

Flick Electric expands invoicing capacity to 64,000 invoices per month

Flick Electric is shaking up the New Zealand electricity market with their innovative pricing structure and customer-centric focus. They've gone from zero to tens of thousands of customers in a few years. Learn how the Invoiced platform allows Flick to scale their billing operations as customer growth soars.

Startups are notorious for busting at the seams. It's hard enough running a business with moderate growth - delivering a high quality product or service, retaining customers and employees, and attracting prospective customers. So what happens when a company is navigating uncharted territory and growing at an explosive rate? Just ask James Leslie, Financial Controller at Flick Electric Co of Wellington, New Zealand.

Flick is a new entrant to New Zealand's electricity retail market, which is dominated by 30 retailers who charge consumers a flat rate for electricity. But the price of electricity in New Zealand isn't fixed - it changes every 30 minutes. Approximately 70% of kiwi consumers now have smart meters that can gauge consumption real-time.

Flick's founders saw an opportunity to shake up the industry by allowing consumers to absorb the risks and rewards of wholesale electricity rates. The electricity provider passes wholesale costs through to customers and provides them with tools to manage power usage real-time. Customers can choose to reduce power consumption responding to app notifications about changes in rates, and they have saved an average of \$417 NZD over the past year in the process.

Flick has experienced massive growth since its inception in March 2013, according to James. "We went from 1,200 customers in March 2015 to 16,000 customers in November 2016, which put a lot of strain on our internal systems. We quickly realized that the systems we put in place were not going to scale."

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Exponential customer growth causes big headaches

Prior to launching Invoiced, Flick's finance team billed customers using an internal accounting system. 6,000-8,000 customers were billed on a weekly basis. The overtaxed accounting system crashed in December 2015 due to the high volume of transactions, and the finance team resorted to running their general ledger out of an Excel spreadsheet. "Staff morale was at a breaking point from trying to manage a spreadsheet with 8,000 transactions occurring twice a week," said James.

Flick used a payments-taking app to collect payments from customers, which failed several times a month and missed customer payments. "Identifying customers who hadn't paid their bill was an absolute nightmare," James said. "There was so much manual work involved in managing the spreadsheets that we were not performing additional integrity checks on the receivables ledger." In one example, \$7,000 worth of receivables were written off when they were found more than three months after the due date. Missed payments had not been communicated to customers.

With this setup, no one but the finance team had access to the customer's current balance. Customers had access to a dashboard where they could see individual bills, but not the current amount due. And customer service representatives had no more visibility than customers. If a customer called with a

balance inquiry, a staff member would have to put the customer on hold, walk over to the finance team, ask for the customer's balance and bring the balance back to the customer. If the customer had any follow-up questions, they would be placed on hold and the process would repeat itself. "This was a really disjointed process that delivered a poor customer experience," James stated.

Invoiced: the scalable solution for fast-growing businesses

The accounting system crash was the catalyst that drove Flick to evaluate invoicing solutions in December 2015. Scalability and flexibility were the top reasons the company chose Invoiced.

"The evaluation process was based around our view of what Flick will look like in a few years. The solution needed to be flexible, cloud-based, cost-effective, and have the ability to scale significantly," James said. "Invoiced ticked all the boxes."

Flick performed load testing to make sure the platform could handle their capacity and still operate at peak efficiency. The development team loaded 500,000 past invoices into the system and saw no difference between the user experience during and after the upload.

James and other members of the finance team tested Invoiced and realized that the platform lacked permission levels. Any user could access and make changes to all billing data. James contacted Invoiced co-founders Jared King and Parag Patel to explain the need for read-only access, a critical function for the Flick customer service team. Read-only access was added to the Invoiced feature set soon afterwards.

"A major benefit to using Invoiced for billing over traditional accounting software is that we provide an interface that works for all stakeholders," said Jared. "Each department will have different needs, and will not necessarily require access to the entire billing operation."

Now available: time savings, customer targeting, and a better customer experience

Flick deployed Invoiced in April 2016. 21 staff members use it on a daily basis, including the 6 on the finance team, 4 developers, and 11 customer service representatives.

Flick's developers use Invoiced's API functionality to push invoices into the platform. The finance team uses it to invoice 16,000+ customers, target outstanding bills for collections, filter customers for targeted communications, and upload distributor credits for allocation to the appropriate invoices.

Customer service representatives use read-only access to view and share balances with customers, and Flick built a new payments-taking app that integrates with Invoiced to display customer payments. Flick has also decided on new accounting software, which they plan to connect with Invoiced in March 2017.

"The support we have received from Invoiced is awesome," James said. "We are happy with the solution and it is working well for our business."

Flick's employees have experienced multiple benefits across departments. While Flick was using the massive spreadsheet for managing accounts receivable, it was taking two additional days of one team member's time just to manage the spreadsheet. Now Flick's finance team can quickly and easily invoice customers, and they can rest easy in the knowledge that account receivables will no longer be lost. Users can quickly locate outstanding invoices in one report.

The customer service team previously spent an average of an hour per day requesting customer balances from the finance team, which they can now access directly through Invoiced. And customers of Flick have seen a drastic improvement in their experience interacting with Flick. Customers receive balances immediately, where they used to experience long wait times.

“The Invoiced team is an agile, fast moving technology company - similar to Flick. They understand the changing nature of our business and are always responsive to our needs.”

James Leslie, Financial Controller at Flick Electric Co