

2022 PAYMENTS OUTLOOK: HOT TOPICS FOR TREASURY AND AP



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WHAT

A look ahead at faster payments, validation and security, APIs and ML, and compliance.



WHEN

Thursday, December 16, 2021
2:00 – 3:00 PM EST



WHERE

Live online presentation
Replays at StrategicTreasurer.com



This presentation is provided by Strategic Treasurer and Corpay.

ABOUT THE SPEAKERS

GET TO KNOW TODAY'S SUBJECT MATTER EXPERTS



CRAIG JEFFERY

Craig Jeffery formed Strategic Treasurer in 2004 to provide corporate, educational and government entities direct access to comprehensive and current assistance with their treasury and financial process needs.

His 30+ years of financial and treasury experience as a practitioner and as a consultant have uniquely qualified him to help organizations craft realistic goals and achieve significant benefits quickly.



MARK PENSERINI

Mark has over 25 years of operational and technical experience specializing in project management across Healthcare, Finance, and IT operations. Before Nvoicepay, Mark was Vice President of Partner Services at Inworks servicing, LLC for six years. Mark was also a director and program manager at Molina Healthcare, focusing on their health insurance exchange. He also served as Deputy Program Manager for the Oregon Health Insurance Exchange for over three years with a \$200 million budget.

TOPICS OF DISCUSSION

KEY AREAS OF FOCUS &
ANALYSIS



FASTER PAYMENTS

WHAT MATTERS



FRAUD

TRENDS



VALIDATION AND SECURITY

PROTECTION



APIs AND ML

EXPECTATIONS AND VALUE



COMPLIANCE

CHANGES AHEAD



KEY TAKEAWAYS

AND FINAL THOUGHTS

FASTER PAYMENTS

- Same-Day ACH
- Real-Time Payments (RTP)
- FedNow
- Faster Payments (UK)
- Payments Canada
- New Payments Platform (NPP)
- SWIFT gpi



OUTLOOK AND VALUE

- Speed
- Data
- Irrevocability
- Visibility

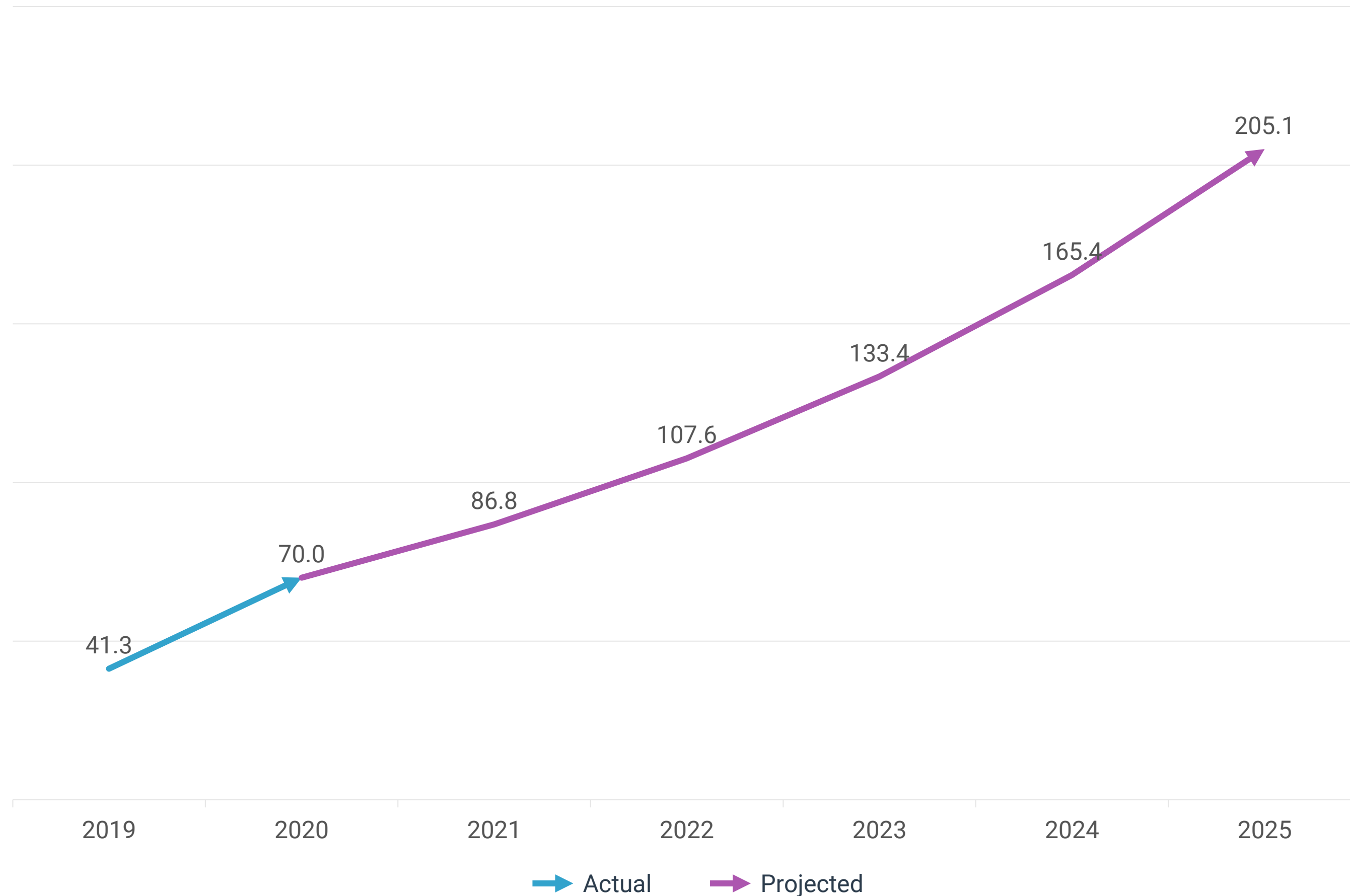


WHAT MATTERS?

- Efficiency
- STP
- Control
- Cost

RTP GROWTH

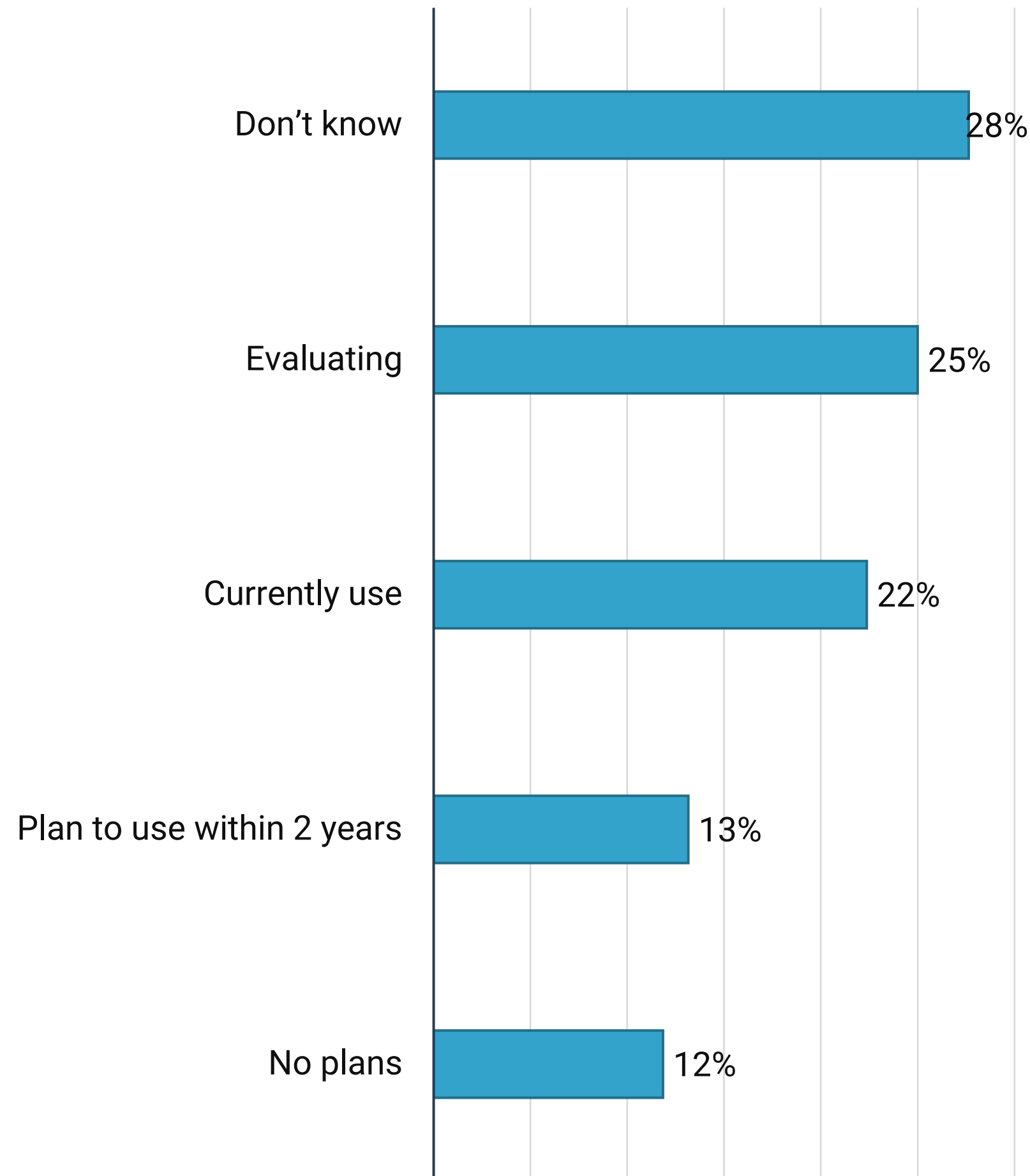
Volume of RTP Payments in Billions



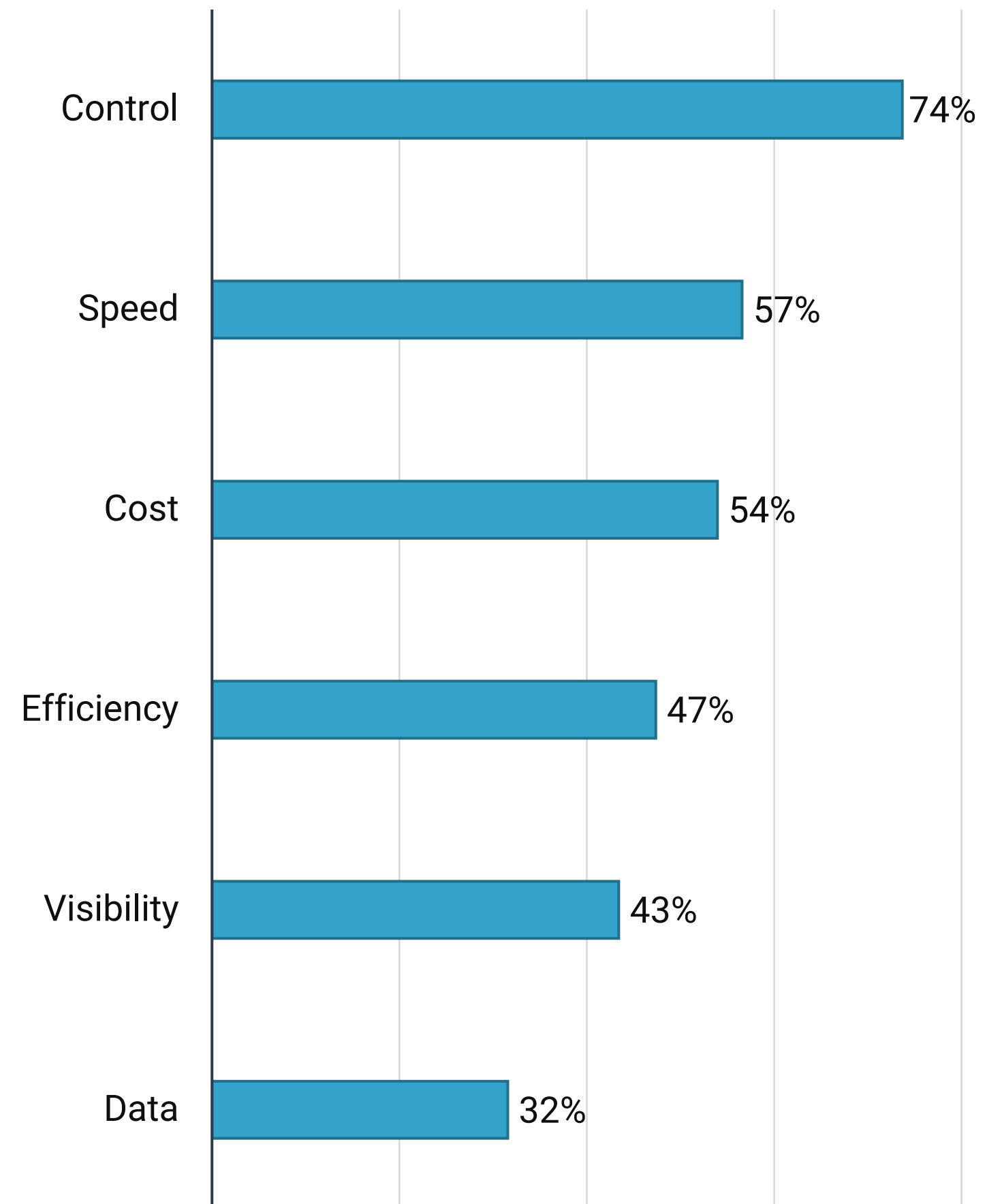
* Source: Pymnts.com: <https://bit.ly/3pKLMF4>

POLL QUESTION

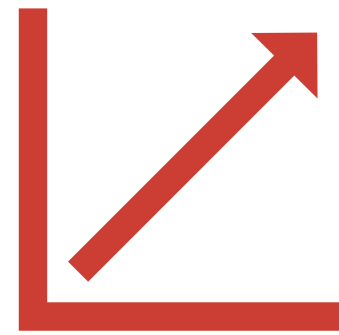
Our use/plans on RTP:



The following are HIGHLY important to use for payments:



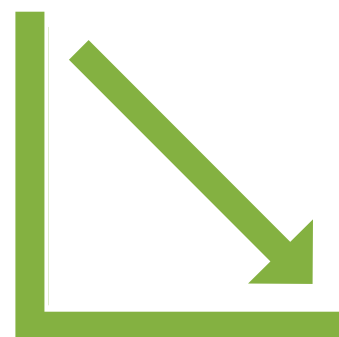
SECURITY & VALIDATION



FRAUD TRENDS

- Automation
- Sophistication
- Loss Level

REDUCING THE SURFACE AREA OF ATTACK

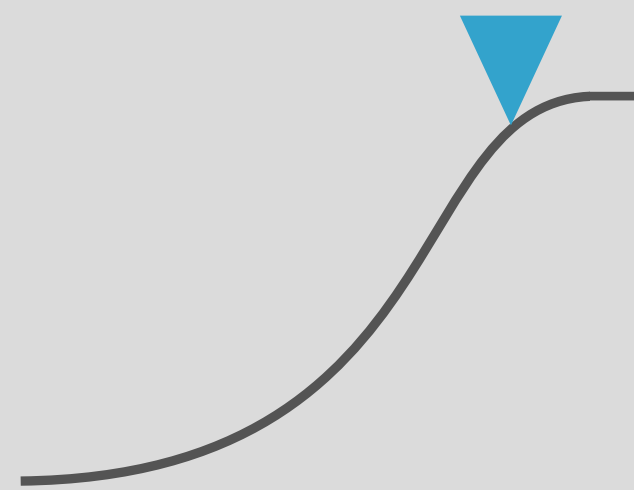
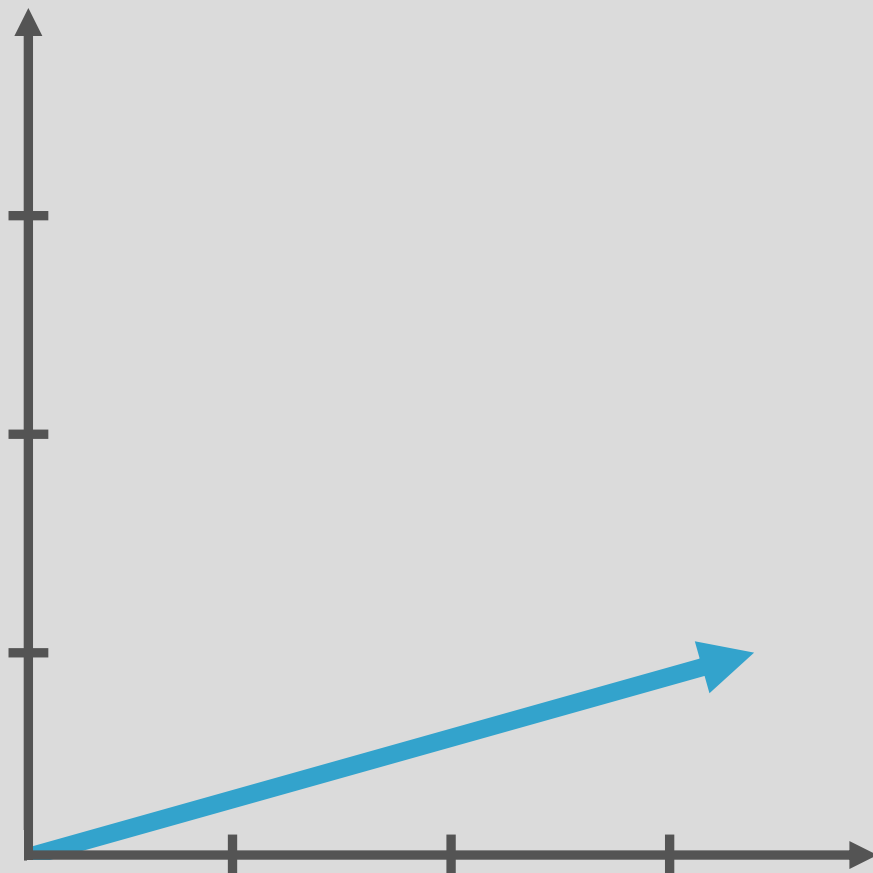


Validation and Protection

- Account Validation
- Tokenization
- Virtualization
- Encryption (at rest, in transit)

ENCRYPTION

POSITION AND EXPECTATIONS



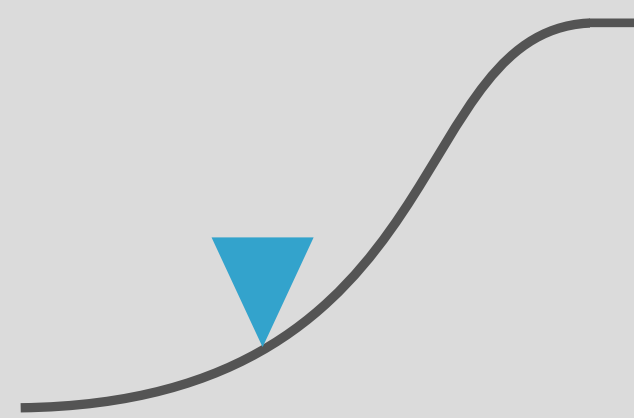
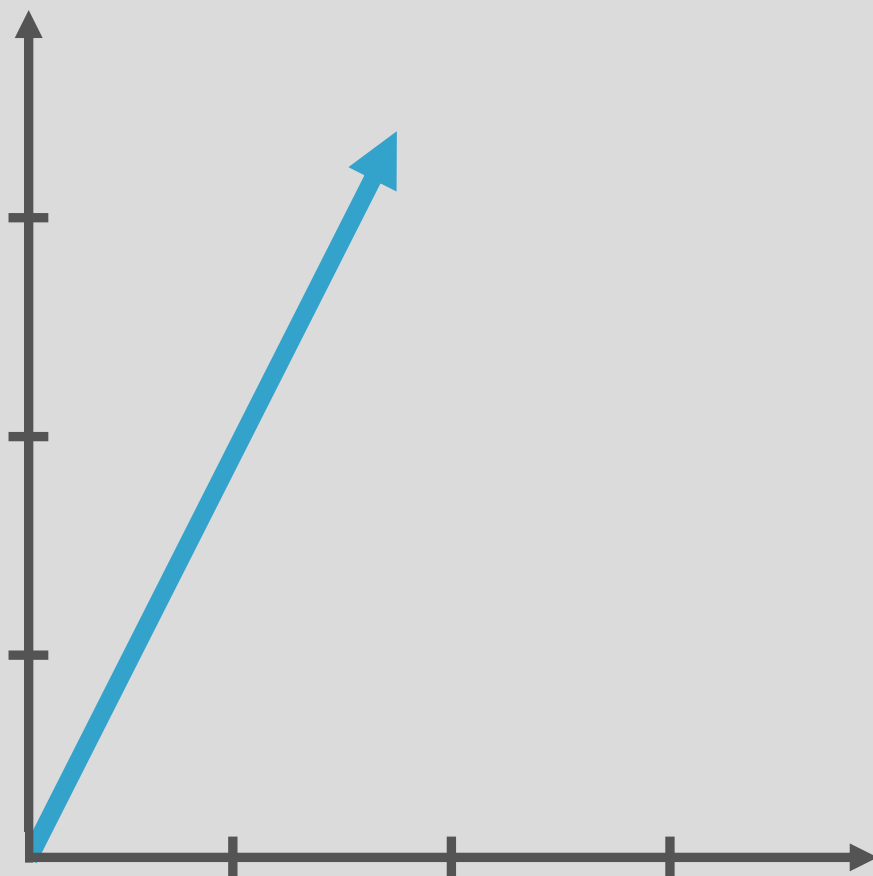
IOIO
IOIO

**Encoding confidential info via keys
(Encode, Decode / Encrypt, Decrypt)**

- Encrypted data not immediately useful
- Must have keys to decrypt
- Stealing data requires more work to make useful

ACCOUNT VALIDATION

POSITION AND EXPECTATIONS

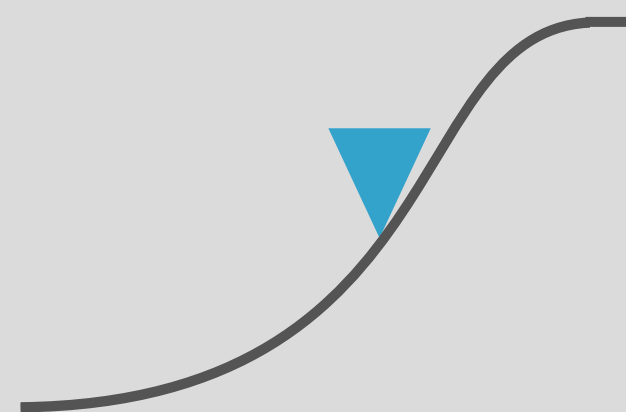
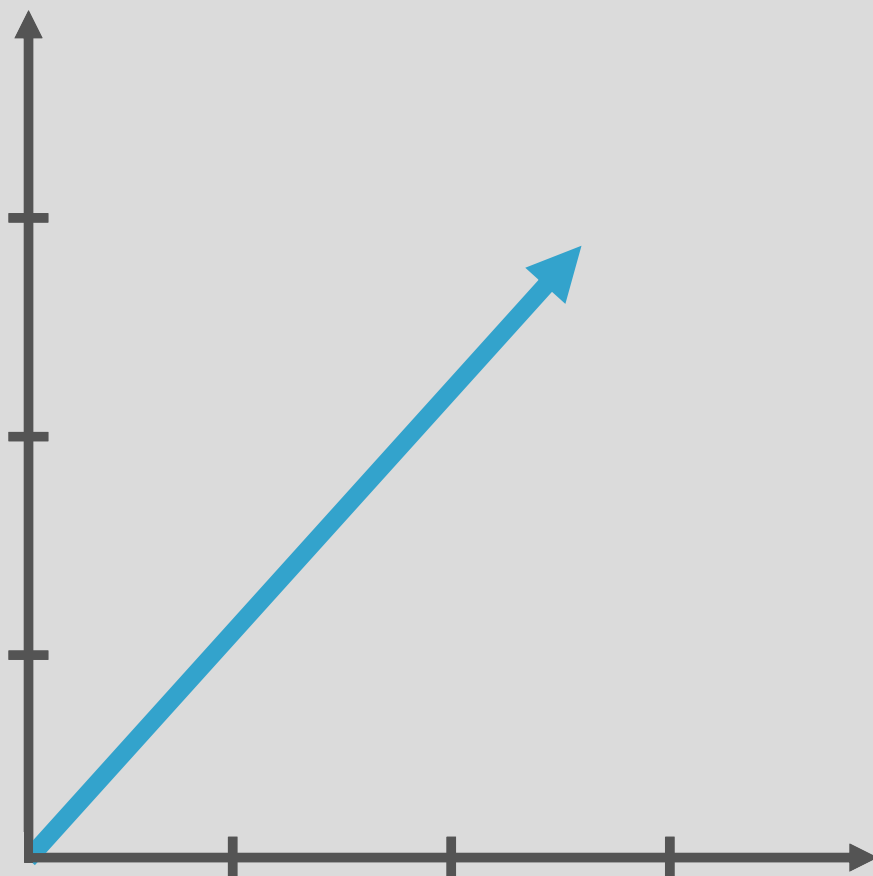


Validation to be safe

- Point of fraud
- Managing change (required)
- Power of registries
- Options for networks

TOKENIZATION

POSITION AND EXPECTATIONS



Replacing confidential info with non-confidential data

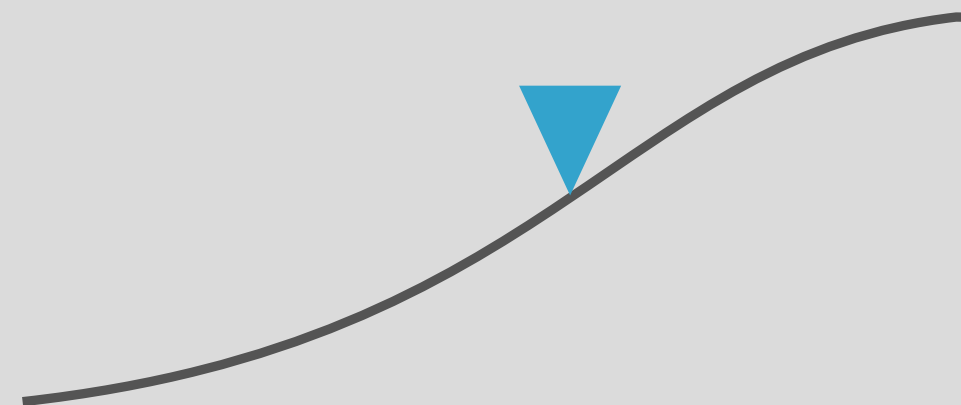
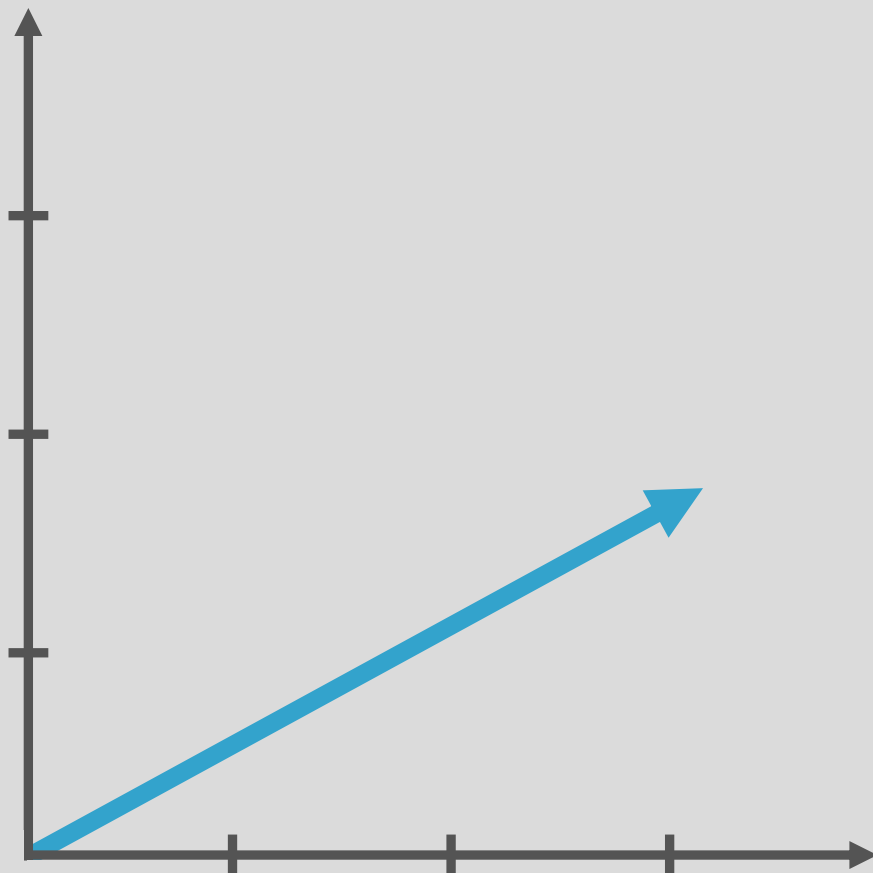
- Remove the confidential information
- Replace with a token
- If stolen, useless
- Reduces surface area of attack

	Number		Token
Card number	1234 5678	----->	ABC1278
Bank account	97531	----->	DSF246

- Number is replaced by a token in the database
- Number isn't exposed

VIRTUALIZATION

POSITION AND EXPECTATIONS

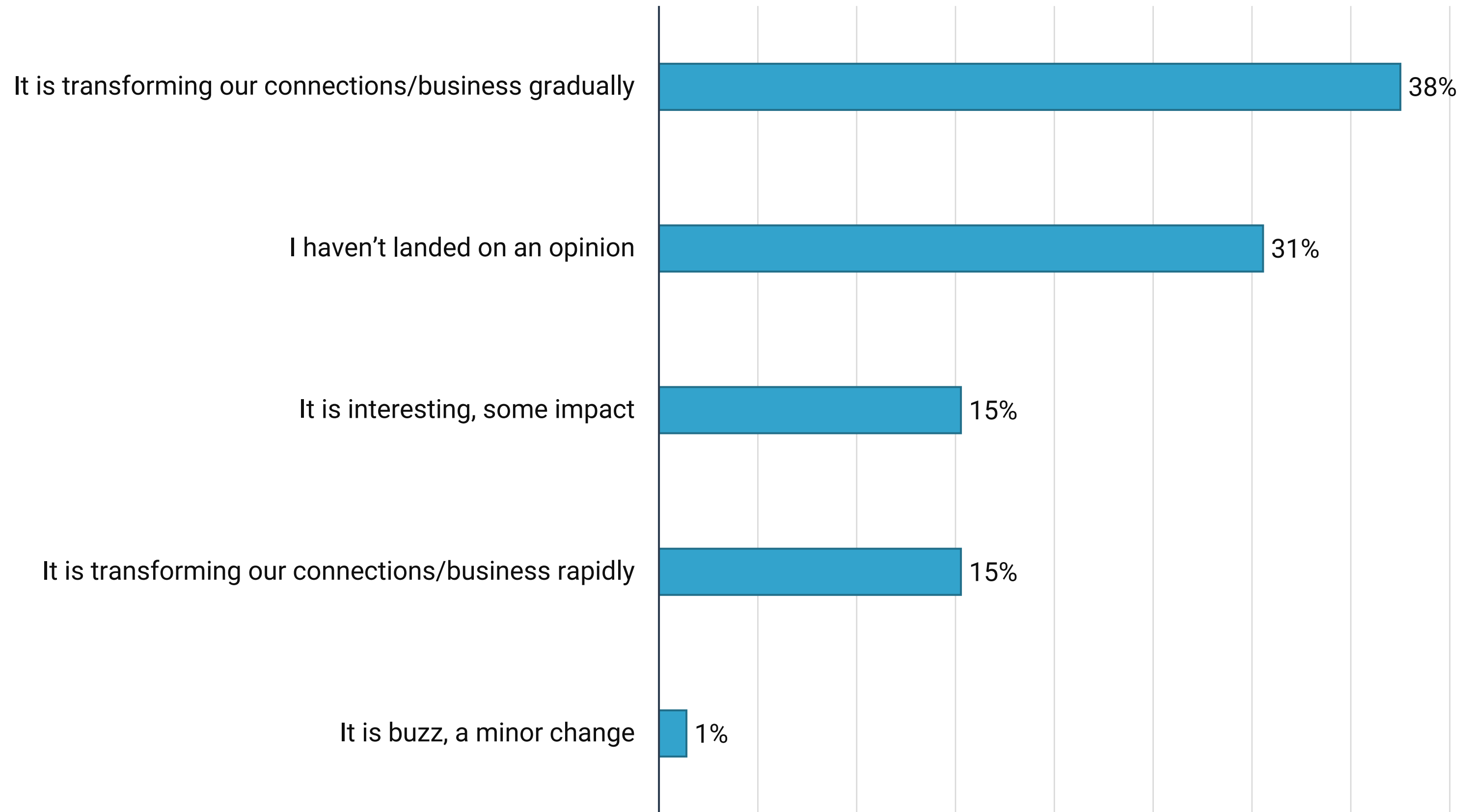


Replacement, 1x use

- Virtual number is used for a purpose (single transaction)
- Easy to use
- Stealing number presents limited options
- Reduces surface area of attack

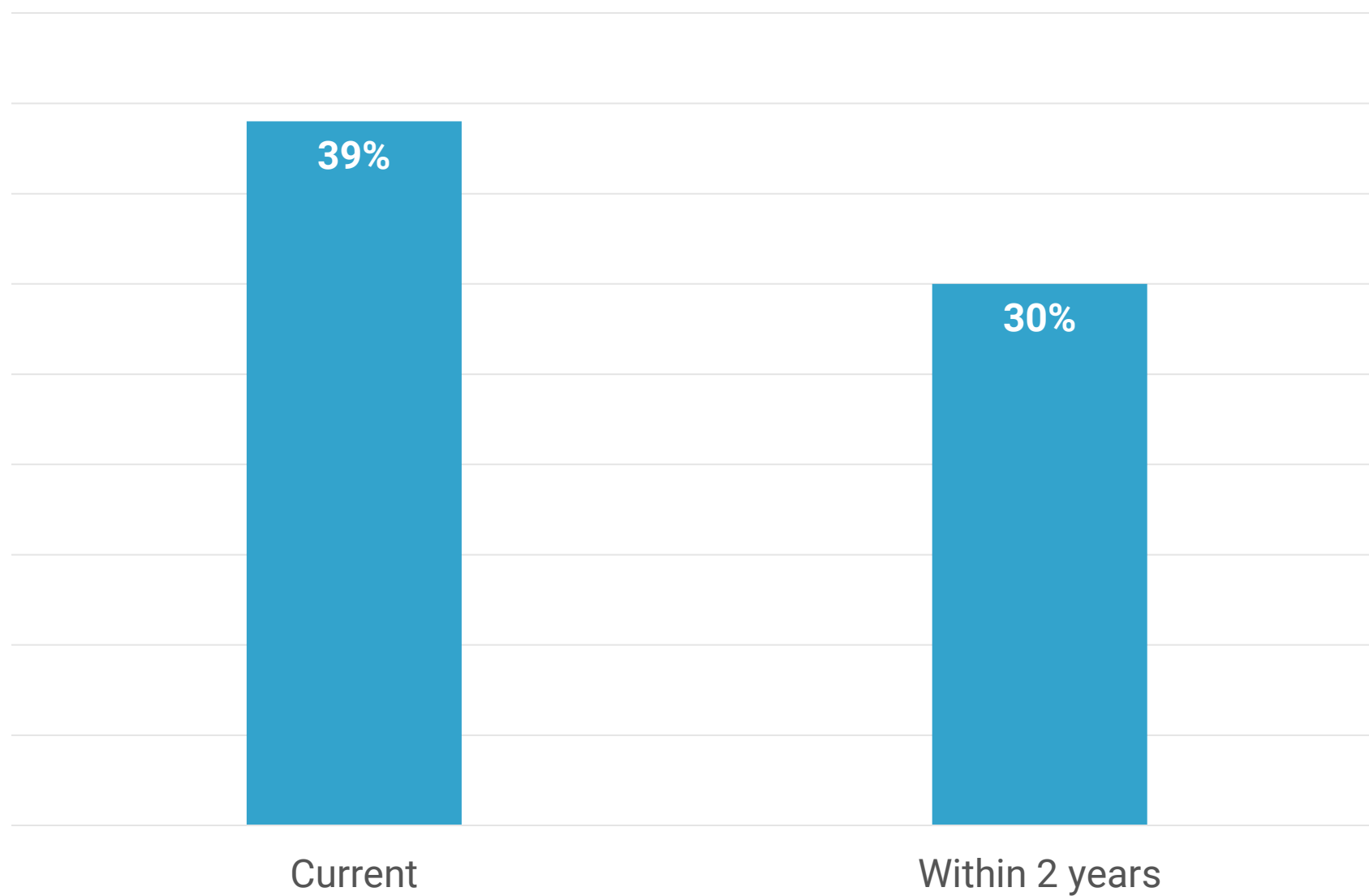
POLL QUESTION

My view on API:

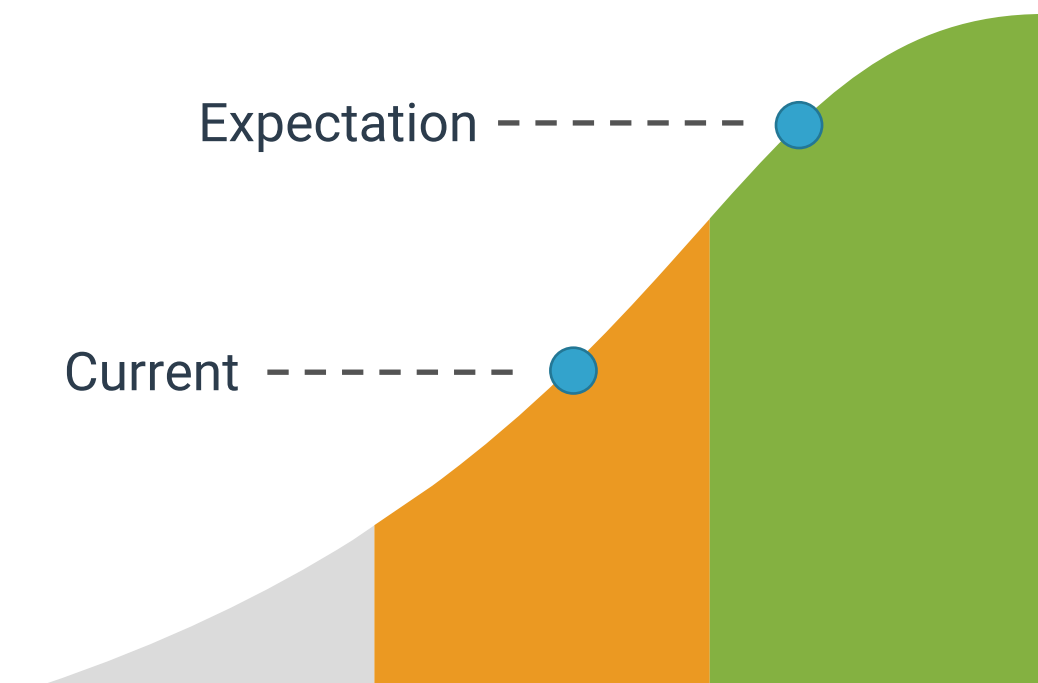


API

API Adoption



Adoption Curve



Is 2022 the year of API payments? 2023?

* Data not shown for respondents who are planning to use within 5 years, or not interested in using at time of survey.

ML, AI, AND PREDICTIVE ANALYSIS

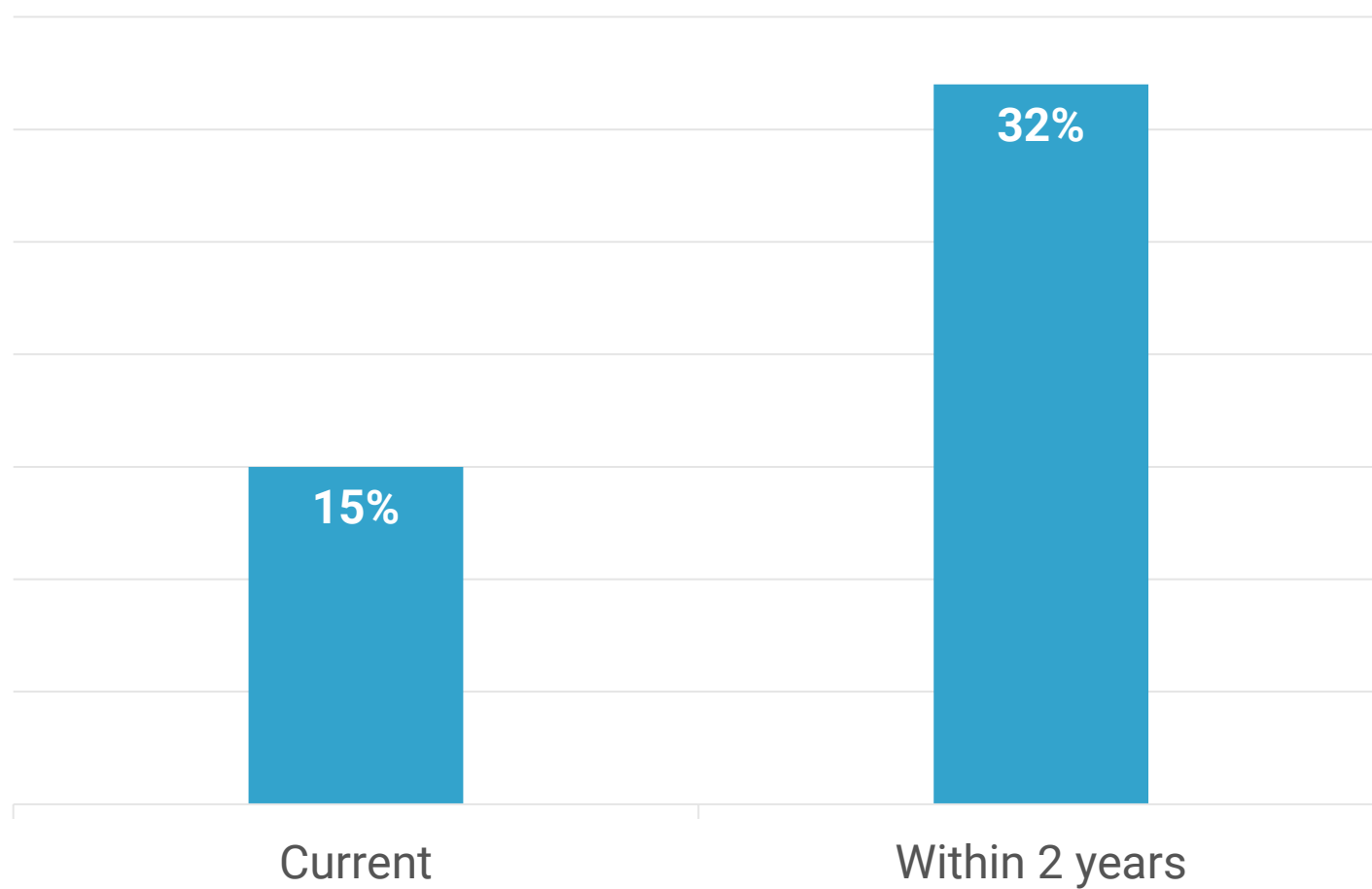


What is ML?



What is the value of pattern detection?

ML Adoption

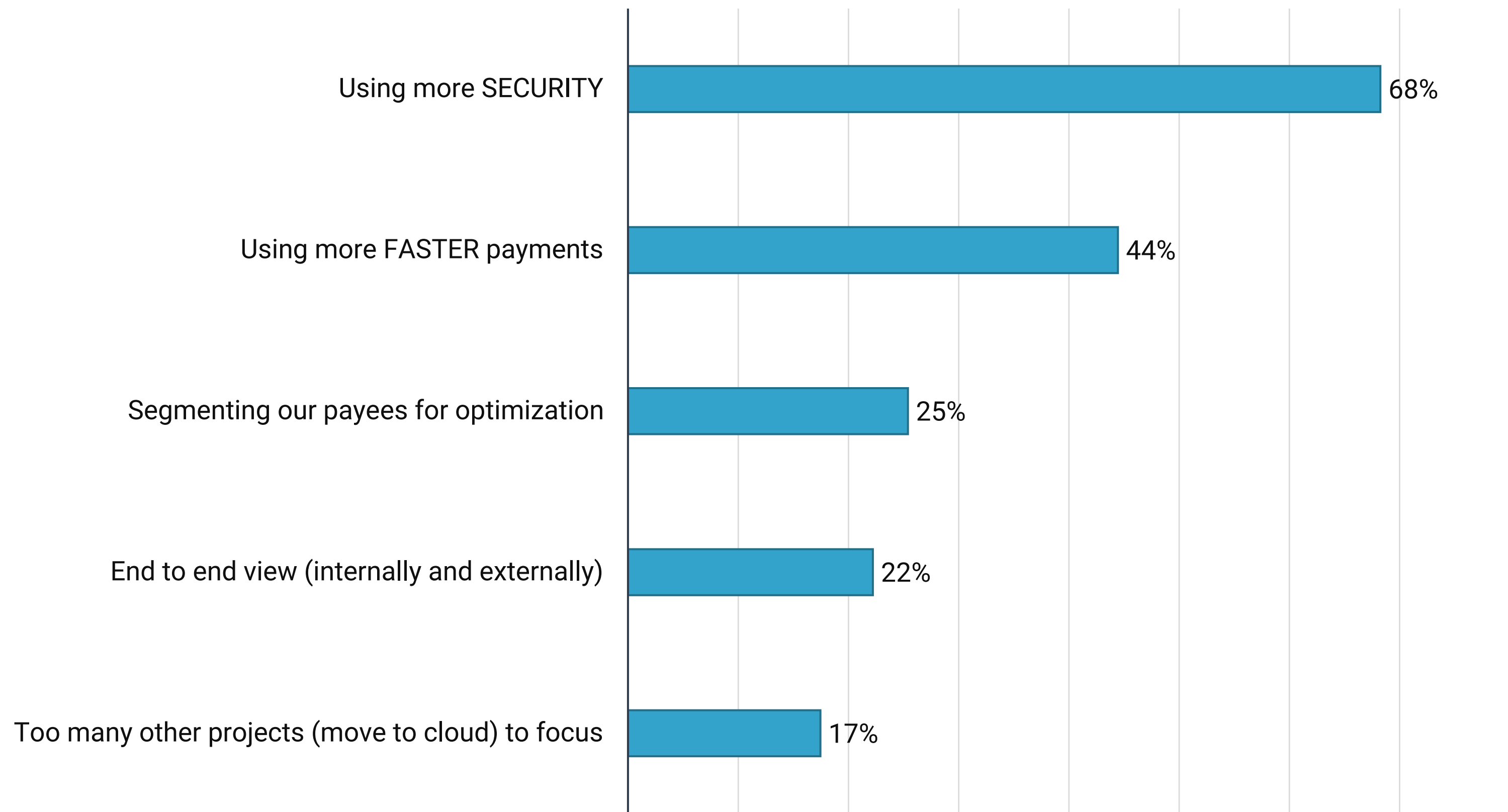


FORECASTING	ANOMALIES	PERSPECTIVES
<ul style="list-style-type: none"> Value for inbound 	<ul style="list-style-type: none"> Fraud Quality control 	<ul style="list-style-type: none"> Visibility

* Data not shown for respondents who are planning to use within 5 years, or not interested in using at time of survey.

POLL QUESTION

**My view on major changes or development in our company over the next two years
(all that apply):**



PAYMENT OUTLOOK 2022 AND BEYOND

	2022	2023+	
OUTLOOK	PAYMENT PLATFORMS: SWIFT, OTHERS	■ ■ ■	■ ■ ■
	GROWTH OF "FASTER"	■ ■ ■	■ ■ ■
	HYPERGROWTH OF "BETTER" PAYMENTS	■ ■ ■	■ ■ ■
	END-TO-END VIEW	■ ■ ■	■ ■ ■
	• Validation – Compliance – Settlement	■ ■ ■	■ ■ ■
	OTHERS		
	• Virtual Card	■ ■ ■	■ ■ ■
	• RTP	■ ■ ■	■ ■ ■
	• Machine Learning	■ ■ ■	■ ■ ■
	STRATEGY	SEGMENTED PAYMENT PLANS	■ ■ ■
	TREASURY & AP	■ ■ ■	■ ■ ■
			CONTINUED

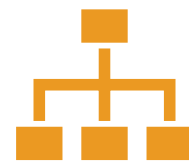
FINAL THOUGHTS

HOW TO PROCEED



BETTER PAYMENTS

- Speed
- Richness
- Visibility



SEGMENTATION

- Stratifying
your payees



LEVERAGING POWERFUL NEW TOOLS

- ML
- Payment
options



SECURITY

- Layers
- Encrypt
- Replace
- Validate

LET'S CONNECT

DON'T LET THE LEARNING END HERE...
CONTACT US WITH ANY FUTURE QUESTIONS

Thank you for your interest in this presentation and for allowing us to support you in your professional development. Strategic Treasurer and our partners believe in the value of continued education and are committed to providing quality resources that keep you well informed.



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