

## Case Study

# A Global Payment Solution for a Global Bank

*New Solution Provides Convenience, Cost Savings, and Efficiency to Corporate and Government Customers.*

### Client



### In Brief

**Challenge:** Like many cross-border payment solutions, the bank's existing payment platform was expensive to operate and cumbersome to use. Built on EDI technology, the solution required specialized expertise to set up and lacked essential web-based interfaces.

**Solution:** Alacriti worked with the bank to develop Global Direct solution, which includes a web-based interface, rule-based fraud and risk management engine, a fee and pricing module, account settlement and reconciliation module, an inbound payment file adapter framework, an outbound payment file mapping engine, a stand-alone OFAC processing module, and an integrated reporting module.

**Results:** With Global Direct, the bank is able to offer a powerful yet convenient solution for making payments online. The solution is easy to integrate with existing back-office applications—both within the bank and among its customer base. Its convenience has proven to be a powerful lure in the acquisition and retention of loyal customers.



## Background

One of the world's largest banking and financial services organizations had an existing payment platform that allowed large corporate enterprises to send payments worldwide. To better serve customers, the bank decided to build a more modern, flexible global payment solution that would provide its corporate and government clients with a low-cost way to send cross-border payments electronically.



## Business Challenge

Like many cross-border payment solutions, the bank's existing payment platform was expensive to operate and cumbersome to use. Built on EDI technology, the solution required specialized expertise to set up and lacked essential web-based interfaces. Rather than replacing the platform completely, however, the bank wanted to leverage some of the platform's interfaces and components for a new solution. The bank thus needed a partner with expertise in both domestic and cross-border payments as well as familiarity with electronic payment and financial messaging standards.



## How We Helped

The bank selected Alacriti to design and implement its new, large-scale payment solution due to Alacriti's proven experience in developing highly scalable payment systems and expertise in financial messaging standards. Alacriti's team worked closely with business and technology stakeholders at the bank to design and develop the first phase of the solution called Global Direct in about five months.

Global Direct includes a web-based interface, rule-based fraud and risk management engine, a fee and pricing module, account settlement and reconciliation module, an inbound payment file adapter framework, an outbound payment file mapping engine, a stand-alone OFAC processing module, and an integrated reporting module.

Key technical elements of the solution include the following:

- Interfaces into U.S., Mexican, and Brazilian clearing systems
- Support for multi-currency FX (foreign exchange) dealing and settlement
- Multi-lingual support
- Support for inbound file formats such as NACHA, SWIFTMT102, SWIFT MT103, XML and flat files
- Support for outbound file formats such as NACHA, SWIFTMT102, SWIFT MT103, XML, EDIFACT, flat files and several proprietary payment file formats used by the bank

Alacriti also built, tested, and implemented a customer service portal that makes it easier to manage day-to-day tasks—both for customer service representatives from the bank and its customers. The bank's fraud, risk and operations teams can also use this portal to view and manage risk, monitor OFAC queues, and manage daily inbound and outbound settlements.



With Global Direct, the bank is now able to offer a powerful yet convenient solution for making payments online. The solution is easy to integrate with existing back-office applications—both within the bank and among its customer base. Its convenience has proven to be a powerful lure in the acquisition and retention of loyal customers.

Early adopters of Global Direct have reaped substantial cost savings by replacing paper checks with electronic payments. They are also able to respond more efficiently to customer service inquiries and handle payment disputes more easily.

One of the first customers to adopt this innovative payment solution, the United States Social Security Administration, can now disburse electronic payments to beneficiaries all over the world—including Taiwan, Indonesia, Argentina, Singapore, Bermuda and many other countries—rather than mailing paper checks. Similarly, Herbalife, the vitamin and nutrition supplements company, was able to replace its paper-based payment system with an electronic one by implementing Global Direct. The solution disburses royalty payments electronically to authorized Herbalife distributors all over the world. The distributors set up their payment profiles by simply logging onto a secure web site on the Herbalife distributor portal. Royalty payments are then transferred into named bank accounts or stored-value cards anywhere in the world.

Pleased with the results of Alacriti's efforts, this bank continues to engage Alacriti for other projects as businesses seek to add new self-service processes.