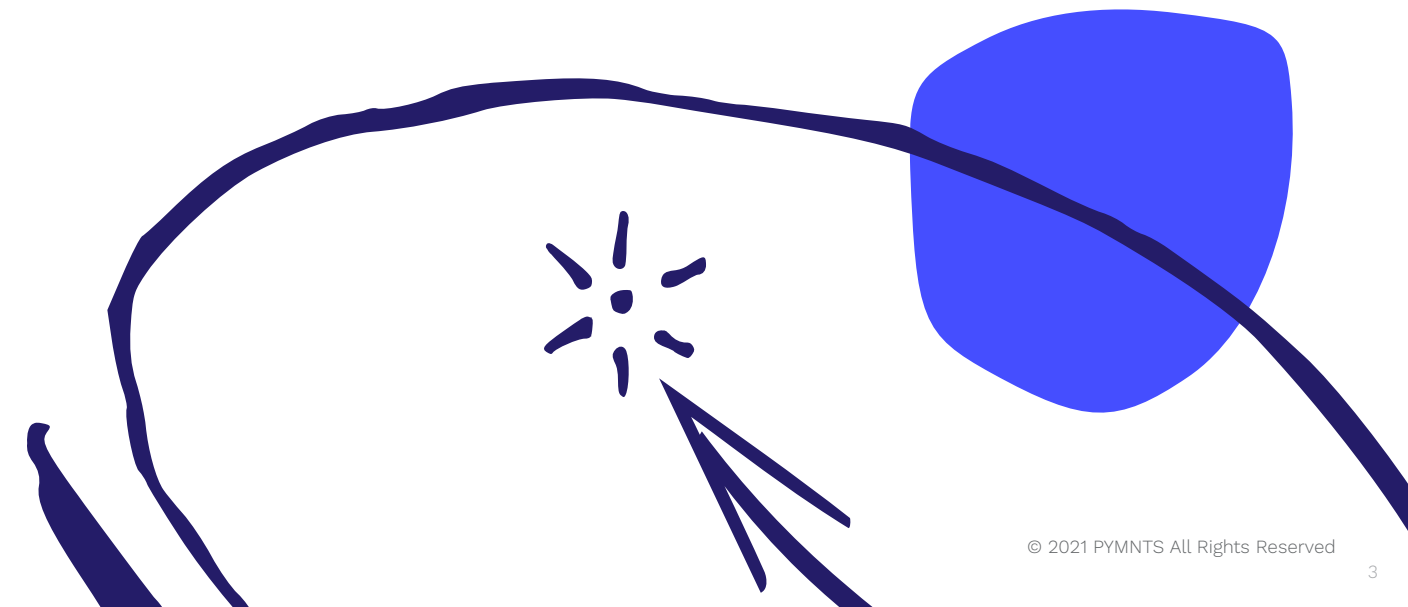


Transportation, shipping and logistics companies have been essential to the rise of eCommerce, and in the almost three years since the pandemic started, their role has grown even more important. Amid soaring demand, these businesses have recognized the need to upgrade and innovate their accounts payable (AP) systems to ensure that supplier and vendor payments are sent reliably, efficiently and in the expected manner.

These companies are already processing payables at high volumes — 71% process an average of at least 1,000 payables each month, and 72% of those businesses expect their payables to rise by 11% or more over the next three years. With this much volume, manually writing and mailing checks simply is not a viable solution. Most of these companies recognize that AP innovation is the key to overcoming the limitations of their current systems.

These are just a few of the key findings in AP Automation: Transportation Companies Innovate To Drive Growth, a PYMNTS and Ratable collaboration. We surveyed 51 executives from transportation, shipping and logistics companies from Feb. 15 to March 2 about their plans to automate their AP platforms to aid in long-term growth. We examine the challenges these companies face in processing large volumes of payables and reveal how AP platform innovations could help overcome them.

### **This is what we learned.**



## 1 Transportation and logistics companies expect their monthly AP volumes to steadily increase over the next three years.

Thirty-one percent of transportation and logistics companies process an average of 1,000 to 2,499 monthly payables, and 39% process 2,500 or more payables each month. These already-high volumes are slated to increase as well. Seventy-two percent of the companies processing these volumes forecast that their monthly AP transactions will rise by at least 11% over the next three years, and 28% predict their volumes will rise less than 10% during that time frame. These companies recognize that they must prepare themselves to accommodate the forecasted growth.

## 2 Paying vendors in their preferred currencies remains a significant payments challenge for transportation and logistics companies.

Overall, 26% of transportation and logistics companies say it is a challenge to pay vendors in the currencies they prefer, and 14% identified this as their biggest challenge. The challenges that plague transportation and logistics companies the most tend to involve interacting with and paying vendors. Another challenge often encountered is a lack of sufficient payment options within vendors' platforms: 24% of these companies cite this as a problem, and 12% report it as their biggest challenge. The companies recognize that to sustain strong relationships with vendors, their payments platforms must operate efficiently and be ready to handle anticipated growth. In addition, 18% of transportation and logistics companies overall identified issues with payments visibility and transparency, while 6% identified lack of visibility within their payment platforms as the biggest challenge they face.

## 3 Among the transportation companies that identify insufficient payment options as their most significant challenge, 67% say automated AP systems are highly important.

The transportation and logistics businesses that consider automated AP systems as highly important are less likely to be satisfied with the performance of their existing AP systems. These companies recognize that they need efficient AP systems to sustain strong ties with vendors and position themselves for success. Of these companies, only 33% are very or extremely satisfied with their AP systems' performance. All transportation and logistics companies that identified payment visibility and transparency issues as a key challenge consider AP automation to be highly important.



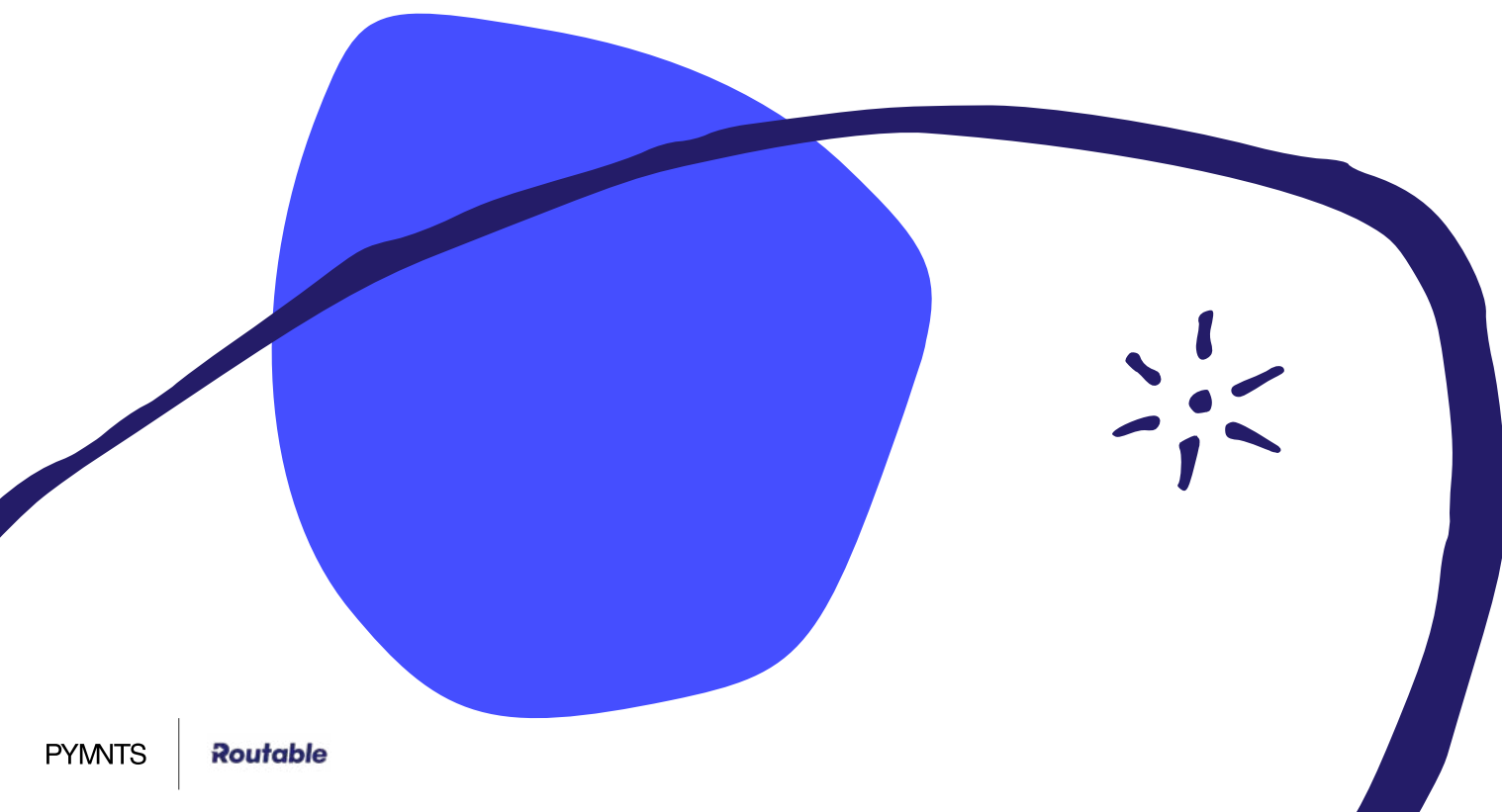
## 4 Transportation and logistics companies that struggle with invoice approvals and lack of payment transparency ascribe the highest importance to AP innovations.

Overall, 41% of transportation and logistics companies consider AP platform innovations to be a more urgent priority than addressing some other issues in their organizations. Fifty-five percent of these businesses say AP innovations are important for their organizations but are not their top priority. Just 3.9% say that AP innovations are their least important priority. In addition, three-quarters of transportation and logistics companies say it is a priority for them to address their invoice processing problems.



**For 65% of transportation and logistics companies that are planning to innovate their AP systems, improved visibility and transparency of payments is an expected result.**

The greatest improvement CFOs at transportation and logistics companies expect to realize from AP innovation is an improved relationship with vendors, with 83% citing this. Seventy-eight percent expect payments to get faster, and 52% expect to have a greater ability to pay vendors in their preferred currencies. Forty-eight percent of transportation and logistics company CFOs expect their ability to pay vendors with their preferred payment methods to improve because of AP platform innovation.



# Continuing the rapid pace of growth

Transportation and logistics companies already process high volumes of payables each month, and they expect their payables to increase even more: 57% of firms forecast a rise of between 11% and 30% during the next three years, and another 15% expect volumes to spike 31% to 50%. Meanwhile, 28% of these businesses expect an increase of less than 10%.

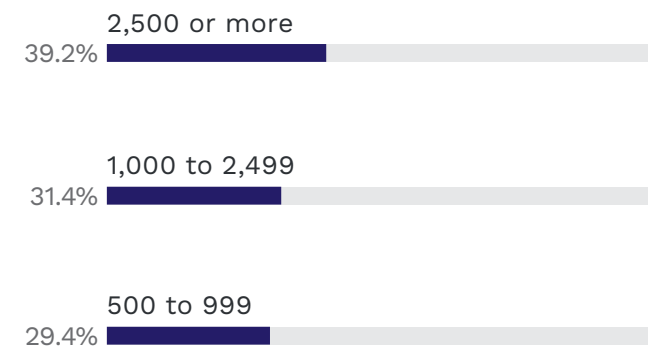
The pressure these high volumes put on company operations underscores the value of automated platforms. Forty-nine percent of transportation and logistics companies say AP automation is very or extremely important for handling increases in monthly payables, while 51% view automated platforms as slightly or somewhat important.

The companies in this sector have a generally favorable view of how their AP platforms handle high volumes of payables. Fifty-one percent say they are very or extremely satisfied with their platforms, and 49% say they are slightly or somewhat satisfied.

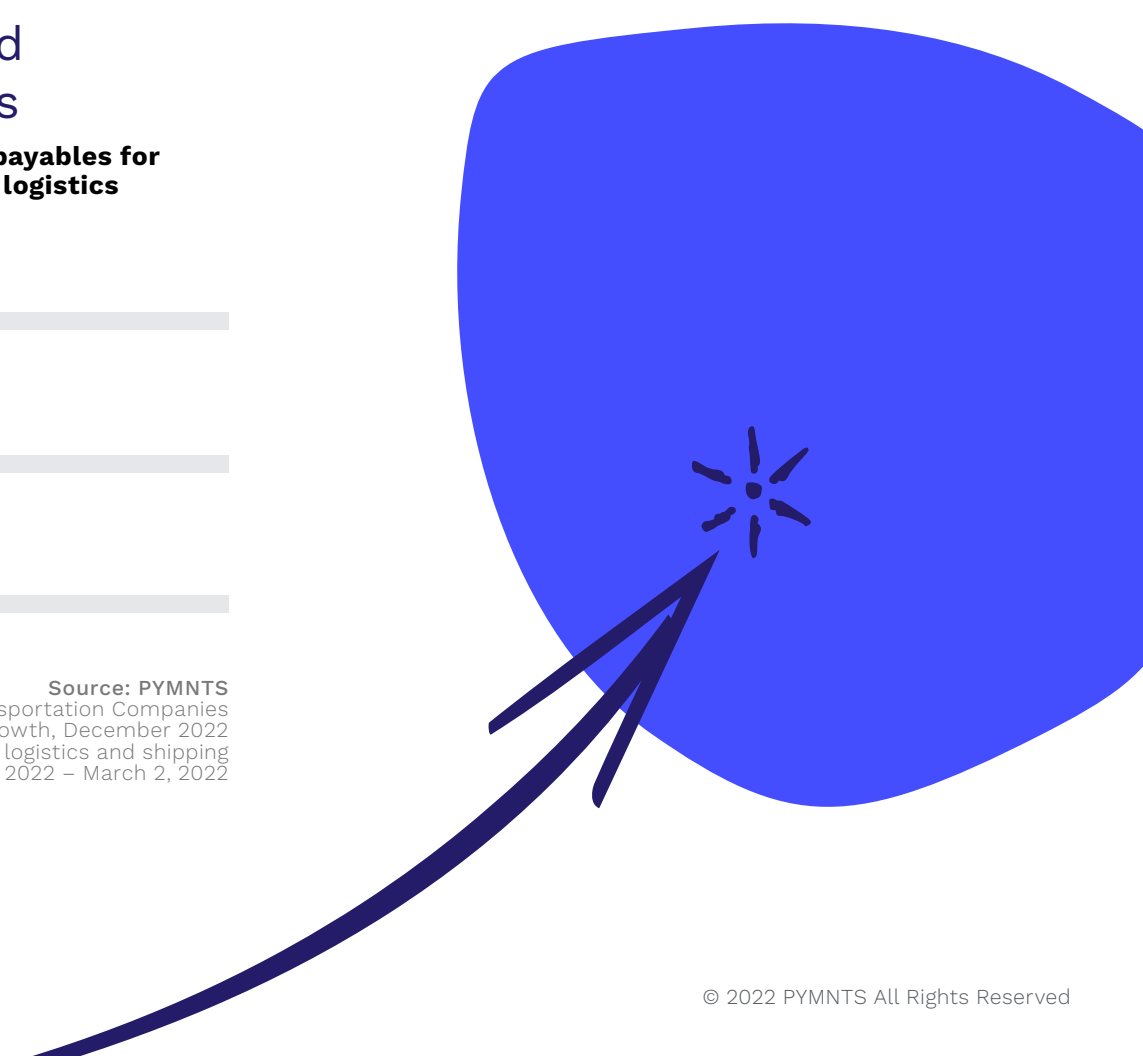
The more automated a company’s process is, the more likely it is that their executives will be satisfied with their AP platforms. Among companies with an automated or mostly automated process, 61% are very or extremely satisfied with how their platforms process monthly payables, while 39% are slightly or somewhat satisfied.

Among companies with AP platforms that are evenly divided between manual and automated processes, 48% are very or extremely satisfied, and 52% are slightly or somewhat satisfied. But at companies with mostly or completely manual processes, all the executives in our survey say they are just slightly or somewhat satisfied. None were highly satisfied.

**Figure 1A:**  
**High volumes and high expectations**  
**Average number of monthly payables for transportation, shipping and logistics companies**

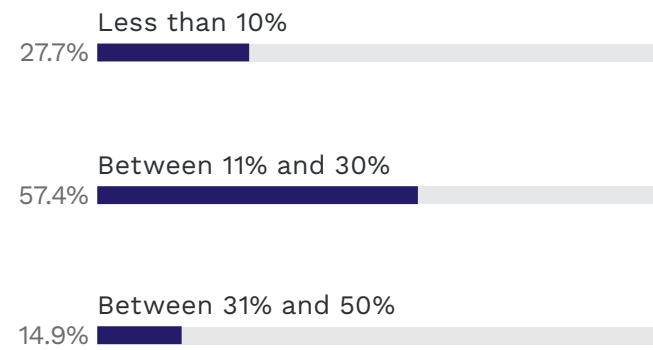


Source: PYMNTS  
 AP Automation: Transportation Companies  
 Innovate To Drive Growth, December 2022  
 N = 51: Transportation, logistics and shipping companies, fielded Feb. 15, 2022 – March 2, 2022



**Figure 1B:**  
High volumes and high expectations

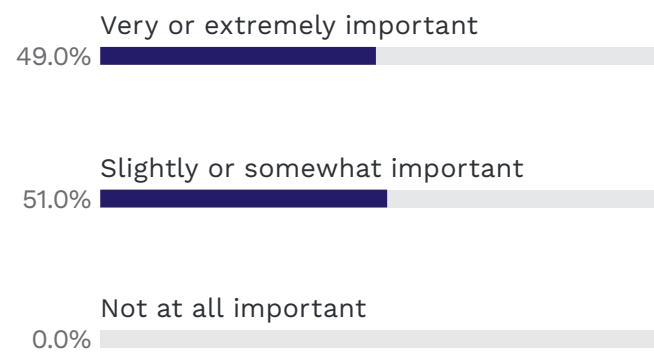
Share of transportation, shipping and logistics companies that expect increases in the number of payables made via AP platforms during the next three years



Source: PYMNTS  
AP Automation: Transportation Companies Innovate To Drive Growth, December 2022  
N = 47: Transportation, logistics and shipping companies that expect an increase in the number of payables over the next three years, fielded Feb. 15, 2022 – March 2, 2022

**Figure 1C:**  
High volumes and high expectations

Share of transportation, shipping and logistics companies citing how important automation is for increasing their AP platforms' processing capacity

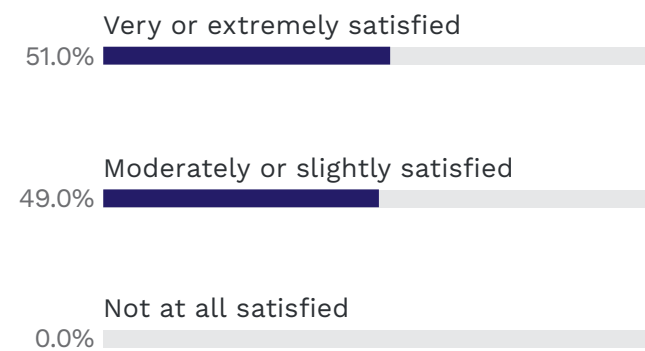


Source: PYMNTS  
AP Automation: Transportation Companies Innovate To Drive Growth, December 2022  
N = 51: Transportation, logistics and shipping companies, fielded Feb. 15, 2022 – March 2, 2022



**Figure 1D:**  
High volumes and high expectations

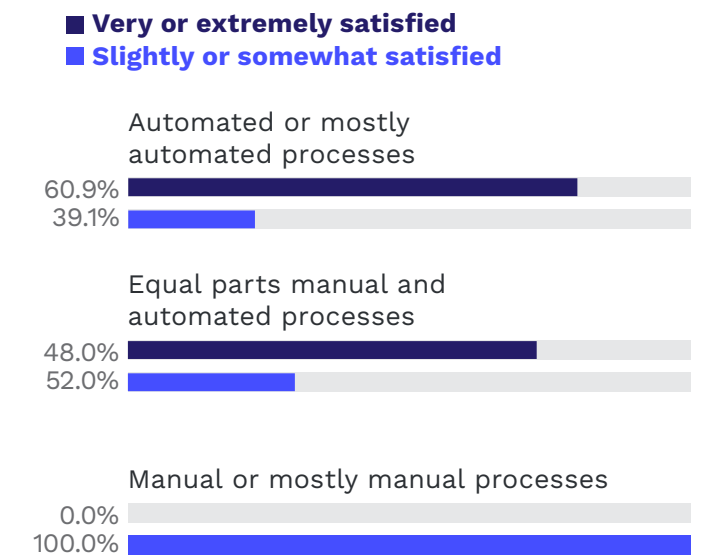
Share of transportation, shipping and logistics companies citing their satisfaction with their AP platforms' handling of monthly payables



Source: PYMNTS  
AP Automation: Transportation Companies Innovate To Drive Growth, December 2022  
N = 51: Transportation, logistics and shipping companies, fielded Feb. 15, 2022 – March 2, 2022

**Figure 1E:**  
High volumes and high expectations

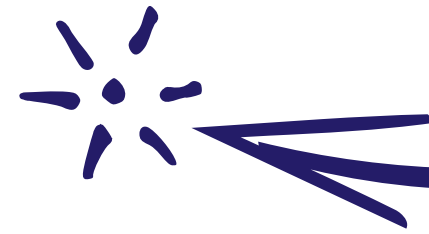
Share of transportation, shipping and logistics companies citing their satisfaction with their AP platforms' handling of monthly payables, by level of automation of AP-related functions



Source: PYMNTS  
AP Automation: Transportation Companies Innovate To Drive Growth, December 2022  
N = 51: Transportation, logistics and shipping companies, fielded Feb. 15, 2022 – March 2, 2022







# The many challenges that get in the way of processing payables



To ensure that their AP platforms work as intended, transportation and logistics companies must resolve any problems, such as inefficient communications with vendors or delays in getting invoices approved.

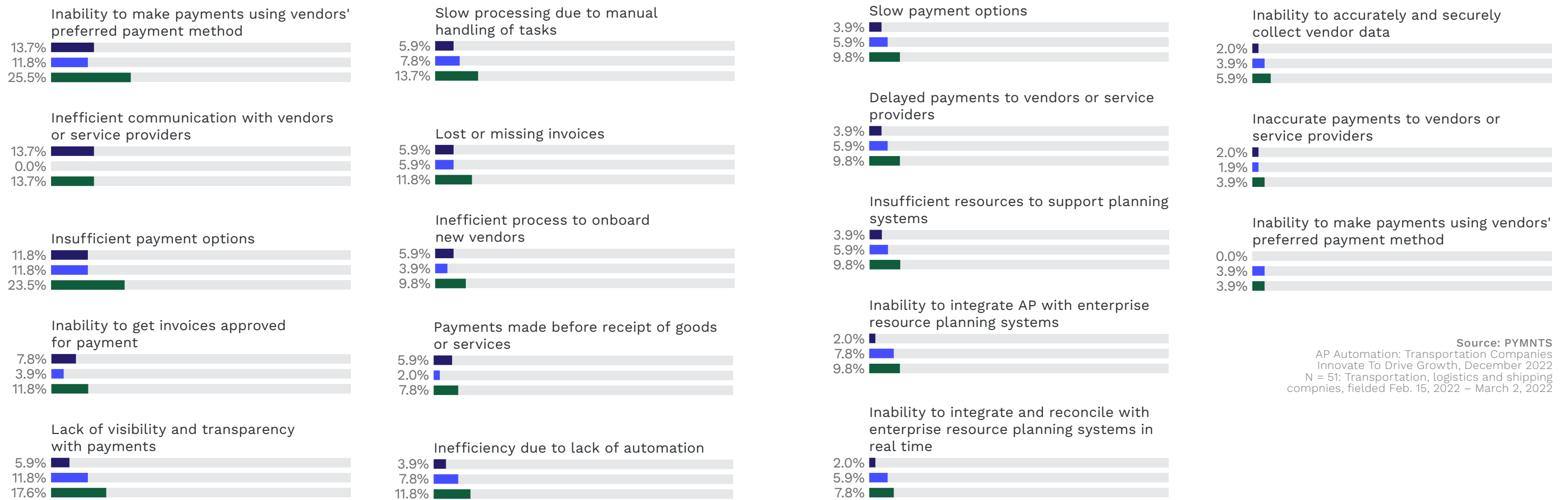
Fourteen percent of these companies say their most significant challenge stems from insufficient or inefficient communications between their AP platforms and vendors. Overall, 12% of transportation and logistics businesses are plagued by difficulties receiving the necessary approval for invoice payments, and 7.8% cite this as their biggest challenge.

Visibility and transparency of payments processes is a problem for 18% of transportation and logistics companies, with 5.9% calling this the biggest problem they face. Fourteen percent of the businesses in this market say they must contend with the slow processing of manual payments, with 5.9% citing this as the biggest problem confronting their AP operations.

Additional problems include lost or missing invoices, which were cited by 12% of businesses; problems onboarding new vendors, which were cited by 10%; and delayed payments to vendors for products or services that have not been delivered, which impact 7.8% of transportation and logistics companies. For each of these issues, 5.9% of companies say it is the biggest problem they face.

**Figure 2:**  
**Transportation companies' persistent payment problems**  
**Share of transportation and logistics businesses citing specific problems, by level of importance**

■ **Most important challenge**  
 ■ **Important, but not the most important challenge**  
 ■ **Total**



Source: PYMNTS  
 AP Automation: Transportation Companies  
 Innovate To Drive Growth, December 2022  
 N = 51: Transportation, logistics and shipping  
 companies, fielded Feb. 15, 2022 – March 2, 2022

# The importance of platform automation in fixing AP systems' flaws

Transportation and logistics companies tend to regard AP platform innovation as the solution for the shortcomings they have identified in their platforms. For example, 67% of transportation and logistics companies that identify insufficient payment options as a key challenge say it is very or extremely important to have automated AP platforms that can handle increasing payables volume. At the same time, 67% of these companies are no more than moderately or slightly satisfied with their systems. Just 33% are very or extremely satisfied.

Moreover, 29% of transportation and logistics companies that cited inefficient communications with vendors as a key challenge say automation is very or extremely important to increasing their volume of monthly payables. Similarly, 29% of businesses are just moderately or slightly satisfied with their systems, while 71% are very or extremely satisfied.

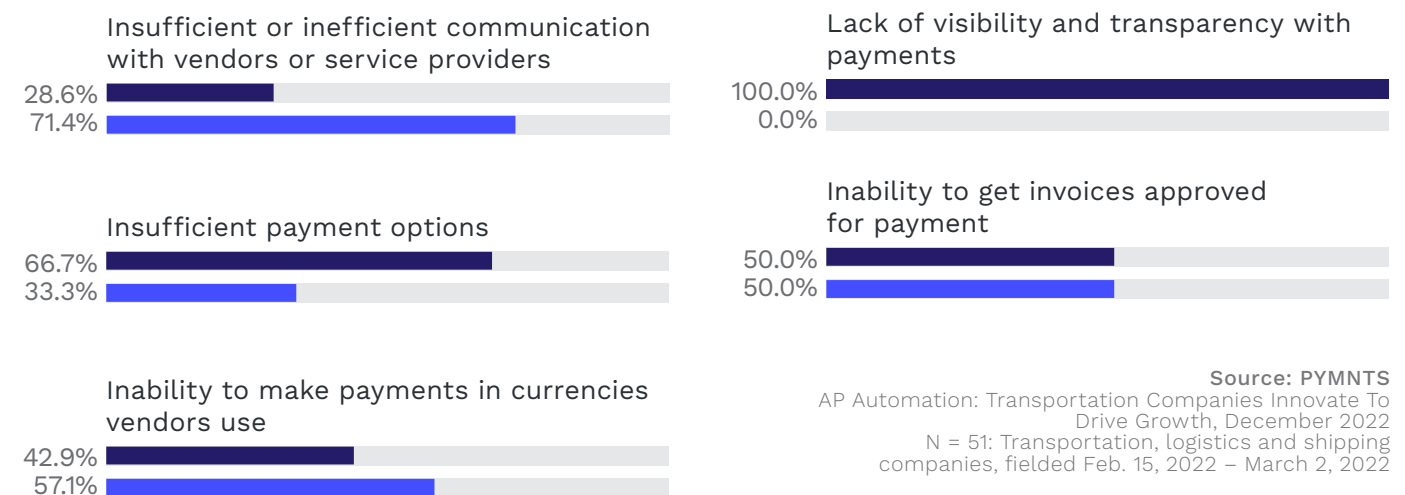
PYMNTS' findings also underscore the recognition among the most successful companies that they must have efficient and effective AP operations to sustain their competitive position.

**Figure 3A:**

## Why automated platforms matter

**Transportation, logistics and shipping companies' top five challenges, by importance of automated AP platforms for increasing capacity of payables processing**

■ Very or extremely important  
■ Slightly or somewhat important



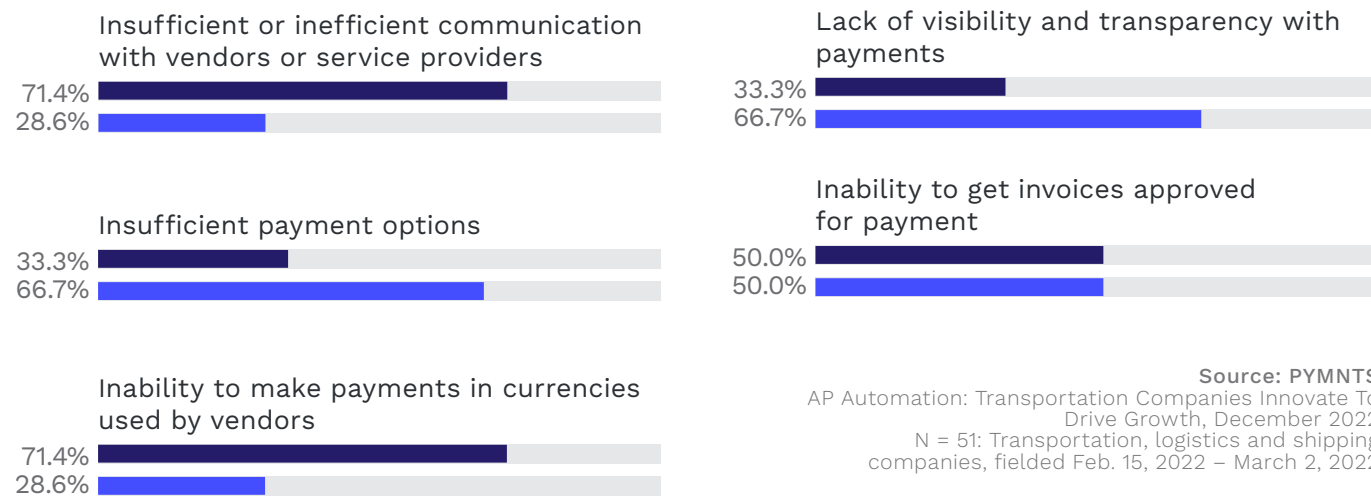
Source: PYMNTS  
AP Automation: Transportation Companies Innovate To Drive Growth, December 2022  
N = 51: Transportation, logistics and shipping companies, fielded Feb. 15, 2022 – March 2, 2022

Figure 3B:

## Why automated platforms matter

Transportation, logistics and shipping companies' top five challenges, by satisfaction with AP platforms

■ Very or extremely satisfied  
 ■ Moderately or slightly satisfied



Source: PYMNTS  
 AP Automation: Transportation Companies Innovate To Drive Growth, December 2022  
 N = 51: Transportation, logistics and shipping companies, fielded Feb. 15, 2022 – March 2, 2022

**67%**  
 of transportation and logistics companies that identify insufficient payment options as a key challenge believe automated AP platforms are very or extremely important.



# The problems AP innovation can fix

Seventy-five percent of the transportation and logistics businesses that struggle with getting invoices approved for payment consider resolving their invoice issues to be an urgent priority, while 25% consider it one of their more significant priorities.

Companies in this market generally agree that they need to respond to the challenges raised by inefficient or insufficient AP automation, but they differ in the importance placed on addressing these challenges.

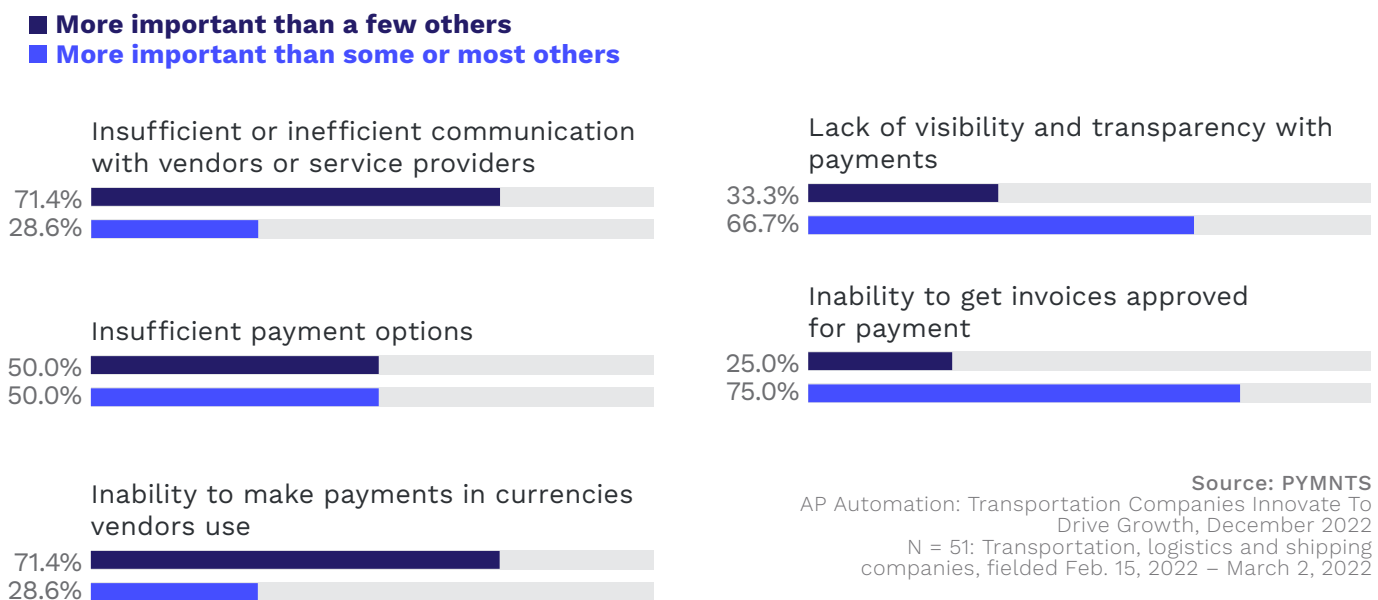
Sixty-seven percent of businesses that face issues with the visibility and transparency of payments think addressing this problem is an urgent priority; 33% say it is important, but not as important as other issues. These companies believe that to succeed, they must resolve any lingering inefficiencies in their AP platforms.

Fifty percent of transportation and logistics companies say their efforts to resolve their insufficient payment options are more important than some of their other priorities, while another 50% say these efforts are important but not necessarily the most important.

By contrast, 29% of businesses that identified inefficient communication with vendors say AP innovation is more important than at least some of their other challenges. Similarly, 29% of companies say the inability to make payments in vendors' preferred currencies is more important than at least some other innovation priorities.

**Figure 4:**  
How AP innovations may benefit businesses

**Share of transportation, shipping and logistics companies citing the importance of AP innovations compared to other priorities, by top five challenges**



Source: PYMNTS  
AP Automation: Transportation Companies Innovate To Drive Growth, December 2022  
N = 51: Transportation, logistics and shipping companies, fielded Feb. 15, 2022 – March 2, 2022



# AP innovation in the years ahead

Overall, 45% of transportation and logistics companies have decided to innovate their AP platforms over the next three years, and 3.9% have already begun the innovation process. Among the companies that have decided to innovate their AP platforms, 18% plan to get started in the next six months and 14% say their efforts will begin in the next 12 months.

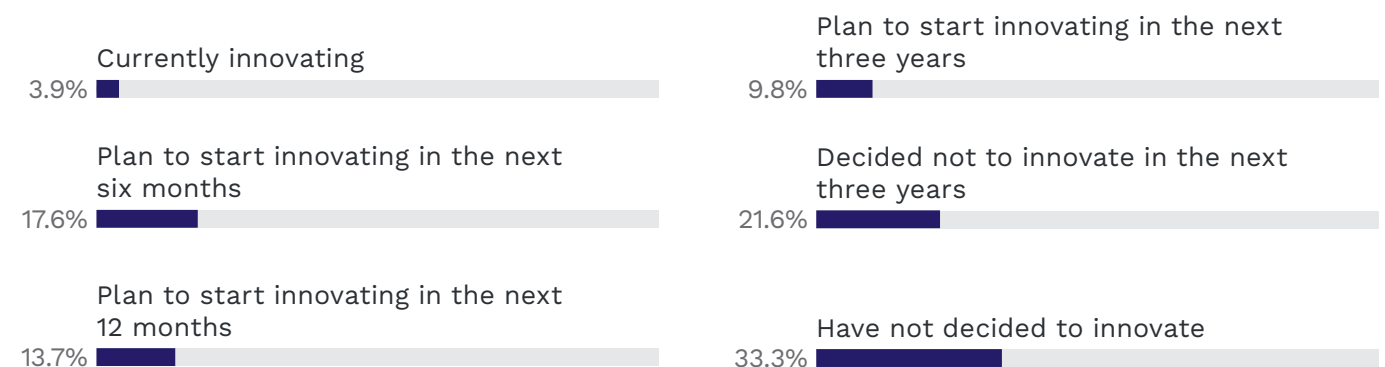
Twenty-two percent of transportation and logistics companies do not plan to innovate their AP platforms in the next three years, while 33% have yet to decide whether they will make any innovations at all.

CFOs at transportation and logistics companies anticipate a host of benefits as they begin to evaluate and implement new AP solutions. Eighty-three percent say the innovations will improve their relationships with vendors and 78% say payments will be completed much faster. In addition, 65% expect visibility and transparency of payments to be enhanced.

At the same time, 52% of transportation company CFOs expect their ability to pay vendors in their preferred currencies to improve as they innovate their AP platforms, while 48% expect an increased ability to pay vendors with their preferred payment methods.

**Figure 5A:**  
Looking at the future of AP platform innovation

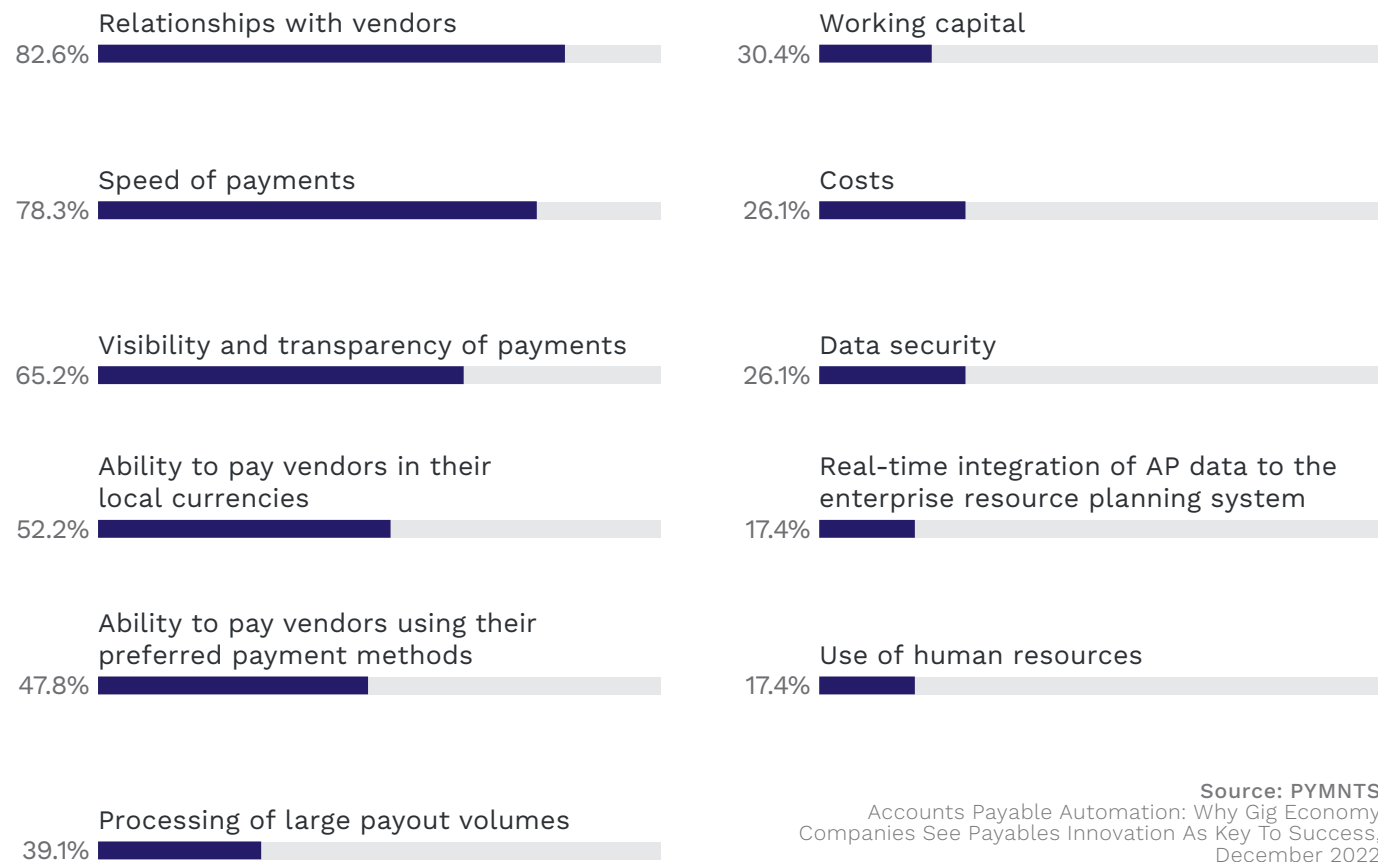
**Share of transportation, shipping and logistics companies citing select plans to innovate automated systems to improve overall AP capabilities during the next three years**



Source: PYMNTS  
Accounts Payable Automation: Why Gig Economy Companies See Payables Innovation As Key To Success, December 2022  
N = 51: Transportation, logistics and shipping companies, fielded Feb. 15, 2022 – March 2, 2022

**Figure 5B:**  
Looking at the future of AP platform innovation

Share of transportation, shipping and logistics companies with plans to innovate their AP systems citing the areas in which they expect to see very noticeable improvements from innovation



Source: PYMNTS  
Accounts Payable Automation: Why Gig Economy  
Companies See Payables Innovation As Key To Success,  
December 2022  
N = 23: Transportation, logistics and shipping companies  
planning to innovate their AP systems,  
fielded Feb. 15, 2022 – March 2, 2022



# Conclusion

After years of rapid growth, transportation and logistics companies expect the heady pace of expansion to continue for the next several years. Many of them plan to continue investing in automating and upgrading their AP platforms so they can manage their growth and reliably pay their suppliers. The transportation and logistics companies that remain committed to sustaining these investments in AP platform innovation are likely to be in the best position to succeed through the industry's next growth cycle.

PYMNTS

Routable

# Methodology

AP Automation: Transportation Companies Innovate To Drive Growth, a PYMNTS and Routable collaboration, is based on findings from a survey of 204 executives conducted from Feb. 15 to March 2. We surveyed companies that generate less than \$1 million in yearly revenue to more than \$250 million from four industries: transportation, logistics and shipping, online marketplaces, the gig economy and virtual events management. Respondents process from 500 to more than 50,000 payables each month.



# About

## PYMNTS

PYMNTS is where the best minds and the best content meet on the web to learn about “What’s Next” in payments and commerce. Our interactive platform is reinventing the way in which companies in payments share relevant information about the initiatives that shape the future of this dynamic sector and make news. Our data and analytics team includes economists, data scientists and industry analysts who work with companies to measure and quantify the innovation that is at the cutting edge of this new world.

## Routable

Routable’s secure B2B payments solution helps finance teams automate and simplify the payables process from invoice receipt to settlement. With support for your existing workflows and the flexibility to scale transactions from 100 to 100,000+, the platform was purpose-built to handle mass payouts while reducing time spent on manual tasks.

For more information, visit [www.routable.com](http://www.routable.com).

We are interested in your feedback on this report. If you have questions or comments, or if you would like to subscribe to this report, please email us at [feedback@PYMNTS](mailto:feedback@PYMNTS).

# Disclaimer

AP Automation: Transportation Companies Innovate To Drive Growth may be updated periodically. While reasonable efforts are made to keep the content accurate and up to date, PYMNTS: MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, REGARDING THE CORRECTNESS, ACCURACY, COMPLETENESS, ADEQUACY, OR RELIABILITY OF OR THE USE OF OR RESULTS THAT MAY BE GENERATED FROM THE USE OF THE INFORMATION OR THAT THE CONTENT WILL SATISFY YOUR REQUIREMENTS OR EXPECTATIONS. THE CONTENT IS PROVIDED “AS IS” AND ON AN “AS AVAILABLE” BASIS. YOU EXPRESSLY AGREE THAT YOUR USE OF THE CONTENT IS AT YOUR SOLE RISK. PYMNTS SHALL HAVE NO LIABILITY FOR ANY INTERRUPTIONS IN THE CONTENT THAT IS PROVIDED AND DISCLAIMS ALL WARRANTIES WITH REGARD TO THE CONTENT, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT AND TITLE. SOME JURISDICTIONS DO NOT ALLOW THE EXCLUSION OF CERTAIN WARRANTIES, AND, IN SUCH CASES, THE STATED EXCLUSIONS DO NOT APPLY. PYMNTS RESERVES THE RIGHT AND SHOULD NOT BE LIABLE SHOULD IT EXERCISE ITS RIGHT TO MODIFY, INTERRUPT, OR DISCONTINUE THE AVAILABILITY OF THE CONTENT OR ANY COMPONENT OF IT WITH OR WITHOUT NOTICE.

PYMNTS SHALL NOT BE LIABLE FOR ANY DAMAGES WHATSOEVER, AND, IN PARTICULAR, SHALL NOT BE LIABLE FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, OR DAMAGES FOR LOST PROFITS, LOSS OF REVENUE, OR LOSS OF USE, ARISING OUT OF OR RELATED TO THE CONTENT, WHETHER SUCH DAMAGES ARISE IN CONTRACT, NEGLIGENCE, TORT, UNDER STATUTE, IN EQUITY, AT LAW, OR OTHERWISE, EVEN IF PYMNTS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. SOME JURISDICTIONS DO NOT ALLOW FOR THE LIMITATION OR EXCLUSION OF LIABILITY FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, AND IN SUCH CASES SOME OF THE ABOVE LIMITATIONS DO NOT APPLY. THE ABOVE DISCLAIMERS AND LIMITATIONS ARE PROVIDED BY PYMNTS AND ITS PARENTS, AFFILIATED AND RELATED COMPANIES, CONTRACTORS, AND SPONSORS, AND EACH OF ITS RESPECTIVE DIRECTORS, OFFICERS, MEMBERS, EMPLOYEES, AGENTS, CONTENT COMPONENT PROVIDERS, LICENSORS, AND ADVISERS.

Components of the content original to and the compilation produced by PYMNTS is the property of PYMNTS and cannot be reproduced without its prior written permission.