

Fund Loans in Real-Time 24/7

The global digital lending market is expected to hit USD 22.4 Billion by 2028. With such considerable growth on the horizon, it is hard to believe businesses are squandering anywhere from \$2.9 to \$6.5 billion a year in payment processing. In other words, while the lending industry is notably undergoing mass transformation, money is still being left on the table. And a lot of it.

Every day in North America, lenders miss out on millions of dollars in cash flow—from NSF cheques or manual payment processing.

It sounds dramatic. But it isn't.

The lending industry is in the spotlight in a global economy that has never been more complex, interconnected, or faster moving. Seen as a major underpinning of economic recovery and growth, lenders feel pressure to approve applications and disburse loans quickly.

And yet, the existing way lenders manage payments and collections remains outdated and inefficient. Manual processes are taking up too much time and costing the industry thousands of dollars. And it is coming right off your bottom line.



Manual Processes: Why Are You Giving Away 20% of Your Profit?

The process of making payments—from application to repayment—is uneconomical, slow-moving, and unproductive, especially when it comes down to workforce hours. Paperwork and approvals cause a complete standstill in the lending process. With a loan origination process fragmented across multiple touchpoints such as accounting teams, lenders and borrowers, it leads to long turnaround times and late fees that drive up the cost of borrowing for borrowers while decreasing the profitability for lenders.

Did you know that a reported **66.4 %** of businesses are still working off “rainbow coloured” spreadsheets to manage payment reconciliation?

The four accounting processes businesses say eat up their time, minimizes their output, and maxes out their resources.

- Balance sheet account reconciliations 44%
- Variance analysis 39%
- Bank and credit card reconciliations 36%
- Journal entry creation 28%

1. Slow onboarding and loan disbursements

The longer it takes, the higher the chances your client will walk away.

Cost

*Lost Revenue
+
5 Workforce hours per week*

2. Lack of transaction visibility

Lack of transaction visibility - Has the payment been processed? Have funds been received? Is a payment on the way. The abyss of the unknowns plays havoc with strategic decision-making.

Cost

*Anywhere from 2-15%
off your bottom-line*

3. NSF fees and failed cheques

The costs behind bounced payments far exceed the fees. That extra lag time hits lenders where it hurts the most.

Cost

*Fees + Cashflow Interruption
+
5 Workforce hours per week*

4. Complex AR/AP reconciliations

Determining who's paid and who hasn't or what's been paid for is a spreadsheet jigsaw puzzle. Fitting the pieces together is like working with a 5000-word puzzle.

Cost

*Cashflow Interruption
+
5 Workforce hours per week*

5. Manual file processing

A time-intensive process of entering data, making corrections, and validating by hand and human. Document fraud, converting bank statements to different formats, and errors are simply three of the challenges faced.

Cost

5 Workforce hours per week

Making the Case for Real-Time Payments

Put that 20% back where it belongs. Gone are the days when credit risk management was just an art, lack of transaction visibility was "accepted," and manual reconciliation was a necessary evil.

Payment digitalization in the lending sector allows lenders to make better quality decisions, streamline costs, and scale-up. The industry is reinventing itself with new technologies that leverage the power of data, automation and analytics to deliver a better experience, enhanced FTE productivity and more money on the bottom line.

Here is How



Instant Loan Disbursements

Send thousands of real-time payments with just an email. Forget about inputting a client's banking information. Enter the email. Hit send and the borrower can access their funds immediately.



Complete Transaction Visibility

Lenders who engage in real-time payments now have visibility at their fingertips. Determining where a payment came from or where one is going becomes much easier. When lenders have a complete picture of who's on the other end of a payment, data accuracy is assured, protecting their reputation and their finances.



Real-Time Payouts & Recurring Collections

Imagine the potential of validating transaction statuses and having access to funds within 24 hours. Easily request money you are owed from clients or vendors. Take it one step further and have the option of adding an invoice number and due date using only an email address.



Bank Account & Balance Verification

Verify users identities and authenticate bank accounts prior to the transaction. With next-gen payment solutions, lenders reduce NSF's fees by having visibility into the bank account's available funds.



Advanced Reporting & Reconciliation

Track payments with detailed daily reporting for deposits and outstanding payments to support quick reconciliation. Real-time payment processing with acknowledgments and daily status reports delivers a clear, consistent picture of your cash outflows and inflows.



Bulk File Upload Processing

One and done. Automate payment flows across the business.

Send Payments 24/7/365

Real-time payments transform the way lenders do business. Instant settlement = instant access to those funds. Real-time payments are the solution behind every company's AR unknowns. Forget how long a cheque is stuck in the mail, no need to worry about when a payment will arrive and know when payments will be processed.

Not only will real-time payments give companies a much-needed cash flow management boost, but they will also gain savings from a massive reduction in workforce resources.

DID YOU KNOW?

92% of merchants and **82%** of billing organizations with revenues of **\$5 billion** expect to see customer service thrive as a result of **real-time payments**.

Source: [paymentsjournal.com](https://www.paymentsjournal.com)

Real-Time Payment Benefits

Lender Benefits	Customer Benefits
Fewer cheques and physical invoices mean a significant reduction in paperwork and manual processes	A reduction in bank charges, such as overdraft charges or cheque cashing fees
Develop products and solutions for underserved segment	Payments can be made on due date rather than 2-3 days in advance for processing
Potential to process and settle transactions instantly	Immediate access to funds and a better control of finances
Potential to unlock new revenue opportunities with extensive usage of real-time transaction data	Limited exposure to foreign exchange due to instant transactions
Data transparency and accuracy provide rich context to the transactions	Unbanked and underbanked consumers gain faster access to funds at a lower cost

VoPay's real-time payments are a perfect solution for lenders. Take control over your cash flow and fund your clients faster than anyone else.

VoPay's e-Transfer for Business – a simple, convenient, and secure way to send and receive real-time payments at scale with only an email address – 24/7/365.

VoPay Instant – access real-time account to account payments using VoPay's EFT payment rails. Send funds instantly to any Canadian bank account. Fast, secure & Canadian.

Visa Direct – deliver real-time push payments to any Visa bank account in Canada. Funds are available immediately, meaning clients can access funds when they need them most – 24/7/365.

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