



# Virtual is the New Reality: Optimizing Virtual Payments to Improve Your Bottom Line

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Corporate Payments





# What to expect from today's session

## During this information session, we will:

- Present research results highlighting benefits of accepting virtual cards
- Discover why companies elected to accept virtual cards from its customers
- Learn how our customers have successfully converted their receivables processes and enhanced cash flow despite incurring card transaction fees

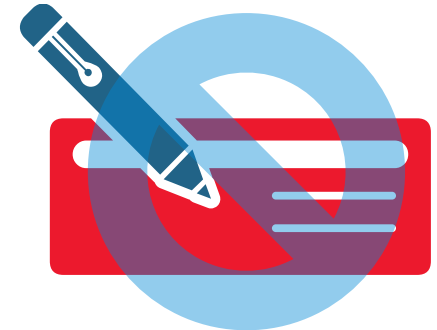




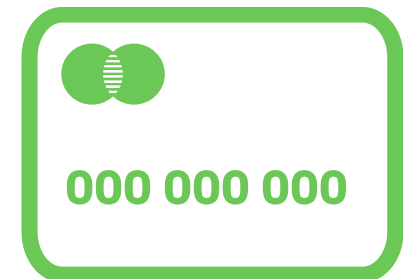
# Virtual Payments: Like Checks, but Better

**A 16-digit Comdata MasterCard account number that replicates a check**

- Single-use account good for the exact payment amount
- Safe, secure and timely supplier funding with electronic remittance advice
- Integrates into normal AP workflow as another payment type
- Leverages existing vendor pay cycle (terms)
- Turns your accounts payable department into a revenue generator



**Check**



**Single-Use  
Virtual MasterCard  
Account**



# Virtual Payments 101

## Benefits of Virtual Payments

Virtual payments offer substantial benefits

### Cost Savings



Immediate Revenue  
Generator  
Average Savings  
of \$5.14

### Ease of Administration



Easier and Faster  
than Paper, Similar  
to ACH

### Vendor Payment and Reconciliation



Improved DSO and  
Remittance

### Rebate Realization



Immediate Revenue  
Generator

### Enhanced Security

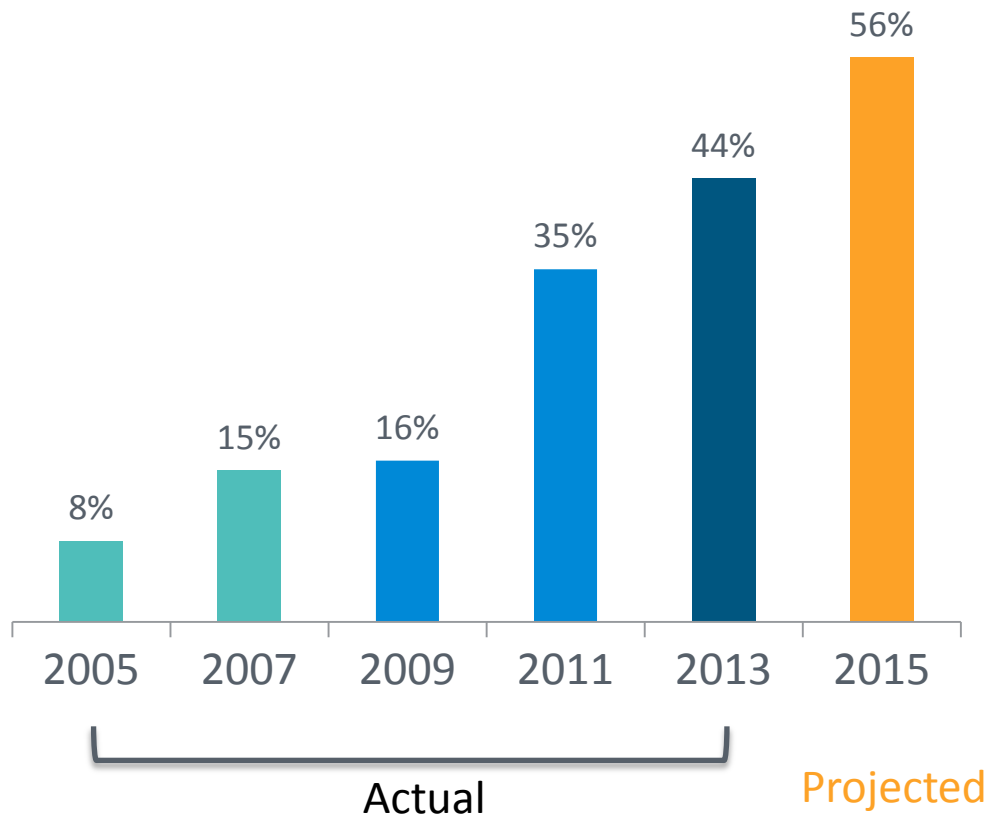


Reduce Risk of  
Check Fraud



# Virtual Payments Proliferation

Virtual payments are wildly growing in popularity.



## 30%+ Annual Growth

Virtual payments spending is growing 30%+ annually



## 50% Use Virtual Payments

50% of Fortune 2000 companies utilize virtual payments

Source: RPMG





# Benefits of Vendor Acceptance

**Vendors see the value of virtual payments with proper education**



Guaranteed MasterCard or  
ComdataDirect payments



Prompt Settlement



Improved financial  
controls/ DSO Reduction



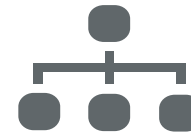
Automated reminders  
to process  
outstanding payments



Detailed remittance  
information



Maintained status as  
a preferred vendor



Access to  
other buyers



## Increased Business

23% of vendors cite  
increased business due to  
payment acceptance



## Vendor Acceptance

82% of vendors say that  
they are likely to accept  
virtual payments



# Benefits of Vendor Acceptance

## Detailed Remittance Information

Payment advisories with settlement instructions are delivered via mail or email to meet the unique relationships between buyers and suppliers.

Electronic Payment Advisory from TEST COMPANY INC CO - ACTION REQUIRED

FROM: TEST COMPANY INC CO  
12345 STONE ROAD APARTMENT B  
BEDROCK, FL 34952  
1.800.COMDATA  
Fax: (615) 370-7714  
PAYMENTS@COMDATA.COM

To: SUPPLIER: VENDOR PORTAL TEST  
SUPPLIER FAX #: (615) 370-7714  
Payment #: 17251018

The invoice(s) listed below have been authorized by TEST COMPANY INC CO on 10/18/2013 to be charged to the following MasterCard number for the Total Net Amount Paid.

MASTERCARD#: XXXXXX0005167536 EXP: 12/2016 Security Code: 590  
XXXXXX represents the 6-digit MasterCard Number Prefix previously provided to you.

Invoice Date:	Invoice Number:	Gross Amount Paid:	Discount Amount:	Net Amount Paid:
10/18/2013	VenPTInv#1	\$40.00	\$0.00	\$40.00

Comments: NO CV\_MAST

**Total Net Amount Paid: \$40.00**

Additional comments:  
We recommend that you process the MasterCard number shown above once for the full total Net Paid amount. If you have questions about this remittance advice or processing the payment, please contact COMPANY NAME using the contact information shown above.

Please contact the Accounts Payable Department of TEST COMPANY INC CO at payments@comdata.com or 1.800.COMDATA if you have any questions regarding this payment.

one supplier

one account number

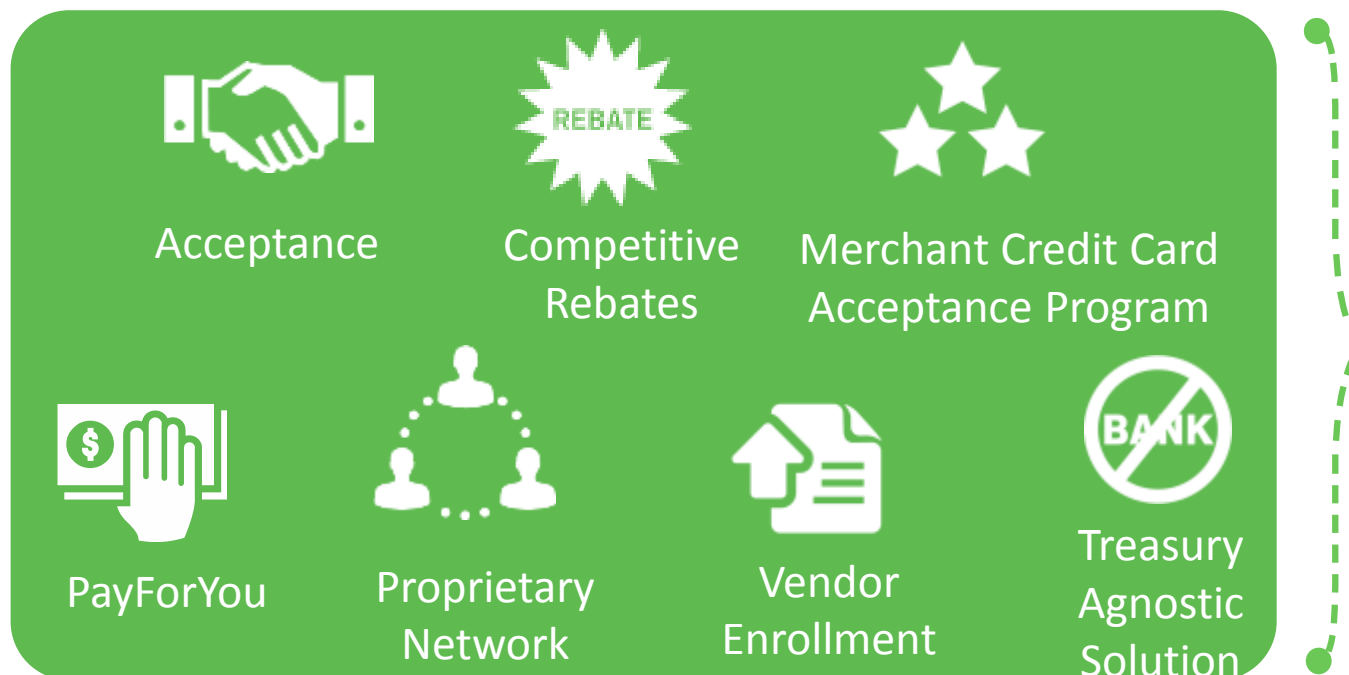
one payment amount

“Detailed remittance advice information” and “faster payments” are the **most commonly realized benefits** of the card acceptance.\*

Sample Vendor Remittance Advice

# Comdata's Differentiators

## Outgrowing the Virtual Payments market by nearly 3x



Comdata offers higher payment optimization for



Greater reduction of costs and better realization of savings

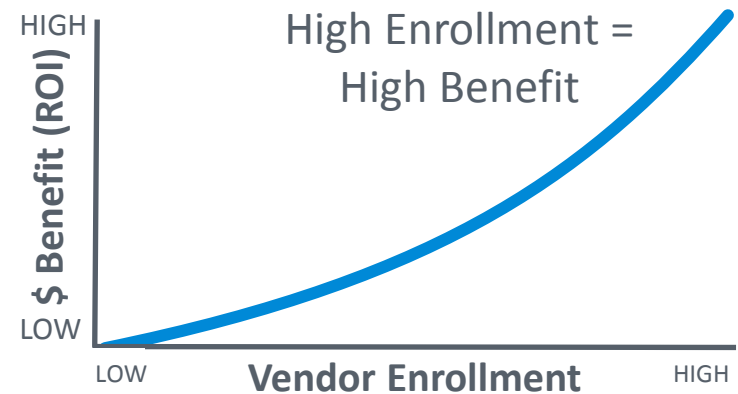




# Comdata Differentiators

## Benefits of Vendor Enrollment

It's all about the vendor enrollment...targeting 100% of your vendors!



### Comdata Vendor Enrollment

- Dedicated Team
- Multiple Enrollment Approaches
- Enrollment Best Practices
- Continuous Enrollment
- Large Vendor Population





# Comdata's Differentiators

## Vendor Relationship Management

Consistent with your corporate objectives, Comdata will work to ensure a positive experience for your valued partners.

### Virtual Card Objectives:

- Lower the cost of acceptance
- Provide clear & concise communications
- Deliver repeatable & reliable payment processes
- Offer merchant services offering to increase vendor value
  - Increased Payment
  - Faster DSO
  - Increased Business
  - Reduced Risk to Bad Payments



# Comdata's Differentiators

## Merchant Credit Card Acceptance - Infintech

Comdata provides a vendor services offering for your vendors designed to increase your enrollment through higher credit card adoption and lower cost of acceptance.

Why do vendors not accept a virtual account payment?



### Benefits to your vendors on your behalf:

- **Low Cost**
- No Set up Fees
- Pre-negotiated Cost Plus Interchange Processing
- MasterCard Level III
- Large Ticket Qualification
- Secure PCI Compliance
- Online Processing
- Penalty Free
- No Long-term Contracts
- No Cancellation Penalties

### The result:

**You enroll more virtual accounts**

**Your vendors lower fees**



# Comdata Differentiators

## ComdataDirect: Comdata's Exclusive Proprietary Network

ComdataDirect targets suppliers that have previously declined enrollment for vendor enrollment to improve participation.

### Acceptance Issues

1

Discount fee is too high with credit card transactions

2

Vendor believes that they will need additional overhead

**Solve vendor acceptance issues  
& Increase your company's payment volume**



Straight-through payment processing option

Settlements are transferred directly into the vendor's designated bank account.

**Lower Interchange Offering**  
About 1/2 fee charged for standard MasterCard, Visa or American Express transactions



# Comdata's Differentiators

**ComdataDirect offers your vendors an alternative to paper check processing**

**Interchange  
rebate with  
Large Ticket  
transactions  
(\$10,000 or  
greater)**

**Guaranteed funds  
with potential for  
faster payments**

**Secured systems  
that are PCI  
compliant**

**Minimized  
manual  
involvement  
in payment  
processing**

**Reduced interchange  
rate when compared to  
traditional credit card  
payments**

**Reduced  
collection and  
dispute costs**

**Improved  
payment detail  
and notification**



# Comdata Differentiators

## **PayForYou: We submit the payments so you do not have to!**

Comdata's PayForYou representatives increase your virtual account spend by submitting payments on your behalf to vendors who only accept credit card online or via telephone.

### Incremental Spend with PayForYou



Utilities



Advertising



Select Building  
Materials



Telecom & ISP  
Services



Office Supplies



Facility &  
Maintenance

### Comdata PayForYou Service

- 5 Day Payment Submission
- Submission via phone, Internet or faxed form

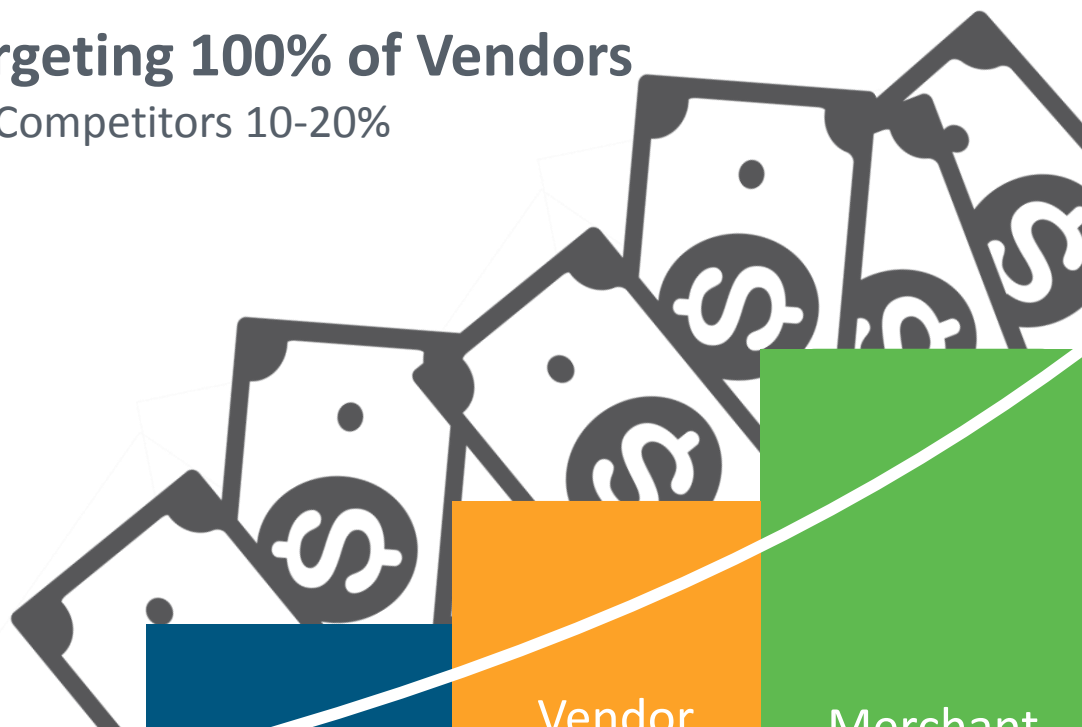


# Unique Services for Strategic Enrollment



**Targeting 100% of Vendors**  
vs. Competitors 10-20%

100%



Them  
10-20%





# Thank you.

For more information  
contact your Account Manager  
or email  
[maycock@comdata.com](mailto:maycock@comdata.com)

[www.comdata.com](http://www.comdata.com)