

Case Study

Kolter Hospitality



FEWER CHECK PAYMENTS RESULT IN ADDITIONAL REVENUE AND IMPROVED EFFICIENCIES FOR HOTEL MANAGEMENT COMPANY

KOLTERHOSPITALITY

Background

Kolter Hospitality is an industry leader in hotel management and development, with a reputable and award-winning portfolio of hotels in Florida's most thriving markets. From the company's inception in 2014, everything from an AP and payments standpoint was being processed using paper checks.

While their business was experiencing rapid growth and success, their accounts payable process was lacking a higher-level efficiency they knew they needed.

Somebody was required to be at their desk processing the paper, monitoring the check stock, and changing the printer toner. A two-signer check policy also required that they locate the appropriate and authorized managers to manually sign each check before mailing the payments. The incidence of lost checks in the mail was also costing the AP department a significant amount of time and money.

"We wasted so many hours each month on the manual process of printing and mailing paper checks," said Mark Roland, VP of Accounting & Finance. "Our team was inundated with tracking down missing or delayed vendor payments on a daily basis, but we just accepted it as normal business practice."

When Mark and his team discovered Edenred Pay and learned how their Payment Automation Platform could streamline their AP processes, the decision to make the transition was immediate.

"In the beginning we thought the initial savings would be time-focused but once we started using Edenred Pay's Payment Automation Platform we quickly saw the additional cost savings as well as a new revenue stream in the form of a rebate."

Solution

Kolter Hospitality uses the M3 Accounting Software, which integrates seamlessly with Edenred Pay's Payment Automation Platform. They were able to make the transition and effectively start making electronic vendor payments within 30 days, requiring just one GoToMeeting per property for training.

For Mark and his team, the ultimate goal was to move as far away from paper checks as possible and get all of their vendors enrolled to accept electronic payments. Edenred Pay assists in this effort with ongoing vendor enrollment initiatives.

"Edenred Pay really did all of the work for us and made the transition quick and easy."

"A major advantage to working with Edenred Pay has been their continual commitment to working with vendors on our behalf. They proactively reach out to those still using paper checks and educate them on the benefits of electronic payments."

Results

Kolter Hospitality is now using Edenred Pay's Payment Automation Platform at their corporate office as well as at each of their hotels. Payments that once took hours to execute can now be completed in as little as 30 seconds. Significant savings have been created in terms of manual employee labor as well as costs associated with paper check materials across all of their AP departments and limited service hotels.

"You can instantly recognize that people are doing more value-added tasks instead of just sitting at their desks stuffing envelopes."

Edenred Pay's Payment Automation Platform offers monthly cash rebates on spend volume allowing Kolter to receive the added benefit of a new revenue source. As more vendors have signed up to receive electronic payments, the monthly rebates have continued to grow.

"We have received a minimum of \$20,000 per year in rebates from our limited service hotels in addition to a very recognizable shift in employee productivity."

While some vendors still prefer to receive paper checks, the majority of their payments are completed using electronic methods that have reduced manual processes and costs, increased employee productivity, saved time on tracking payments, and created a new revenue source.