MEDIA RELEASE

Xero harnesses data and automation to enable global small businesses to thrive

New innovation announced at Xerocon Brisbane included accelerated machine learning capabilities, new tools for small businesses and advisors to gain greater visibility into business health and more seamless workflows.

4 September 2019, Brisbane - Xero, the global small business platform, today unveiled at Xerocon new tools that help accountants and bookkeepers tap into their clients’ rich data on the Xero platform to surface valuable new insights.

Xero has accelerated its machine learning capabilities and launched new tools which will help accountants and bookkeepers save time, attract and setup new customers, gain a deeper understanding of client financial health, and grow their practice.

The announcements, unveiled to thousands of accountants and bookkeepers at Xerocon Brisbane 2019 this week, include:

- **Bolstering machine learning capabilities for document processing and extraction**: Xero has accelerated its automation technology with document extraction using machine learning in Hubdoc, giving advisors more accurate information faster than ever before.

- **Short-term cash flow tool**: A new pilot for small businesses to receive short-term cash flow forecasts that ensure healthy cash flow keep on top of commitments and immediate actions.

- **Greater compliance visibility in Xero HQ**: A new overview of compliance work directly within Xero HQ gives accountants and bookkeepers deeper insights to prioritise their compliance work and save time.

- **Geo-targeting to generate leads and onboarding for new clients**: Updates to the Xero Advisor Directory make it easier for small businesses to find a local accountant or bookkeeper, and help advisors get new clients. Additional changes also helping advisors onboard new clients faster than before.

“Xero has always recognised that accountants and bookkeepers are the heroes and champions of the small businesses - working with them every day to help them succeed.”
Xero’s new products and features are designed with the advisor in mind — to help them grow, manage workloads and support them to provide a high value service to their clients. With more data flowing into the Xero platform, we are able to create seamless workflows and provide smarter insights to ensure advisors spend less time finding and managing their information and more time advising and helping grow the small business economy wherever they are based.” – Anna Curzon, Chief Product Officer, Xero

**Xero achieves new machine learning milestones with Hubdoc data extraction**

In the 12 months after Xero’s acquisition of Hubdoc, the business announced major advances in its machine learning-powered data extraction technology.

Xero purchased Hubdoc to supercharge its automation capabilities and the business is now extracting 70% of all financial documents in Hubdoc using machine learning, compared to 20% at the time of acquisition.

Thanks to major improvements in machine learning algorithms, Hubdoc is extracting vital financial data from bills, receipts and more, now processing double the documents a day than this time last year, making it one of the fastest automated platforms on the market. This significantly reduces the extraction time for customers, with documents being processed in seconds instead of hours.

“We know that data extraction powered by machine learning is significantly faster and more accurate than humans. The improvements we’ve made to the Xero platform, speed up time-consuming tasks for accountants and bookkeepers which then benefit advising small businesses to make better decisions. Our teams are working towards 100% machine learning-powered data extraction to ensure other areas of the Xero platform automate the most time consuming, administrative accounting tasks for our partners and customers,” Anna Curzon said.

**Short-term cash flow forecasts helps small businesses track their financial health**

Xero is piloting a short-term cash flow tool, giving small businesses a 30-day view of the operational health within the platform.

Healthy cash flow is one of the most important indicators of business health — more than half of all small businesses fail within the first five years of operation. The New York Federal Reserve estimates 82% of small business failures are due to poor understanding and management of cash flow.

The new tool in Xero will provide a forecast of a business’ 30-day cash flow, including the impact of existing bills and invoices.

Small businesses can use the forecast information to keep up to date, understand their cash flow and take action early. Additionally, advisors can use the tool to understand their clients’ immediate business needs and work with them to recommend solutions or uses for cash surplus, and have deeper conversations to help improve their clients’ financial literacy.
Xero is piloting the cash flow tool closely with advisors to ensure they are able to unearth accurate cash flow information and take appropriate actions. During the pilot, Xero plans to use data and advanced statistical methods to deliver AI-powered cash predictions.

The tool is part of Xero’s broader efforts to help ensure small businesses are healthy and paid quicker. Earlier this year, Xero announced a global partnership with Stripe to build tools and features that give business owners the ability to manage their payments easily within the Xero platform. These payment integrations make a significant difference to small businesses. Those on the Xero platform who attached a payment service to their invoices are paid on average 14 days faster than those that do not offer online payments.

**Advisors gain greater visibility of compliance work across clients in Xero HQ**

Improvements to Xero HQ now make it easier for accountants and bookkeepers to keep on top of their compliance work, surfacing deeper insights on business payroll and tax obligations across all clients. Instead of tracking compliance requirements for clients across different spreadsheets, task lists, emails, or individual client files, advisors will now get a holistic view of upcoming needs across all of their clients in one place.

They will be able to more quickly action those tasks and prioritise them based on importance and urgency.

**Australia:** Tapping into rich tax and payroll data already available on the Xero platform, advisors will be able to ensure clients report their Business Activity Statements (BAS) on time or meet the upcoming Single Touch Payroll deadline on 30 September.

**Global:** Tapping into rich tax and payroll data already available on the Xero platform, advisors can ensure clients meet their tax and reporting obligations more easily.

This is a major improvement on the activity feed already available in Xero HQ, giving advisors more time to add value to their clients and giving them unprecedented visibility over their entire practice.

**Attract and onboard new clients in a snap**

Xero is making it easier for accountants and bookkeepers to find new clients and grow their practice. A richer Xero Advisor Directory, already a major source of new business, will now make it easier for small businesses to find the right accountant or bookkeeper in their neighbourhood. Advisors can automatically geotag their existing client base to help demonstrate their areas of expertise in each major location.

With more than 800,000 queries on the Xero Advisor Directory every month already, the improvements will help connect small businesses to the right advisors even faster than before.

The richer experience extends to onboarding new clients. Now, practices can create templated charts of accounts within Xero, ensuring they can spend less time setting up the client and more time working with them. Advisors will be able to use cleaner books,
and focus on what matters to their small business client, setting up banking, invoicing and getting paid.

ENDS

**Media Contact**

**About Xero**

**Abby Hempfling**
+61 450 769 337
abby.hempfling@xero.com

Xero is a beautiful, easy-to-use platform for small businesses and their advisors around the world. Xero provides its 1.8 million subscribers with connections to a thriving ecosystem of 800+ third-party apps and 200+ connections to banks and financial service providers. On the inaugural 2018 Financial Times FT1000 High-Growth Companies Asia Pacific list, Xero was the fastest growing tech company in the $200 million+ segment. Xero won ‘Bookkeeping software of the year’ from the Institute of Certified Bookkeepers UK in 2018, and was rated by Canstar Blue as the best accounting software in Australia from 2015-2018 and in New Zealand in 2019.