



### 3. Greater negotiating power

Commercial cards provide rich transaction-level data, enabling companies to drive purchases through preferred or strategic suppliers. Supplier management reports help identify spending patterns with particular vendors. This added visibility into their transactions and more favorable payment terms positions companies to negotiate better discounts on purchases.

### 4. Enhanced spending controls

Restrictions such as daily, weekly, and monthly transaction limits can easily be put into place to prohibit unsanctioned card usage. In addition, unauthorized merchants can be blocked by Merchant Category Code (MCC), forcing cardholders to purchase from preferred suppliers that are under contract in order to consolidate spending and support negotiated discounts. Card programs typically allow you to review purchases online, making it easy to flag any violations of spending policy.

By defining acceptable uses of the card up front, business managers can determine where cards can be used and the appropriate spend limits at the cardholder level based on each employee's role in the organization. For example, a tenured senior level manager may have fewer restrictions on his/her account than a newly hired mid-level manager.

### 5. Potential rebate

Many banks offer competitive rebate programs based on your company's annual card purchase volume. However, the real savings come from a more streamlined and transparent Accounts Payable function, more effective risk control, and better compliance with internal audit requirements.

## Consider your electronic payment options

Paper checks aren't going away anytime soon, but more and more companies are looking to take full advantage of the unique benefits offered by various electronic payment options. Wire transfers continue to be a great tool for real-time payments, particularly for large sums or international transactions, and the rollout of same-day ACH offers an efficient, cost-effective payment solution. And with the ever-expanding capabilities of commercial card programs, many companies are integrating commercial cards into their payables process as well.

**If you'd like to learn more about the benefits of using a commercial card program, please contact your cash management sales officer.**

<sup>1</sup> The Nilson Report, July 2017.

<sup>2</sup> <https://www.viewpost.com/blog/how-much-money-is-paper-costing-you/>



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