Millions Saved with Dynamic Discounting

Overview

JetBlue is an award-winning airline committed to providing value and quality service and products to its customers. With their customer-centric philosophy, JetBlue has emerged as the sixth largest airline in North America and attracts over 40 million passengers annually for both domestic and international travel.

The Challenge

With a monthly volume of over 51,000 invoices to coordinate between 4,000 approvers and 10,000 suppliers, JetBlue sought an automated solution to streamline their complex accounts payable processes and lighten the workload of their internal staff. The team turned to onPhase's AP automation solution and witnessed a significant surge in straightthrough and touchless processing rates, with nearly 90% of their invoices processed without manual intervention.

As a result, JetBlue's financial back office regained valuable hours to focus on strategic initiatives like cash flow optimization and data reporting. Recognizing the potential to further enhance supplier relationships and protect their bottom line, JetBlue partnered with onPhase again to implement a dynamic discounting system, leveraging automation to handle complexities efficiently. Industry Airline

Company size 24K+ Year Established 1998 ERP SAP

Destinations Served
100+

Annual Revenue



JetBlue Triples Savings Goal

66 I would recommend [onPhase] because it's an easy solution, it's cost effective, and overall it helps your daily work processes.

Joni Guerts - AP Manager | JetBlue Airways

The Solution

JetBlue and onPhase collaborated to tailor a dynamic discounting program that met JetBlue's needs. The teams identified eligible suppliers offering early payment discounts and applied a scaling discount based on the number of days early payments were made. For example, JetBlue could capitalize on higher discounts for payments made 20 days early instead of the typical 30. Additionally, JetBlue used credit memos as rebates for record-keeping, an uncommon step that onPhase fully customized to align with their requirements.

The Results

The implementing onPhase's dynamic discounting program was a win-win situation for both JetBlue, who was able to secure more savings, and its vendors, who were able to get paid sooner. To test the efficacy of the new solution, JetBlue set a goal to capture \$1M in discounts, however, with onPhase, the team was able to triple their goal, quickly accruing \$3M in savings.

onPhase has been instrumental in optimizing JetBlue's financial back office, leading to significant improvements in both supplier satisfaction and ROI, all achieved without the need for additional manpower. With help from onPhase, JetBlue has implemented a solution for its AP team that strengthens employee satisfaction, supplier relationships, and their bottom line.



Results at a Glance

\$3M+ saved with onPhase's dynamic discounting program.

51K+ invoices processed monthly with onPhase's AP automation solution.

~90% touchless processing rate using onPhase's invoice capture and validation technology.

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