

# The key to card adoption? Communicating commercial card benefits for suppliers.

---

## Key points

- Suppliers are more apt to accept commercial cards for payment than in the past.
- Many suppliers, however, still do not understand commercial card benefits for B2B payments.
- Education that focuses on commercial card value for suppliers is key to motivating them to accept your card for B2B payments.



You understand the benefits implementing a commercial card program brings to your AP process—lower costs, greater control and streamlined payment processing. But as you move more payments from check to card, will your suppliers be on board? Educating your suppliers is key to motivating them to accept commercial cards for payments.

## Seven reasons why your suppliers should accept commercial cards for B2B payments

### 1. Better payment terms

Paying by check is more costly to your business than electronic payment forms like commercial cards. Adjusting your payment terms can provide an incentive for your suppliers to accept card payments, while reducing your overall payment costs.

For example:

Payment type	Terms
Commercial card	1 – 30 days
ACH	30 – 60 days
Check	60+ days

### 2. Improved cash flow

Your suppliers receive payment within days rather than weeks. The Order-to-Cash cycle is significantly faster with card payments. This translates into reduced Days Sales Outstanding (DSO), enhanced cash flow and improved working capital management for suppliers.

### 3. Net cost advantage

Card acceptance carries a net financial benefit of \$12.29 per \$500 transaction for a typical mid-market supplier that accepts cards.<sup>1</sup>

### 4. Increased efficiency

Card payments decrease check handling costs, streamline reconciliations, help reduce the need for invoice production, and can eliminate a number of manual processes and payment errors.

### 5. Decreased fraud

With the EMV card migration, check fraud is on the rise. Card payments offer a more secure payment method than checks.

### 6. Reduced risk

Card payments clear in real time, so your supplier will know immediately if a charge is approved, lowering non-payment risk as well as the time and cost of AR reconciliations.

### 7. Competitive advantage

If your suppliers accept cards as a method of payment, they will have the opportunity to capture market share from suppliers who can't or won't accept cards for payment.

Commercial card benefits for suppliers exceed the perceived costs. Addressing the education gap with your suppliers is the first step towards motivating your suppliers to accept commercial card payments.

To learn more, including how we can work with you to implement a commercial card program, visit [usbpayment.com/connect](http://usbpayment.com/connect).

[usbpayment.com/connect](http://usbpayment.com/connect)

<sup>1</sup> Kaiser Associates, *Acceptance Matters, and Now We Know By How Much*, 2012