

Product Brief—Payment Receivers

MasterCard RPPS Account Conversion Technology



MasterCard
RPPS

Your business objectives

- Achieve faster posting and receipt of funds for your billers and boost your volume of electronic payments.
- Reduce transaction and operational costs associated with exception items.

Ways we can help

- Deliver faster posting and receipt of funds for your billers and eliminate rejected payments.
- Reduce payments that drop to paper checks, thereby lowering operational costs.

Proof point:

In a recent pilot program, MasterCard RPPS Account Conversion Technology demonstrated 100% accuracy,¹ successfully converting more than 600,000 electronic payments that would otherwise have been rejected.

An exploding category—and a growing problem

The number of U.S. households that pay bills online now stands at 30.5 million.² That makes unpostable payments—bill payments that a biller receives but is unable to credit, or post, to the correct customer accounts—a dramatically growing problem for consumers, bill-payment originators, payment receivers, lockbox service providers, and billers. In fact, it costs everyone involved over a half-billion dollars annually.³ Furthermore, when consumers experience unpostable payments, customer satisfaction plummets.

Unpostable payments are particularly costly to high-volume billers in areas where account change events are common, such as the telecommunications, utility, loan processing, and credit card industries. Mergers, acquisitions, and conversions can all derail the accounts receivable process, and matching old account numbers to new numbers is often slow and resource consuming.

A proven solution

Account Conversion Technology from MasterCard RPPS helps you dramatically reduce the number of unpostable payments that drop to check by automatically identifying and converting account numbers when they change. It lets you process more electronic payments accurately, inexpensively, and quickly.

Rapid posting and receipt of funds— and higher volume for you

MasterCard RPPS Account Conversion Technology lets you and your billers avoid payment-posting and -routing issues that stem from incorrect consumer account information. It enables the MasterCard RPPS network to automatically identify incoming payments that require account number conversion, convert them to the new account numbers, and reroute payments to the appropriate recipient.

The service can also improve your billers' cash collection significantly because not only will they receive funds faster, but those funds are guaranteed. Combine that with the elimination of rejected payments, and it spells higher electronic transaction volume—and increased incremental revenue—for you.

Help make your customers' customers happier

The service prevents the disenchantment of consumers, who expect that online equals electronic. It also helps eliminate service disruption, late fees, and credit impact to consumers—all of which can lead to improved satisfaction for your billers' customers.

By converting account numbers within the MasterCard RPPS payment-processing cycle, prior to payment delivery, MasterCard RPPS Account Conversion Technology keeps the processing electronic, ensures correct posting, and prevents payment rejection and return to the bill-pay originator. The MasterCard RPPS database maintains the account number conversion information to continually convert recurring bill payments, eliminating any payment defects indefinitely. The mechanism is entirely invisible to consumers—all they see is smooth, seamless online banking bill payment, without disruption.

Drastically cut the costs associated with unpostable payments

Your biller customers that have changing portfolios suffer significant hard costs managing unpostable payments and associated customer service calls. Those payments also cost time and money in manual research and resolution, and if they aren't caught quickly, future exception payments require a manual scrub file exchange with bill-pay originators. When exception payments are eliminated, so are the costs involved in resolving those problems.

MasterCard RPPS Account Conversion Technology also delivers Automated Notifications of Change—a feature unique to MasterCard RPPS—to inform bill-pay originators of account number changes. This allows bill-pay originators to proactively correct future payments and saves you and your billers the time and expense of following up on unpostables.

In addition, an integrated stop-payment service spares billers the expense of researching unpostables that ultimately cannot be accepted (e.g., due to special handling, such as collections, bankruptcy filings, or written-off accounts). The service automatically checks payments against a biller's stop-payment file and prevents designated payments from reaching the biller, and it automatically alerts the bill-pay originator to the stopped payment.

For more information

To find out more, please contact your Account Support Team at 800-207-7605 or rpps_helpdesk@mastercard.com.

1. Perfect account number translation, flawless payment routing, seamless funds settlement.
2. Forrester Research, *EBPP Trends: 2006 to 2011*, 1/25/07.
3. TowerGroup Research, *Unpostable Bill Payments: How Much Are They Costing You?*, 9/06