Spanning the Globe

Bank of America Merrill Lynch

November 16, 2012
Southern California AFP
Emerging trends
Card growth
Corporate Travel models Vary
Procurement & Payables Cards Evolve
Inconsistent Approach
What’s in a Global Card program?
Key Elements of Any Global Card Program
Global Card Program Benefits
Four Factors for Achieving Success
  - Program optimization
  - Choose the right approach
  - Understand regional differences
  - Identify dedicated resources
Key Takeaways
Emerging trends

**Travel & Mobile**
- Phone as a payment form
- Remote account administration
- Transaction exception notification
- Remote receipt data capture
- Remote expense report routing, review and approval
- Global consistency

**Procurement Cards**
- Expansion of card usage in Payables
- Automated Buyer Initiated payments via API
- Highly integrated virtual card solutions for targeted verticals
- Cost effective cross-border payment solutions
Card Growth

Projected Commercial Card Purchase Volume Growth 2010-2015

(1) MasterCard Commercial Growth Projections.
Corporate Travel Models Vary

Corporate Travel Products
- Individual Walking Card
- Lodged Card & Walking Card
- Lodged Card & Prepaid Card

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Inconsistence Approach

**CARD USAGE**
- Multiple programs in place with multiple banks
- Acceptance rate of card brand can vary
- Cards don’t support cardholders — they don’t work when needed
- Different functionality by country; makes implementation, management and training more difficult

**DATA VISIBILITY**
- Collating paper expense reports for approval gives no visibility of data
- Disparate card programs provide limited or no data electronically or create paper processes
- Reporting solutions should be web based and available 24/7/365, multi-currency, multi-language and should support multiple countries
- Lack of integration with EMS & ERP systems

**SERVICING**
- Company level support needs to be available within office hours for program administrators
- Cardholder support not multi-lingual
- Lack of local knowledge and expertise around highly complex country laws and regulations
- Card provider that is not part of an integrated treasury model
- Lack of skilled client advisory services and single point of contact for card solutions
What’s in a Global Card Program?

- Process efficiency and savings, supporting paper to electronic migration
- Reduced risk and improved cash flow visibility
- Seamless reporting, data integration and consolidation
- Consolidated view across currencies and countries
- Reduced foreign exchange expense
- Settlement and payment in local currencies with the convenience of a single point of contact
- Global and knowledgeable relationship management
- Multi-language cardholder and company-level support and service in local time
Key Elements of a Global Card program

- Coverage
- Dedicated Support
- Reporting & Integration
- Local Focus
Global Card Program Benefits

- Strategically optimize payments
- Use robust platforms for flexibility and control
- Help to enhance paper-to-electronic payments strategy
- Ability to implement consistent controls, common purchasing tools and uniform policies around the globe
- Help to avoid FX fees by transacting in local currencies
- A single view into purchasing/T&E spend enterprise-wide
- Having cards as a convenient tool for enabling start-up expenditures
- Take advantage of growing acceptance
Four Factors for Achieving Success

- Identify Dedicated Resources
- Program Optimization
- Choose the Right Approach
- Understand Regional Differences
Questions to ask:

- What’s the best currency to use in a country?
- What’s the best way to structure a program to ensure compliance with local laws and regulations and to optimize the program within cultural norms?
- How can I leverage my global banking provider to:
  - Build out my program in local currencies
  - Support due diligence on local banks
  - Ensure consistent service levels
  - Consolidate data globally
Choose the Right Approach

Leverage your banking provider to:

- Assist you with issuing an RFP
- Provide their intellectual capital to optimize your program
- Implement a global program that integrates best practices by country and region
  - Direct issuance
  - Direct issuance combined with local partnerships or consortiums
- Provide completed due diligence on partner banks and legal and regulatory requirements
- Facilitate data consolidation globally
- Provide a central implementation manager and account manager with global program ownership
Regional and country differences in card programs drive the need to:

- Utilize different product capabilities
- Understand local card and cultural nuances
- Understand different legal and regulatory environments
Identify Dedicated Resources

**Implementation**
- Global, regional resources to build, implement program
- Builds reporting platform and hierarchies to support reporting, data integration
- Provides training to Program Administrators

**Servicing**
- Cardholder
- Company-level

**Account Management**
- Overall growth strategies and program optimization
- Best practice-sharing across clients and industries
- Acts as a point of escalation for issues
Key Takeaways

- Obtain global consensus for Global Card program and approach to adoption
- Manage your global expectations strategically
- Determine your requirements and match needs with solutions in market
- Ensure you receive rich data that can be consolidated globally; reporting should be seamless
- Know all the tools to integrate management of both travel and procurement expenses