Virtual Payables for Suppliers

BANK OF AMERICA

The value of Virtual Payables

Benefits of shifting from paper to digital – for both buyers and suppliers

A comprehensive electronic solution goes beyond the ability to make and accept electronic payments – it streamlines the back office through accounts receivable integration and extends electronic payments to accounts payable to optimize cost reduction and risk mitigation.

The value of global B2B virtual card payments will reach $14.6 trillion by 2029; representing **83%** of the total virtual cards market globally.[1]

Companies are dramatically growing financial returns when:

Process automation

+

Discounting and card settlement against AP spend

=

A more efficient payables process across supply chain activities

Optimize working capital and enhance reconciliation

Decrease risk of fraud due to secure, encrypted payment details

Minimize check handling, reducing manual work and the risk for error

1| Juniper Research. May 2025. “B2B Spending to Dominate Global Virtual Cards Market, Accounting for 83% of Market Value by 2029”.

Supplier value

Virtual Payables

Payment Delivery Methods

Driving Efficiency

FAQs

Virtual Payables for suppliers

Improve daily working capital by increasing cash flow… + **…while eliminating inefficiencies of paper-based payments**

B2B check payments continue to decline

In 2025, organizations reported that **26% of their B2B payments are made by check,** a 7-percentage-point decline from 2022.[1]

Benefits of card acceptance:

- Improve Days Sales Outstanding
- Enable faster, more reliable receipt of your payments from a reduction in mail time and manual processing efforts
- Strengthen and expand relationships with buyers
- Reduce bad debt expense and lengthy collections processes
- Eliminate per-item banking fees/check processing costs
- No implementation or set-up costs associated with accepting virtual payments; leverages existing credit card payment process
- Improved reconciliation through remittance information that accompanies virtual payments

1| The Association for Financial Professionals. September 2025. “2025 AFP Digital Payments Survey”. Retrieved from https://www.financialprofessionals.org/training-resources/resources/survey-research-economic-data/Details/digitalpayments

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Flexible for your needs

Single-use accounts

Randomly generated virtual account number for each induvial payment:

- Virtual account number and associated details (expiration date, CW/CV2) transmitted to you via secure mail
- You use the generated virtual account number to initiate payment
- One-to-one association of payment and invoice enables easy, automated reconciliation
- No need for you to keep the card number on file

Straight-through processing (STP)

Buyer-initiated payment pushed directly to the supplier's account:

- Payment is pushed directly to your account without any action needed by you to initiate processing
- Reduced charge-back risk
- No need for you to keep your card number on file
- Sample Remittance Notification for STP

Supplier cards

Dedicated virtual card number for all your buyer's payment processing:

- You use the dedicated card number to initiate payment
- Payment is usually settled within 48 hours
- No implementation or setup costs associated with accepting virtual payments; leverages existing credit card payment process

With any virtual payables method…

No change to your upfront process – you invoice your buyer for fully rendered goods and services

You receive a remittance advice with all payment and invoice details, as notification of payment from your buyer

Payment is processed and funds are typically available within 48 hours

Note: Options will be available at the time of request

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Driving efficiency through virtual payables

Reconciliation

Remittance data transmitted with each payment will allow for improved back-end reconciliation

Control

Greater control through automation with reduced risk of lost or late payments, minimizing bad debt, and streamlined reconciliation workflows, contributing towards paper to electronic goals

Optimization

Realize benefits associated with receivables optimization globally, including improved DSO and elimination of check processing costs

Transaction-level control

- Payment authorization can be restricted to the exact dollar amount
- Eliminate manual errors of processing an inexact amount

Secure notifications

- Card account information can be delivered to you in a secure remittance advice email
- Helps meet Payment Card Industry (PCI) requirements by not storing card account information

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