

Couchbase cuts DSO 10 days, doubles collections in a year with Tesorio



"Tesorio lets me be proactive in managing cash. I can view the dashboard then see what's trending and take action."

Greg Henry
CFO



 SaaS, Database-as-a-Service (DBaaS)

 Enterprise

Products

AR Automation

Results

- Reduced DSO by 10 days
- Grew collections/analyst by 2X
- Reduced forecast process from 10 days to hours
- Improved DSO/DPO from negative to neutral

About Couchbase

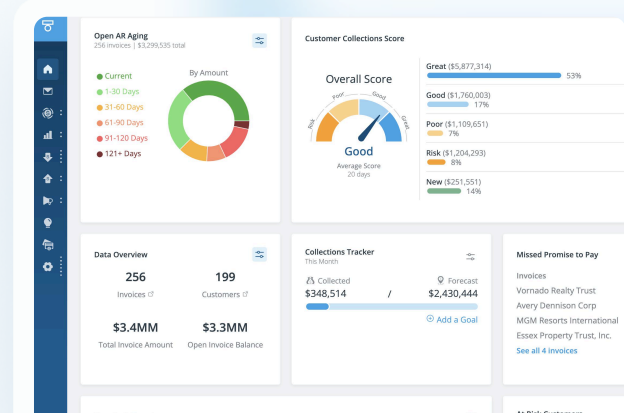
Couchbase is the creator and maintainer of a powerful NoSQL database that helps deliver ever-richer and ever more personalized customer and employee experiences on any device, anywhere. Based in Silicon Valley, Couchbase counts dozens of Fortune 500 companies as customers, including AT&T, Verizon, Wells Fargo, Comcast, and United Airlines.

Challenge

Couchbase was growing sales and revenues quickly. Company CFO, Greg Henry, however, believed Couchbase could significantly improve its cash flow and sustainable growth rate by improving collections and cash flow forecasting. This would help Couchbase use working capital more efficiently. "I knew we needed to get better," says Henry. "We were linearly scaling our collections team with business growth."

Henry also lacked cash flow insights. "The ERP did its job but we needed better insights and better analysis without bringing in more human resources," says Henry. Manual cash flow forecasts via spreadsheets required 10 days for his team to complete. This lack of timely insights diminished Henry's decision-making ability.

Because we didn't know where we were on cash, we couldn't make decisions fast enough. If collections were delayed, I needed the information right away to make adjustments to deliver on a cash number," says Henry. And his team had no way to easily communicate collections status to other teams or to automate tedious collections processes like dunning.



To Summarize, Couchbase wanted to:

- Improve collections efficiency without boosting headcount
- Improve DSO/DPO ratio
- Receive timely insights into cash flow events
- Build cash flow forecasts faster

Solutions and Results

Henry heard about Tesorio's cash flow performance platform and liked the idea of applying AI to AR and AP data to improve collections, cash flow forecasting, and decision making. "It solved a problem no one else was solving," says Henry. Tesorio synchronized smoothly with Couchbase's NetSuite ERP system with minimal assistance from the Couchbase IT team; Tesorio handled all the data extraction and mapping automatically.

Tesorio cut time required to create cash flow forecasts from 10 days to a few hours, giving Henry real-time insights to make better decisions on payments and receivables. Couchbase's AR team uses Tesorio to prioritize collections efforts with accurate predictive payment dates, smart dunning and team management.

Says Henry, "In the two years with Tesorio, we have not increased our collections resources even as ARR has grown by 100%." Thanks in part to Tesorio, Couchbase permanently reduced DSO by 10 days.

Couchbase is now consistently running close to DSO/DPO parity. "Tesorio lets me be proactive in managing cash. So if we let DSO slip then I tell sales to tighten payment terms," says Henry, "Couchbase hasn't raised capital in three years because we have better cash flow performance and can live off what we bring in," says Henry.

"Not having Tesorio would belike not having my iPhone. It isn't even a concept I would like to consider."