

Electrolux exceeds 70% of their total VAT potential with Fintua

Comply[™]

Recover[™]



Background

Electrolux, a renowned global home appliance manufacturer, became a client of Fintua in 2014. Our relationship began at an SAP Concur Fusion event, where we identified significant untapped potential in Electrolux's VAT recovery process. By integrating our solution with SAP Concur, we quickly discovered that Electrolux was only recovering 8% of their overall VAT potential. Recognising the untapped reclaim opportunity, we worked with Electrolux to optimise their recovery process. Before engaging with Fintua, Electrolux faced multiple challenges in their VAT recovery process:

Industry:
Manufacturing,
Home Appliances

Solution:
Comply &
Recover

Location:
Sweden, Global

Challenges

Compliance challenges:

As many other multinationals, Electrolux faced challenges with rapidly evolving VAT regulations across multiple jurisdictions. Without automation, tracking changes and ensuring compliance was difficult, increasing financial risks and complicating tax management.

Decentralised processes:

Electrolux's VAT recovery efforts were hindered by a highly decentralised process, with different regions managing VAT claims independently. This fragmentation led to inconsistencies in how VAT recovery was handled across markets, creating gaps in compliance, missed recovery opportunities, and varying levels of efficiency.

Poor client relationship and customer service:

By not reclaiming VAT, the club missed out on potential refunds that could have significantly boosted its financial health. These missed opportunities could have been utilised to improve club facilities, support community projects, and strengthen the team through new signings.

Manual, inefficient recovery methods:

The recovery process relied heavily on manual tasks, making it both time-consuming and prone to errors. This outdated approach was a significant barrier to optimising VAT recovery.

Limited visibility on recovery opportunities:

Their existing system lacked the ability to identify and capitalise on all available VAT recovery opportunities, resulting in substantial missed revenue.

Solution

To overcome the challenges Electrolux faced, Fintua implemented a tailored, data-driven approach that optimised their VAT recovery and identified a need for an automated compliance process.



Visibility on recovery opportunities

To address the lack of visibility into VAT recovery opportunities, we leveraged our VAT Connect Analytics platform to give Electrolux a comprehensive VAT data overview. This real-time analysis identified untapped recovery opportunities, ensuring every eligible VAT amount was captured. With clear insights, Electrolux improved their reclaim rates significantly.



Centralised and simplified VAT processes

Electrolux's decentralised approach to VAT recovery across different regions resulted in inconsistencies and inefficiencies. To solve this, we simplified Electrolux's VAT recovery process by leveraging our direct audit capabilities through the SAP Concur solution. This integration enabled seamless, automated data extraction and real-time auditing, eliminating the need for manual handling and significantly reducing errors.



Poor client relationship and customer service

We transformed the client experience by providing dedicated account management and superior customer support, replacing the poor communication and service issues they faced previously. Our proactive approach included regular status updates, transparent reporting, and ongoing consultation to ensure Electrolux was always informed and aligned with the progress of their VAT recovery efforts.



Manual, inefficient recovery methods

The manual methods previously used by Electrolux were time-consuming, error-prone, and inefficient. By integrating with the SAP Concur solution, we enabled direct, automated auditing of all transactions. This automation eliminated manual errors, reduced processing times, and ensured every eligible transaction was reviewed in real time, maximising the recovery rate.



VAT compliance powered by VAT reclaim

Recognising the need to further enhance their financial operations, we identified an opportunity to implement an automated VAT compliance solution for Electrolux. The increased VAT recovery directly funded the adoption of our Comply solution, ensuring full compliance with varying regulations across all markets. By reinvesting their reclaimed VAT into compliance measures, Electrolux has strengthened their tax governance, reducing the administrative burden on their internal finance teams while maintaining strict adherence to evolving regulatory requirements. Electrolux is now fully onboarded with Comply, a cutting-edge compliance solution that offers automated VAT reporting, real-time regulatory updates, and seamless integration with existing financial systems. This transformation ensures that Electrolux is not only recovering more VAT but also proactively managing compliance risks. By leveraging VAT recovery to fund compliance initiatives, Electrolux has turned a previously lost financial opportunity into a strategic advantage, safeguarding against regulatory penalties and inefficiencies.

Results

Our partnership with Electrolux has delivered remarkable results.

3X VAT recovery in year one:

Within the first year, Electrolux tripled their VAT recovery rate by leveraging advanced analytics, automated processes, and centralised management.

10 X VAT recovery overall:

This transformation has led to a significant increase in recovery, now exceeding 70% of their total VAT potential.

Provider of the year:

Electrolux's satisfaction with our services is evident, as we have been shortlisted and nominated for their "Provider of the Year" award on multiple occasions.

Fully onboarded with VAT compliance:

Electrolux has successfully reinvested their VAT recovery into our Comply solution, ensuring seamless VAT compliance across all regions. By proactively managing compliance with reclaimed funds, Electrolux has secured long-term financial and regulatory benefits.

Conclusion

The collaboration between Fintua and Electrolux has proven to be highly successful, transforming Electrolux's VAT recovery process from a fragmented, inefficient system into a streamlined, data-driven operation. Our ongoing work has not only delivered exceptional financial results but has also strengthened our relationship with Electrolux. As we expand our services to include VAT compliance solutions, we are confident that this partnership will continue to thrive, delivering sustained value and ensuring Electrolux remains at the forefront of VAT recovery and compliance excellence.