



NEWS RELEASE

E-Invoicing Could Unlock \$616 Billion in Global Economic Gains, Avalara Finds

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- New global research from Avalara and Cebr reveals the transformative power of electronic invoicing adoption across six major markets
- Productivity benefits could create billions in economic gains for businesses and governments

DURHAM, N.C., June 23, 2025 /PRNewswire/ -- **Avalara Inc.**, a leader in modern tax compliance automation, has released a landmark global report in partnership with the Center for Economics and Business Research (**Cebr**) quantifying the economic impact of electronic invoicing (e-invoicing) adoption.

The study, covering the United States, United Kingdom, France, Germany, India, and Australia, identifies a combined annual economic opportunity of \$616 billion through productivity gains, faster payments, and reduced fraud.

Economic & Business Value

The report reveals that switching to e-invoicing delivers measurable economic benefits for nations, as well as financial and operational efficiencies for businesses. In the U.S., full e-invoicing adoption could generate more than \$116 billion for the economy, with a staggering 83% of economic gains, \$97 billion, coming from small and medium-sized businesses (SMBs). Elsewhere, e-invoicing could add \$16.9 billion in France, \$15.1 billion in Australia, \$13.3 billion in Germany, \$11.2 billion in the UK, and \$3.7 billion in India.

"E-invoicing isn't just a compliance solution, it's a growth engine for global economies and businesses," said **Ross Tennenbaum**, President of Avalara. "Our research with Cebr proves that the faster we help businesses

transition to electronic invoicing, the more we can do to help unlock billions in productivity and day-to day efficiencies."

On average, U.S. businesses that adopt the technology save \$15.16 for each invoice received. This amounts to \$1.1 million in annual productivity gains per firm. In France, large businesses have been able to reclaim up to 54.4 minutes for each invoice, significantly reducing processing time and freeing up finance teams to do more effective tasks. Down under, Australia leads in the payment acceleration benefits. Firms have seen payments arrive up to 2.5 days faster, a 15% improvement on paper or more manual digital processes.

Across all six markets, e-invoicing shortens payment cycles by an average of 1.4 days, reduces fraud and tax fines by around 30%, and saves approximately 39 minutes over the process for each invoice.

Slower SMBs

While larger firms have embraced e-invoicing, SMBs lag with only 37% reporting full e-invoicing adoption. This reliance on manual methods could cost smaller businesses both time and money.

Unfortunately for SMBs, barriers to adoption remain. Notable difficulties include staff training and complexities around integration, impacting nearly half (43%) of respondents. Encouragingly though, momentum is building worldwide. Most firms (95%) using manual invoices are aware of e-invoicing, and three-quarters (73%) expect to adopt the technology within the next five years.

Faster Payments, Stronger Cashflow

A key reason for this momentum shift is the time savings associated with e-invoicing. By making payments typically 5% faster, firms will see substantial cashflow advantages. Across the entire payment process, the research found that U.S. firms have witnessed an 8% acceleration in payment speeds, and that large businesses have unlocked over \$14,000 annually in cashflow improvements. In Australia, where per-invoice savings average \$13.67, firms reported annual gains of \$649,200 through e-invoicing adoption.

UK firms that have adopted e-invoicing have also benefited, experiencing a 4.8% drop in late payments—the biggest improvement across all six of the markets. Interestingly, time savings per invoice were more modest in India, at 6.8 minutes for accounts payable, even though the country has the highest e-invoicing adoption rate. Despite this more limited impact, 64% of Indian businesses remain satisfied with the positive impact of e-invoicing adoption.

Lower Risk, Greater Confidence

Furthermore, e-invoicing is critical in fraud prevention and security, boardroom priorities in today's rapidly evolving business environment. Over the past year, 44% of businesses were hit with tax fines and 34% experienced invoice fraud. That's not the entire picture, as businesses faced \$23,500 on average for tax fines and \$18,100 for fraud

losses. Firms leveraging e-invoicing reported far fewer incidents—only 20% experienced fines or fraud. E-invoicing's power to maintain financial operations and regulatory compliance helps businesses reduce tax fines by 27%. It also shores up businesses from threats, slashing fraud and data breaches by 30%, and lowers the number of lost invoices by 40%, providing businesses with even more operational confidence.

Policy Support Grows

While there are no national mandates in the U.S. or UK yet, more than 50% of businesses support legislation to require e-invoicing. In Europe, France is currently preparing for a 2026 mandate, with 41% of firms actively taking steps. And in Germany, half of respondents (49%) do not feel fully equipped for the incoming legislation. Although, many have developed plans (42%), invested in technology (39%) or training (30%).

Today's research highlights the urgent case for businesses and governments to implement e-invoicing, paving the way for greater efficiency, security, and transparency. Avalara offers tailored solutions to accelerate compliance and unlock value for businesses of all sizes. To find out more, head to: <https://www.avalara.com/us/en/products/e-invoicing.html>.

Methodology

The study surveyed 1,720 businesses across six major markets (U.S., UK, France, Germany, India, and Australia), analyzing the productivity, financial, and compliance impacts of full e-invoicing adoption. Economic modelling, conducted by Cebr, focused on two main elements: to exclusively target B2B companies with at least 10 employees; and to quantify the impacts of e-invoicing at an individual invoice, per-business and ultimately economy-wide level, with all monetary figures converted and presented consistently in USD (\$).

About Avalara

Avalara makes tax compliance faster, easier, and more accurate, reliable, and valuable for 43,000+ business and government customers in over 75 countries. Tax compliance automation software solutions from Avalara leverage 1,400+ signed partner integrations across leading ecommerce, ERP, and other billing systems to power tax calculations, document management, tax return filing, and tax content access. Visit [avalara.com](https://www.avalara.com) to improve your compliance journey.

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