

Highly Commended Winner

First Class Relationship Management

YOOX NET-A-PORTER GROUP
Angela Marconato, Group Treasury & Finance
Director



From left to right: Paolo Bonazzi, Daria Panetta, Davide Reggiani, Riccardo Constantino and Angela Marconato

When e-commerce meets the Payer ID and simplifies global collections

The challenge

YOOX NET-A-PORTER GROUP wanted to:

- Design an efficient, scalable, cost effective and state-of-the-art multi-currency collection model, allowing YOOX NET-A-PORTER to simplify inflows from their largest acquirers, to reduce financial costs and streamline control and administrative tasks related to the online collection processes.
- Harmonise terms and conditions among different countries, leveraging on innovative and fully standardised cash collection solutions.
- Implement a solution which fits with the recently implemented global cash pooling structure with Citi which allowed YOOX NET-A-PORTER to optimise its cash and liquidity management process across the markets in which the group operates.
- Facilitate future possible scalability of the solution at a global level.

“E-commerce in Fashion and Luxury is a very fast changing environment. When it comes to treasury, ability to rapidly build effective and lean solutions is key: we need to constantly innovate! We wanted to leverage our current model of cash concentration, to increase automation in our internal cash management and consumer payments processes, by adopting a unique solution that fits into YOOX NET-A-PORTER global business and the market where we operate” says Angela Marconato, Group Treasury & Finance Director.

The solution

In partnership with Citi, YOOX NET-A-PORTER created a unique global and fully automated collection structure. The solution leverages the integration and combination between virtual payer ID accounts and cost-effectiveness, to allow YOOX NET-A-PORTER to manage global collections via an electronic and fully-automated process. This solution allowed the Group to benefit from improved control and straight through reconciliation (STP) process.

Managing collections through virtual accounts, based on “payer ID” helped the Group streamline its collections, reduce the number of accounts and enhance reconciliation processes at acquirer(s) level.

YOOX NET-A-PORTER opened 20 payer IDs across five countries (Italy, UK, US, Japan and Hong Kong) to facilitate collections in five different currencies (EUR, GBP, USD, HKD and JPY).

While acquirers pay into their dedicated payer IDs, funds are then credited into YOOX NET-A-PORTER single physical accounts which form part of the global cash pooling

structure thus allowing full, end-of-day cash concentration at the Group master account level.

Best practice and innovation

The e-commerce space in which the Group operates requires continuous innovation and treasury needs to keep pace with constantly evolving digital solutions. Thanks to the strong partnership with Citi, the innovative cash management solution implemented is already generating benefits across the entire group with regard to its collection activity. Through this unique, fully automated treasury management solution, YOOX NET-A-PORTER can reduce overall financial costs related to its global ecommerce collections.

“This is a milestone result: agility in collections is key for the e-commerce high volume industry, and this is a continuous-improvement target for our treasury function,” explains Marconato.

The solution was envisaged by a multi-disciplinary team in treasury, with the joined goal to look for improvements and possible benefits as a whole: cash management and consumer payments. The co-creativity of the team supported by Citi has been crucial for the smooth design and assessment of business case. The ability to coordinate the implementation with a dedicated and joined project management structure between Citi and YOOX NET-A-PORTER was key. The YOOX NET-A-PORTER treasury team, the bank’s global implementation manager and Citi’s cash, FX and relationship teams in Milan worked as partners to ensure the 20 requested payer IDs accounts were opened and assigned to the respective YOOX NET-A-PORTER’s counterparties within the agreed deadlines.

Key benefits

- Enhanced treasury management processes.
- Improved efficiency and automation.
- Globally scalable solution.
- Single implementation process.
- Cost reduction.

“The new structure we have implemented has enabled us to achieve efficiency both in cash management and in consumer payments processes, increasing automation and reducing manual intervention. It has also facilitated a more efficient management of balances across our accounts enabling the Group to further optimise our cash position,” concludes Marconato.



YNAP’s objective was to design and implement a globally scalable, cost effective and state-of-the-art multicurrency collection model, allowing the company to streamline e-commerce flows from their largest suppliers, while at the same time enhancing reconciliation processes. Citi opened 20 virtual payer ID accounts in different currencies in YNAP’s five largest collection countries. Full end-of-day liquidity concentration occurs at YNAP master account level. Being an e-commerce company, YNAP needs to continually innovate and treasury needs to keep pace by constantly evolving digitalised solutions.

Roberto Di Stefano, Head of Treasury and Trade Solutions Sales for Corporates and Public Sector, Treasury and Trade Solutions, Citi, Italy

in partnership with

YOOX
NET-A-PORTER
GROUP

YOOX NET-A-PORTER GROUP is the world leader in online luxury and fashion with 4.3 million high-spending active customers globally. As pioneers in bringing together the realms of technology and luxury, YOOX NET-A-PORTER satisfies the most discerning clientele with expertly curated products from the best luxury brands, personalised end-to-end service, the latest technology and inspiring content, all shaped by 20 years of insights into the modern luxury shopper.

YOOX NET-A-PORTER is uniquely positioned in the high-growth luxury e-commerce sector thanks to a focused business model that comprises a complete luxury retail ecosystem. The Group sells directly to customers globally through its own family of multi-brand online shops: NET-A-PORTER, MR PORTER, YOOX and THE OUTNET. The Group’s Online Flagship Stores division partners with many leading luxury brands to power their own e-commerce destinations.