What is Expense Management Tool?
An expense management tool is software that helps businesses track, process, and reimburse work-related expenses incurred by employees. These tools streamline expense reporting, approval workflows, policy enforcement, and reimbursement processing, reducing manual effort and fraud risk.

Key Stats

- Global Market Size: $7.64 billion (2024), projected to reach $16.48 billion by 2032 (CAGR: 10.1%).
- Companies using automated expense management see a 70% faster reimbursement process – This leads to improved employee satisfaction and financial transparency. (Source: PayStream Advisors)
- 80% of businesses plan to increase investment in financial automation, including expense tracking – Digital transformation is driving rapid adoption of AI-powered expense tools. (Source: Gartner)

ACTORS

1. Employees
2. Enterprises
3. Credit Card Issuer.
4. Vendors
5. Finance Team
6. Human Resource

Feature	SAP Concur (48%)	Expensify (0.9%)	Zoho Expense (0.9 %)
USP	Provides an all-encompassing travel and expense management solution suitable for large enterprises with complex needs.	Emphasizes simplicity and user-friendliness, making expense reporting quick and easy.	Seamless integration with other Zoho products, offering a unified business solution.
User Feedback	Users value the comprehensive features but note a steeper learning curve.	Users commend the intuitive interface and efficient receipt scanning.	Users appreciate the ease of use and integration capabilities.

Objectives

Make an AI driven Expense management tool to reduce reimbursement manual work and to make expense approvals automated and transparent with unique stand out featrures.

User Journey and Problem faced

Citation

User Journey	Zoho Expense	SAP Concur	Expensify
Expense Capture	OCR mistakes, slow app	Confusing UI, slow receipt processing	SmartS can duplicate issues
Report Creation	Manual fixes, rigid categorization	Too many fields, hard to edit reports	Auto-grouping issues, no bulk edits
Submission & Approval	Missed notifications, unclear status	Complex workflows, slow approvals	Auto-approvals skip checks
Audit & Compliance	Weak duplicate checks, delayed enforcement	Overly strict rules, slow audits	AI misflags issues, fraud risks

User Segment	Why Target Them?
Large Enterprises & Corporations	Enterprises use SAP Concur but complain about complexity and high costs. They seek simpler alternatives with strong integrations.
Remote & Distributed Teams	Many remote companies need better expense tracking for remote workers and multi-currency support.
Small & Medium Businesses	Many SMBs find SAP Concur and Expensify too expensive or complex. They need cost-effective, easy-to-use solutions.
Nonprofits & Government Organizations	Nonprofits & government agencies require strict compliance & budget tracking. Many existing tools don't cater well to grants and funding restrictions.
Industries with High Travel & Expense Needs	Nonprofits & government agencies require strict compliance & budget tracking. Many existing tools don't cater well to grants and funding restrictions.

Hypothesis-Small and medium businesses (SMBs) find existing expense management tools too complex, expensive, and disconnected from their workflows, leading to inefficient manual tracking. They need an easy-to-use, mobile-first solution with automated receipt capture, seamless accounting integrations (e.g., QuickBooks, Xero), and AI-powered policy enforcement to reduce finance teams' workload.

Nishi Singh

Female, 26 years, lives in Bangalore, SDE2 @Porter

"I work in international team at porter and have travelled to Dubai on 2 day work trip. We plan to expand porter reach to international markets."

Thinks reimbursement process is very necessary and should be fast as a lot of personal capital goes while travelling for company.

She finds porter reimbursement process to be a little confusing and a lot of manual effort goes which takes up her work bandwidth. As the in house fusion expense management is not efficient. She would like to have AI and receipt capture.

Akanksha Gupta

Female,23 years,Lives in Gurgaon,Intern@RealtySmartz Properties

"In my last semester of my Marketing and finance masters Degree, I am interning at a small real estate business."

Travels with in city to help clients invest in real estate in Gurgaon. She thinks that the manual fuel and food bills reimbursement should be done through a software.

As she travels multiple times in a day within city, she finds difficult to track all her expense. She did convey the same to his manager who is also the co founder of the company. The co-founder thinks, the existing software are quite expensive and will not make sense as they do not have the skills to onboard a service like this.

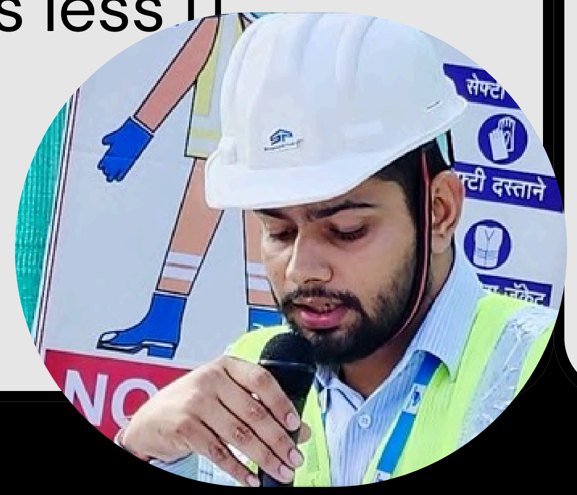
Saumy Shukla

Male,26 Years, Lives in Kanpur

"I had worked as Junior Engineer at L&T, now overlooking my man-power supply and construction family business. I would want a expense management system for my firm"

While Saumy was working for L&T, he sometimes had to incur business expenses which he would reimburse using SAP Concur. This software helped the business a lot in terms of stream lining reimbursement process.

If a freemium model would come of SAP concur or similar software that would help Saumy track his staff's expenses and help him reimburse them then he would not mind testing it and would use a subscription based software provided that there is less IT related overhead.



Vatsalya Sharma

Male,24 years, Lives in New Delhi

"I am an aspiring CA candidate, I am currently doing my article ship under Rajpal singh. He has a small firm in which I help other CAs in audits within Delhi-NCR region."

On an average, out of the 6 day working, Vatsalya travels 3 days to client locations. Sometime by his bike and sometime he rents a OLA/Uber. The lunch and travel expenses should be first told in advance to the Team lead and then with bills are submitted on Saturday evening which are reimbursed to the employee the following Monday.

As the company grows this process is hectic and Team lead along with other CA wants this process to get automated.

What is the true problem?

Small and medium businesses (SMBs) struggle with expense management due to the high cost and complexity of existing solutions. Many SMBs lack the budget for premium tools and the IT expertise to implement and maintain them, forcing them to rely on inefficient manual processes. They need an affordable, user-friendly, and easily integrable expense management solution that simplifies tracking, automates approvals, and reduces administrative overhead without requiring technical expertise.

Who are the customers facing the problem?

- Startups (Tech, SaaS, E-commerce, Agencies)
- Retail & Hospitality (Restaurants, Hotels, Local Stores)
- Professional Services (Consulting, Marketing)
- Logistics & Transportation
- CFOs & Finance Managers
- Accountants & Admin Teams
- Sales & Marketing Teams (Frequent travel)
- Remote & Distributed Teams (Home office expenses)
- Field Workers & Consultants (On-site expenses)

How do we know it is a real problem?

1. Low Adoption of Expense Management Software
    - Despite the availability of digital solutions, adoption rates remain relatively low among businesses. Surveys indicate that between 39% and 47% of companies utilize expense management tools, reflecting only a 2% increase over recent years. Brex
2. Time-Consuming Manual Processes
    - A substantial 40% of companies identify the time employees spend filling out expenses and collecting receipts as their most significant challenge. Center®
3. Technological Inefficiencies Impacting Productivity
    - Small businesses reportedly lose over 98 hours annually—equivalent to 12 working days—due to technology issues, including incompatible software and outdated systems. The Sun
4. Rising Operational Costs Due to Poor Expense Management
    - A study found that 58% of surveyed executives believe that inadequate expense tracking and management lead to increased operational costs. Brex
5. Projected Growth in Expense Management Solutions
    - The global expense management software market is projected to grow from $7.64 billion in 2024 to $16.48 billion by 2032, indicating a compound annual growth rate (CAGR) of 10.1%. Fortune Business Insights.

What is the value generated by solving this problem?

For **businesses**, it reduces operational costs, eliminates manual errors, and streamlines reimbursements, saving time and money. For **customers** (employees), it simplifies expense tracking, accelerates reimbursements, and ensures compliance with company policies. A mobile-first, automated solution with seamless integrations improves efficiency, enhances transparency, and boosts employee satisfaction—offering a hassle-free, cost-effective way to manage expenses.

Why should we solve this problem now?

1. High Manual Processing Costs ⏳💰
    - SMBs lose 12+ workdays annually on expense tracking.
    - 40% report delays in reimbursements & compliance risks.
2. Competitive Market Shifts 🏆
    - New players like Ramp, Brex, Navan are disrupting finance automation.
    - Opportunity to create an SMB-focused solution before competitors capture the market.
3. Global Economic Pressure 🌍
    - SMBs face tight budgets, needing cost-saving solutions NOW.
    - Delaying means missed opportunities in a growing $16B+ market.
    - Expense automation is now a priority, not a luxury.

IDEATION

Idea 1: A mobile app where users snap receipts, and AI automatically extracts details, categorizes expenses, and syncs with accounting tools.
💰 Monetization:
- Free for up to 20 receipts/month
- Paid plans: $9/user/month for unlimited scans + analytics

Idea 2: A one-click Chrome extension that captures online purchases & auto-logs expenses
🔷 MVP Features:
- Auto-capture online transactions
- Instant export to accounting software

💰 Monetization:
- Free for 50 transactions/month
- $9/month for unlimited tracking

Idea 3: A tool for global teams to track expenses in multiple currencies & automate conversions.
🔷 MVP Features:
- Auto-currency conversion for expenses
- Real-time exchange rate tracking
- Multi-country tax & VAT handling

💰 Monetization:$15/user/month for multi-currency features

Idea 4: AI-Powered Voice Expense Logger
🔷 MVP Features:
- Voice-to-text expense logging (e.g., "Lunch with client $45")
- Auto-categorization using AI

💰 Monetization Plan:
Freemium Model:
- Free for up to 20 voice entries/month

Idea 5: Virtual Expense Cards for SMBs 💳
🔷 MVP Features:
- Virtual debit/credit cards with limits
- Real-time spending tracking

💰 Monetization:
- Free for up to 5 users
- Interchange fee-based model (1-2% per transaction)
- Premium plan for $10/user/month

Idea 6:A Slack/WhatsApp chatbot that allows employees to submit receipts via chat.
🔷 MVP Features:
- Chatbot that collects receipts & expense details
- Auto-creates expense reports
- Manager approvals via chat

💰 Monetization:
- Free basic chatbot
- $7/user/month for advanced features.

RICE Analysis

Idea	Reach	Impact	Confid ence	Efforts
Mobile App with AI Receipt Scanning & Syncing	8/10	2.5./3	80%	8/12
Multi-Currency Expense Tracking & Conversion	7/10	2/3	75%	6/12
Virtual Expense Cards for SMBs	6/10	3/3	60%	12/12
Slack/WhatsApp Chatbot for Expense Submission	9/10	2/3	85%	4/12

🏆 Winner: Slack/WhatsApp Chatbot (3.825) – Low effort, high reach, and impact
🥈 Runner-up: Mobile AI Receipt Scanner (2.0) – Great automation but higher effort
🥉 Third place: Multi-Currency Tracking (1.75) – Good for global teams
🚧 Challenging: Virtual Expense Cards (0.9) – High impact but regulatory complexity

User : The employee interacts with the chatbot via WhatsApp.

Sends 'Hi' to initiate a conversation. For every "Hi' keyword user gets a detailed 4 images steps to use the chatbot.

Get 4-5 options including 'help' for direct HR intervention.

One time authentication happens

Authentication happen based on employee phone number and checks with the onboarding process criteria is done or not. If not, A automated procedure happens for onboarding which requests employee information

WhatsApp/Slack Paid APIs helps handle communication with backend services.
The workflow manager initiates different workflows for different requests and sends that to the server. Adding this also a load balancer to keep up with more users.
Manages new test feature and helps in beta testing.

Event based Microservices-
1) Intelligent Document Processing(IDP) Service- For reading and using AI in images(Bills, Travel tickets PDF)
2)Validation Expense Service.(Validates bills as per current policy and company regulations)
3)Record Expense Service-CRUD(Adds all events to database and does CRUD operations)
4)Notification Service (Notifies user and approver with integrations with mail and text message)
5)Correction Expense Service(If AI flags a Expense/Image/Bills, user is requested to fill up and correct)
6)Generate Report Service.
7)Approval Service.
8)Account System Integration.(For fast reimbirsement post approvall)

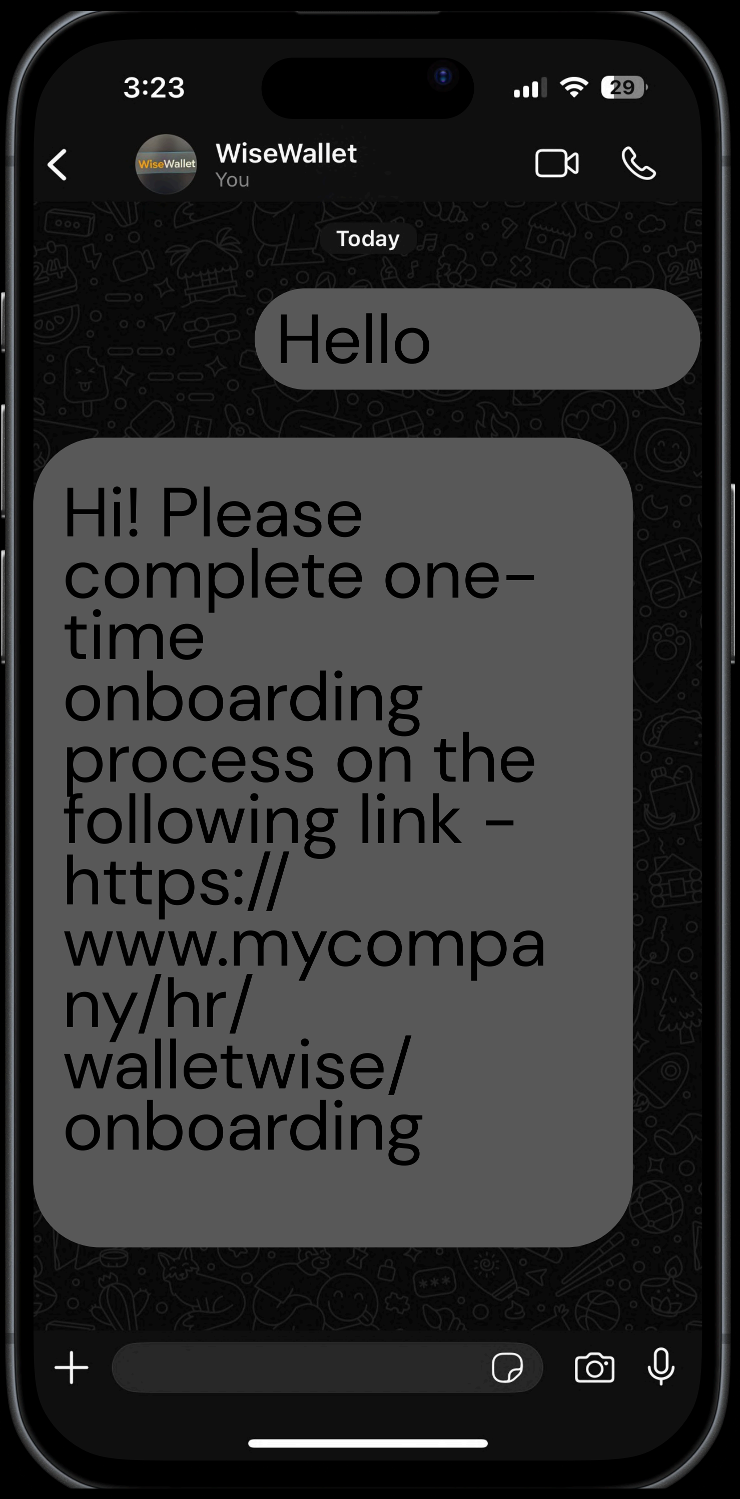
SCOPE OF MVP:

- The MVP would have a basic OCR for reading images.
- Validation will be basic and only amount will be checked.
- Record if not validated will not be sent back and will be rejected.
- Report Generation will have basic compliance features.
- Approval will be a slack/WhatsApp notification.
- Reimbursement will be done by creating end of week report manually without integration with accounting apps as it may be complex for MVP.

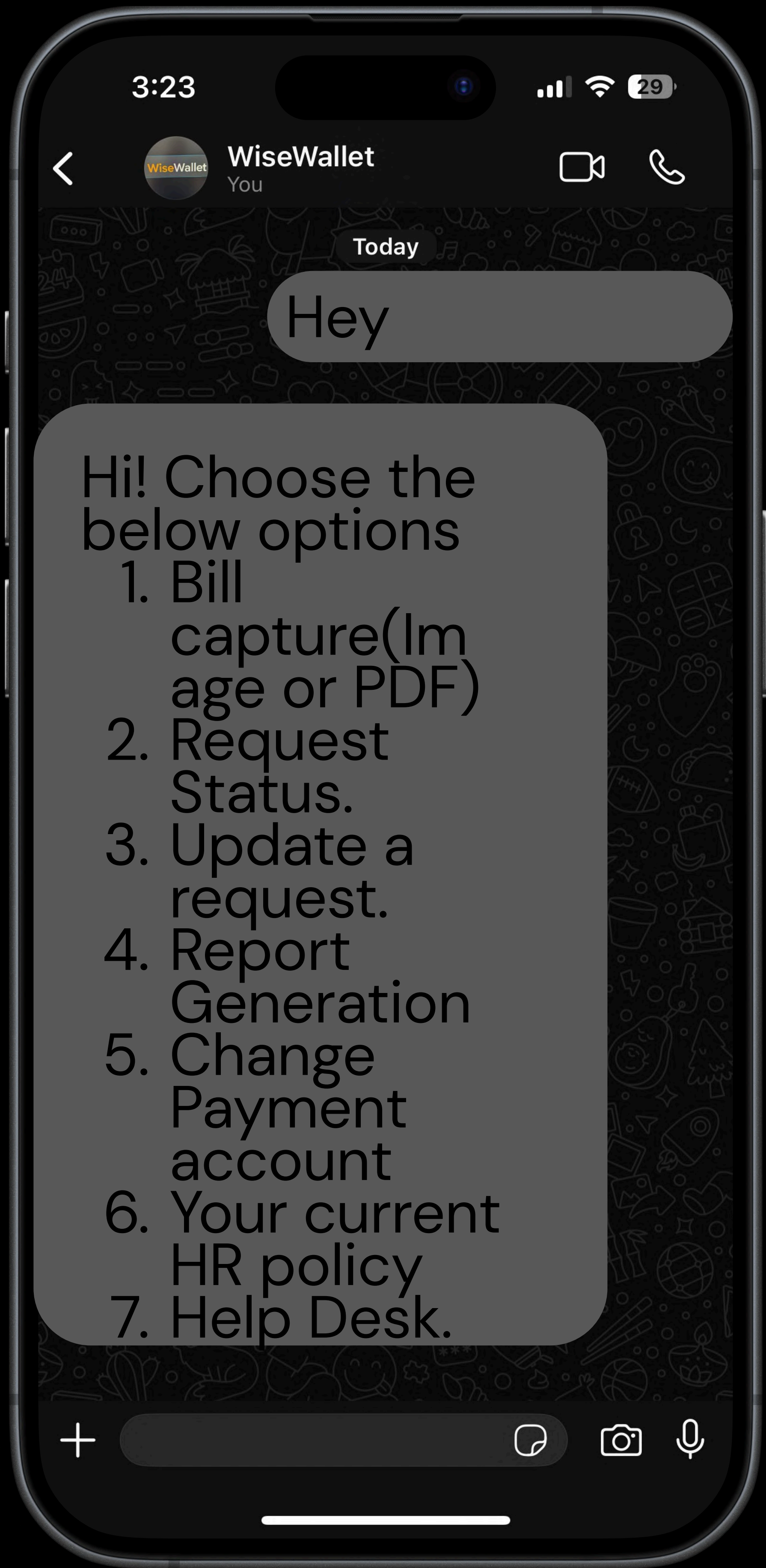
TECHNOLOGY STACK

- WhatsApp Business API: Official WhatsApp Business API.
- Chatbot Logic Server: Python (Flask/Django), Node.js (Express), or Java (Spring Boot).
- Database: PostgreSQL, MySQL, or MongoDB.
- File Storage: AWS S3, Google Cloud Storage, or Azure Blob Storage.
- Accounting System Integration: Depends on the company's accounting system API.
- IDP Service: Hyperscience, ABBYY FlexiCapture, or Microsoft Syntex.
- Notification Service: Twilio, or integrated whatsapp notification via the business API.

ONBOARDING

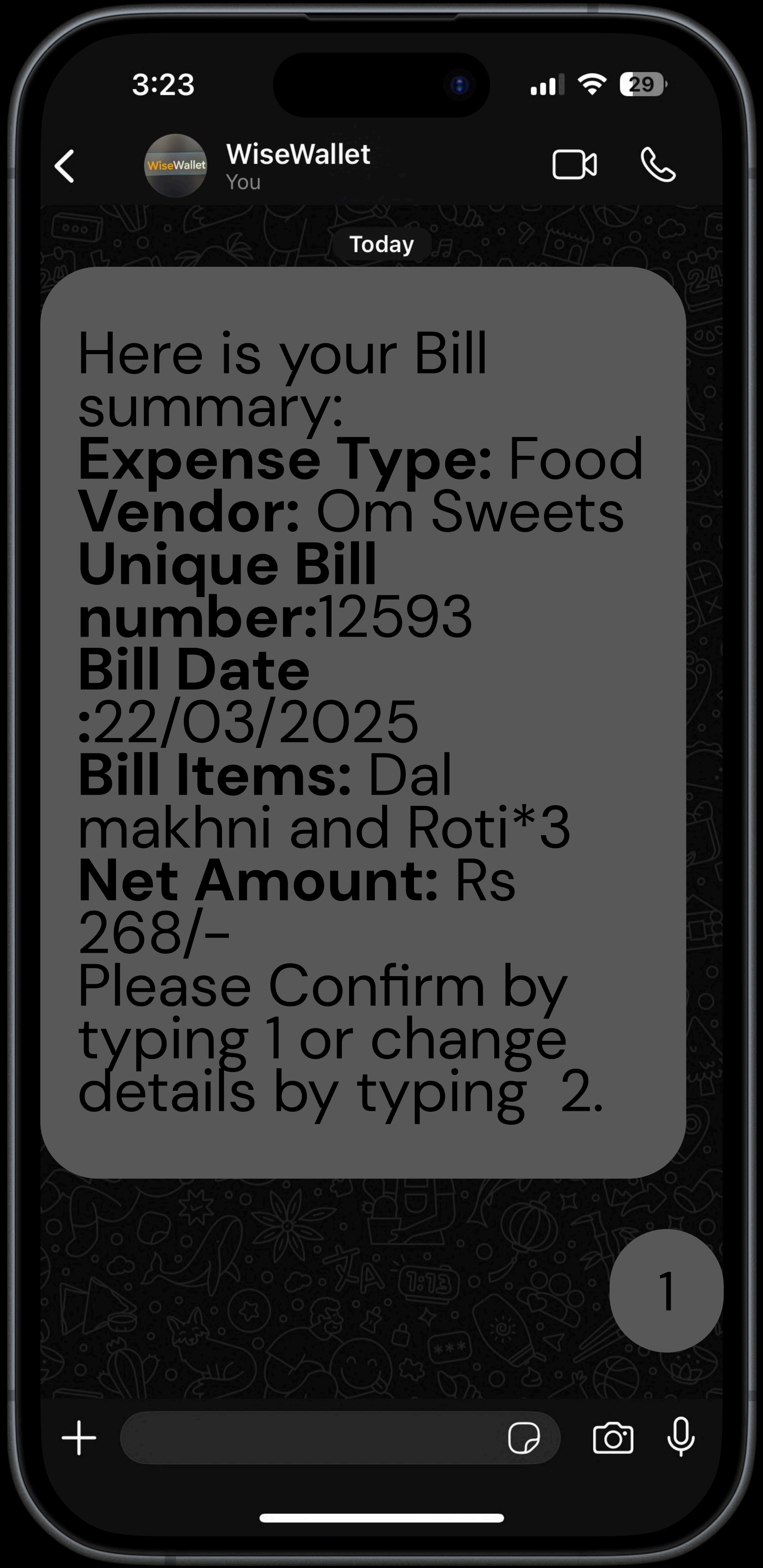


INITIATION

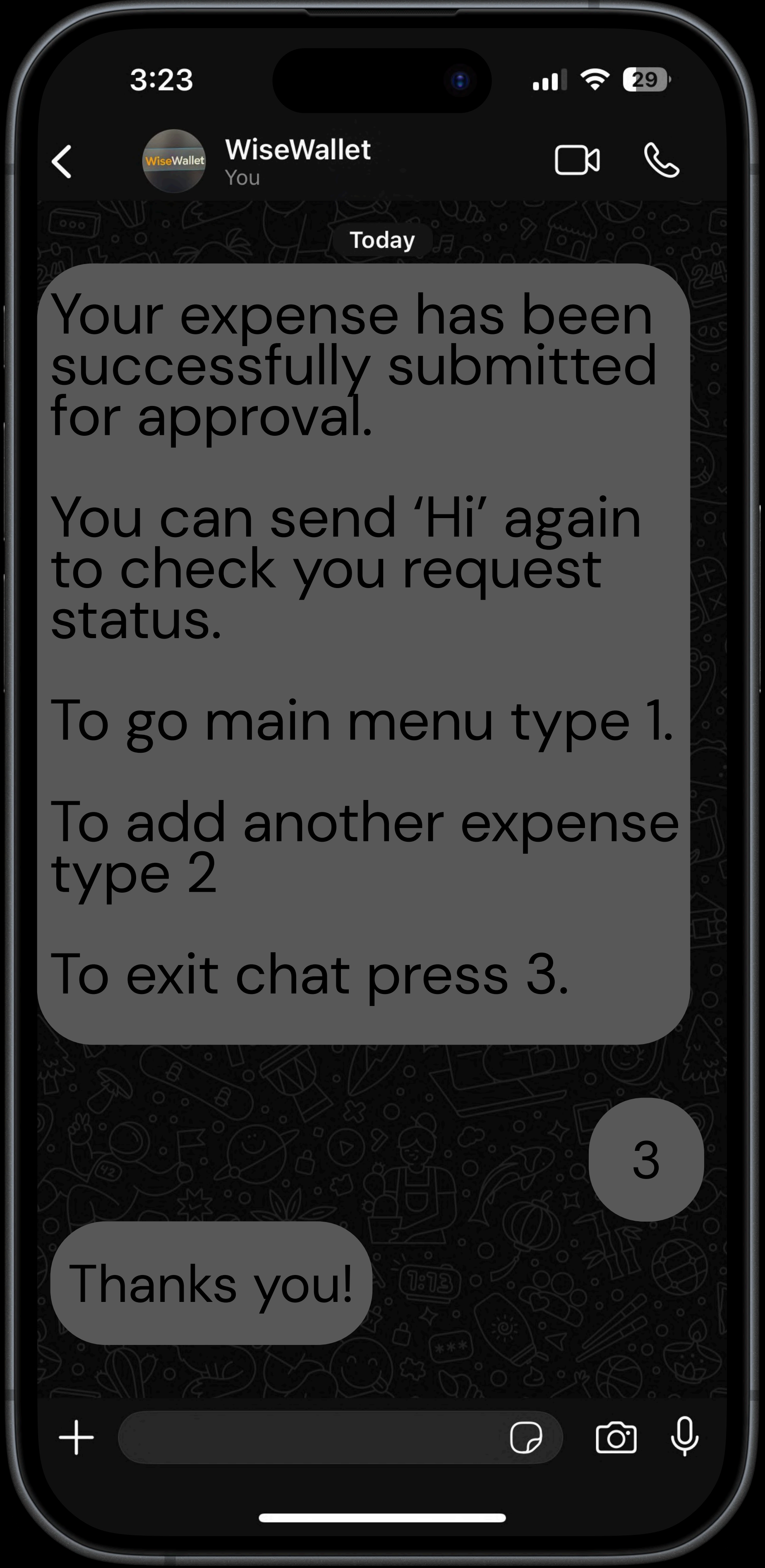


CAPTURING EXPENSE

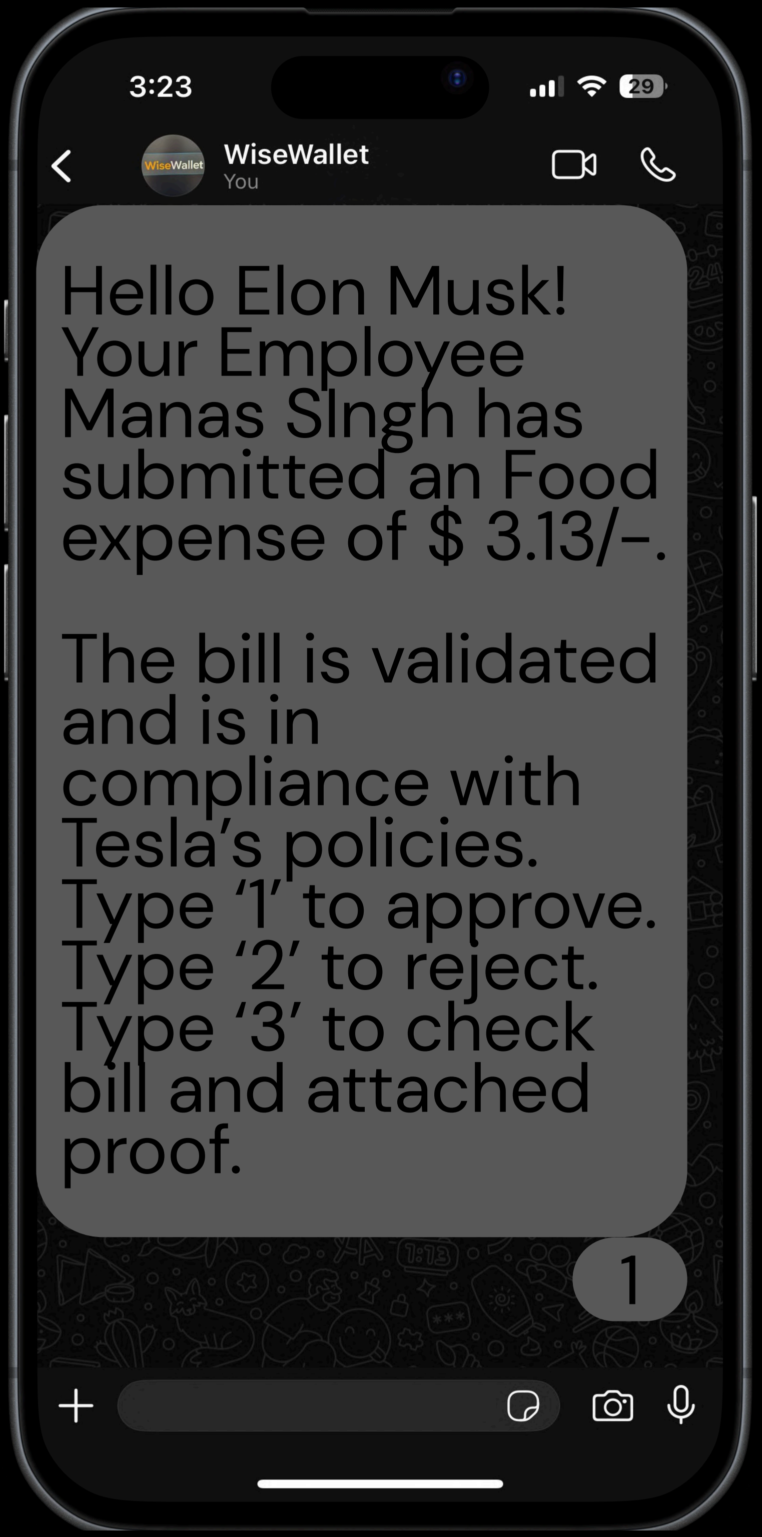
EXPENSE SUMMARY



CONFIRMATION



APPROVAL



LAUNCH PLAN

Phase 1: Beta Testing & Early Adopters (2-3 Months)

- Pilot Program: Invite early adopters (10-50 SMBs) to test the chatbot.
- Integration Feedback: Improve chatbot performance, UI/UX based on real usage.
- Partnerships: Collaborate with accountants, financial advisors, or HR platforms.
- Decide Business model: Subscription Model(With freemium), Pay-Per-Use, Transaction Fees or Affiliate & Partnerships. Decide with feedbacks of companies.

Phase 2: Official Launch & GTM (Go-To-Market) Strategy (3-6 Months)

- Launch Marketing:
  - Product Hunt, LinkedIn, SMB forums, WhatsApp communities.
  - Paid ads (Google, Facebook, LinkedIn) targeting SMBs.
  - Influencer/affiliate marketing (Finance & SMB influencers).
- Sales & Customer Onboarding:
  - Free trial for 14-30 days.
  - Webinars & live demos for onboarding.
  - Email/WhatsApp campaigns for lead nurturing.

Phase 3: Scaling & Growth (Ongoing)

- Feature Expansion: AI-powered insights, Adding voice control to make the app more user friendly towards specially abled.
- API Integrations: Connect with accounting tools (QuickBooks, Xero, Zoho Books).
- Referral & Partner Programs: Offer discounts for referrals and partnerships with HR & payroll companies.
- Enterprise Sales: Target mid-sized businesses and expand beyond SMBs.

Metrics	Success Indicators
Awareness	- Number of website visits & landing page views - Social media mentions & shares - Impressions from paid & organic campaigns - Chatbot trial requests/signups
Activation	- Number of users completing first expense submission - Onboarding completion rate - Time to first successful transaction - Engagement with chatbot tutorials
Retention	- Monthly Active Users (MAU) - Average session frequency per user - Churn rate (users who stop using the bot)
Revenue	- Number of paid subscriptions/conversions - Upsell/cross-sell success (e.g., premium features) - Total revenue generated
Referral	- Number of users invited via referral links - Conversion rate from referrals - Net Promoter Score (NPS)

Problems Faced	Solution Offered.
Low Adoption of Expense Management by SMBs	With easy Business onboarding and upfront cost. New businesses and SMBs will be able to adopt and make use of the very basic yet powerful chatbot that will be less complicated and easy to use.
OCR Issues	IDP (Intelligent Document Processing) will be used for the first time in an Expense management tool which will use AI to read images and PDF with more accuracy than any OCR.
IT OverHead	As a lot of SMBs does not have a dedicated IT team they can just intergrate the chatbot in there whatsapp with minimum efforts.
Expensive	For a SMB with employees less than 100, the freemium model can be used which can do most of the work without any charges.
Manual Efforts	Manual receipt checking, validation and approval will be significantly reduced.

Category	Risk and Challenge	Mitigation Strategies
Market Adoption	- SMBs may be hesitant to adopt a new tool. - Resistance to chatbot-based expense management.	- Offer free trials and onboarding support. - Educate users on benefits (time-saving, automation).
Competition	- Established players (Expensify, Zoho, Fyle, etc.). - Free alternatives (Google Sheets, manual tracking).	- Focus on niche value propositions (WhatsApp/Slack-native, affordability, ease of use). - Leverage integrations with accounting tools.
AI & Automation Limitations	- Misinterpretation of expense categories. - Errors in receipt scanning (IDP failures).	- Continuous AI model improvement. - Allow manual corrections & human review options.
Platform Dependency	- Reliance on WhatsApp/Slack APIs (pricing changes, policy updates).	- Diversify by adding web & mobile apps. - Stay updated with API policy changes.
Monetization & Pricing	- Finding the right balance between free & paid features. - SMBs may be price-sensitive.	- Offer freemium plans with essential features & charge for premium tools. - Experiment with tiered pricing.