Mastering Digital Payments Webinar
Hosted by Steve Weber

Transcript

[Opening]
Steve Weber: Well, hello everyone and welcome to *Mastering Digital Payments*! My name is Steve Weber, and I will be your host for today's webinar.

Before we get started, just a few housekeeping items:

- Everyone was admitted to the meeting with sound muted by default.

- Messages are open, and you should be able to ask questions via the chat window.

- Feel free to ask questions as we go along. If I see them pop up, I'll respond, but if I miss any, I will get to them at the end.

Let's go ahead and get started!

[Introduction to PaperTrl]

Steve Weber: First, let me introduce PaperTrl. PaperTrl is an **AP automation platform** focused on the middle market, based here in Columbus, Ohio.

We work with a number of strategic partners, mostly banks, throughout the United States. Our largest strategic partner is Visa, but we also work with U.S. Bank, Associated Bank, and others.

Our customers span multiple sectors, including automotive dealerships, energy, non-profits, and CPA societies across the U.S.

Steve Weber: Now, that was the entire PaperTrl commercial! The rest of today's session will focus on:

- Understanding digital and legacy payment options.

- Comparing security features of different payment methods.

- Giving you practical strategies for implementing digital payments in your organization.

- And hopefully, you'll leave here with as much enthusiasm for digital payments as I have!

Alright, let's dive in!

[Key Payment Terms]

Steve Weber: Before we go too deep, I'll be using a few key terms today. Here are some that you should be familiar with:

- **EFT (Electronic Funds Transfer):** A broad term for any electronic transfer of funds, including virtual cards, ACH payments, wire transfers, and FedNow.

- **PCI Compliance:** If your organization accepts credit cards, you've likely heard of this—it governs how cardholder information is collected, stored, and transmitted.

- **Merchant:** Anyone who accepts digital payments, typically businesses.

- **Issuer:** A bank or financial institution that underwrites or issues credit/debit cards (e.g., U.S. Bank, Elan Financial Network).

- **Processor:** A company that helps businesses accept payments (e.g., Authorize.net).

- **Tokenization:** A method that replaces sensitive credit card details with a secure token.

We will be sharing the deck with these terms for future reference.

[Current Payment Landscape]

Steve Weber: Now, let's talk about payments in general.

A little-known fact—despite being a leader in technology, the U.S. still leads the world in check payments. Digital payment adoption has been slower here compared to other countries.

The fastest-growing form of digital payment today? **ACH debit.** Also, debit cards are seeing rapid growth as a preferred payment method.

Why? Because businesses want to get paid faster. Many vendors have been driving digital payment adoption by offering direct online payment options.

However, check usage remains steady—especially in B2B transactions—due to **control, familiarity, and tradition.**

[Security & Control of Payment Methods]

Steve Weber: Let's analyze the security and control of different payment methods.

We've developed a **vulnerability scoring matrix** to compare them:

- **Least Secure:** Checks. They expose banking details every time you send one.

- **Moderately Secure:** Credit cards and ACH transactions.

- **Most Secure:** Wire transfers offer the most control but are expensive.

[Digital Payment Methods]

Steve Weber: Now, let's explore the digital payment methods that are reshaping the industry:

1. **Virtual Cards**
   - A unique, one-time-use card number is generated for each transaction.
   - The vendor receives an email with payment details and processes the card manually.
   - **Benefits:** Highly secure, rebates, chargeback protection.
   - **Challenges:** Not all vendors accept them.

2. **Straight-Through Processing (STP)**
   - Works like a virtual card, but payments are fully automated.
   - No need for manual card entry.
   - **Benefits:** The most secure method.
   - **Challenges:** Limited adoption due to a lack of industry standardization.

3. **Visa Direct**
   - Funds are sent instantly via debit card.
   - Common in insurance payouts and payroll.
   - **Limitations:** Not widely used for B2B transactions.

4. **Real-Time Payments (RTP)**
   - An ACH alternative for instant payments.
   - Available 24/7, but not all banks support it yet.

5. **FedNow**
   - Similar to RTP but operated by the Federal Reserve.
   - Still in early stages with limited adoption.

6. **P2P Payments (Venmo, Zelle, PayPal)**
   - Mainly for consumer use, but some businesses use them.
   - **Security risks:** Requires sharing banking info with third-party providers.

[Security & Control Comparisons]

Steve Weber: Let's rank these payment methods in terms of security:

- **Most Secure:** Straight-Through Processing.
- **Moderately Secure:** Virtual Cards and Visa Direct.

- **Least Secure:** P2P Payments.

Businesses should avoid P2P for B2B transactions due to fraud risks and lack of payer protection.

[Best Practices for Secure Digital Payments]

Steve Weber: Here are the best practices for keeping your transactions secure:

1. **Limit Data Exposure:** Avoid storing payment details in your systems.

2. **Run Phishing Security Tests:** Test employee awareness regularly.

3. **Adopt Virtual Cards:** Secure vendor payments with single-use card numbers.

4. **Avoid ACH Debits & Paper Checks:** Reduce risk by controlling your payment process.

5. **Use Positive Pay for Checks:** Ensure only authorized checks are processed.

6. **Implement Digital Wallets:** Replace physical corporate cards with mobile payments.

7. **Keep Transactions in Secure Platforms:** Never use email to share financial details.

[Conclusion & Q&A]

Steve Weber: That wraps up today's webinar!

If you have any questions, please drop them in the chat. Also, this presentation and additional resources will be available on our website.

Thanks for attending, and I hope you found this session helpful!

[End of Transcript]