

Paymode-X Straight Through Processing

Making it Easier to Accept Virtual Cards

Accounts Payable departments often suffer from inefficient processes and outmoded legacy practices that often introduce risk of payment fraud. Paymode-X enables businesses to streamline payment processes, reducing costs and risk with its focus on end-to-end digital payments automation – including virtual card and premium ACH payments. Paymode-X has recently bolstered its virtual card payment capabilities with advanced buyer-initiated, straight through processing technology.

HOW STRAIGHT THROUGH PROCESSING IMPROVES VIRTUAL CARD TRANSACTIONS

A virtual card is a tokenized 16-digit card number, often described as “single-use”, meaning it can only be used one-time for a set amount. The process requires your vendor to manually match the payment with the remittance details and key in the card information.

With Paymode-X Straight Through Processing (Paymode-X STP), you can now eliminate the manual processing and exception handling typically associated with virtual card payments. Advanced straight through processing technology enables virtual card transactions to be more efficient for both AP and AR. Funds are automatically deposited to a vendor’s bank account that has been set up to receive virtual card payments, resulting in less time spent on card payment and reconciliation efforts.

Paymode-X is the largest B2B electronic payment network with 550,000+ vendors accepting over \$400B in virtual card and ACH payments per year with zero payment fraud. This new offering from Paymode-X allows businesses to leverage straight through processing of virtual card transactions.

KEY BENEFITS

Payer and Vendor Choice

- Another way to securely pay and get paid

Vendor Benefits for AR

- Eliminates manual processing and exception handling typically associated with virtual cards
- Easy to manage high volume of virtual card payments
- Reduces time spent on manual reconciliation efforts
- Potentially less expensive than traditional virtual cards
- Looks and feels like an ACH payment with richer data

Payer Benefits for AP

- Provides an automated processing method for virtual card payments
- Network effect for vendor enrollment that leads to more card acceptance and greater rebate potential
- Helps improve relationships with suppliers, providing choice on how to accept payments

HOW DOES A VIRTUAL CARD TRANSACTION WORK?

TRADITIONAL VIRTUAL CARD PAYMENT TRANSACTION:

Involves multiple steps and includes some manual processes to collect the payment details from an email and submit a transaction. At high volumes, these manual steps are burdensome for accounts receivable departments.

VIRTUAL CARD PAYMENTS USING PAYMODE-X STP:

Simplified workflow where Paymode-X sends card payment directly to a vendor's bank while AR receives electronic remittance for simple reconciliation. Your vendors are no longer saddled with the manual processing or exception handling typically associated with receiving virtual card payments.



HOW DOES PAYMODE-X DO THIS UNIQUELY?

Paymode-X is now the only fintech that offers straight through processing for virtual card payments, including a direct connection to bank service providers that manage electronic deposit of funds into a merchants bank account. Paymode-X overcomes common issues with traditional virtual card payments offered by other solution providers by:

- Enabling more virtual card spend
- Improving relationships with your vendors by removing manual work and reducing overall costs
- Helping you realize the full potential of an integrated payables solution by providing greater efficiencies and less risk

Paymode-X helps businesses to automate and optimize their full invoice-to-pay process. Leveraging Paymode-X, customers can see reduced costs for invoices and payments, improved cash flow by monetizing payments and capturing early pay discounts and reducing payment fraud.

Learn more how Paymode-X will improve your payment speed, remittance, and fraud prevention.

CONTACT US