



Association for  
Financial Professionals®

# 2007 AFP Electronic Payments Survey

## Report of Survey Results

Underwritten by



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*October 2007*

*Underwritten by Electronic Payments Network (EPN)*



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# 2007 AFP Electronic Payments Survey

## Introduction

Payments are undergoing an unprecedented period of change because of the decline of the check in favor of electronic payments, primarily ACH and card payments. The check itself is experiencing revolutionary change. Paper checks are being “electronified,” either through check imaging or conversion to ACH debits.

U.S. businesses face an expanding range of payments choices as they migrate from paper to electronic. The Association for Financial Professionals (AFP) surveyed its members in September 2007 to understand the ways in which treasury and finance professionals are taking advantage of payments innovations to speed the pace of change in the complex business-to-business environment.

The survey was designed to identify changes in U.S. business payments practices since AFP’s last survey in 2004, the drivers of change and the benefits gained, as well as the barriers to achieving a more electronic payments future. Reflecting the dynamic payments landscape, the scope of this year’s survey was expanded to include more questions about card payments, wire transfers and electronic check processing. The answers highlight trends, identify best practices and reveal solutions for advancing business-to-business payments automation.

AFP would like to thank the Electronic Payments Network (EPN) for underwriting the 2007 Electronic Payments Survey.

## Executive Summary

Most business-to-business (B2B) payments continue to be made by check, but check’s share of an organization’s B2B payments is declining. Today, the typical organization makes 74 percent of its B2B payments by check. In 2004, checks represented 81 percent of the typical organization’s payments, according to the AFP survey. Electronic payments (ACH, cards, wires) are gaining ground, especially among organizations with annual revenues over \$1 billion and those with high payment volumes.

Organizations are more willing to adopt electronic payments today than they were three years ago. Forty-three percent of respondents expect that their organizations are very likely to convert the majority of their B2B payments to major suppliers from checks to electronic payments (ACH, cards, wires) in the next three years. In AFP’s 2004 survey, only 28 percent of respondents indicated that their organizations were very likely to do so. The 2004 question did not distinguish between major suppliers and others. However, even for suppliers not considered major trading partners, 33 percent of organizations today expect to convert the majority of their payments to electronic in the next three years.

Among the varied benefits of sending and receiving electronic payments, the top two are cost savings and improved cash forecasting. No single factor is considered a “major” barrier to increased use of electronic payments by the majority of respondents. However, when evaluating the barriers overall—both major and minor—three issues stand out: IT and integration constraints, inability of trading partners to send or receive automated remittance information, and difficulty in convincing customers and suppliers to adopt electronic payments.

These barriers are similar to those identified in AFP's 2004 survey. Nevertheless, many organizations are gradually overcoming them and reducing their reliance on checks. On the other hand, at organizations that are less likely to convert the majority of their B2B payments to electronic, two other obstacles stand in the way: gaining priority funding for electronic payments projects and convincing senior management of the business case.

In AFP's 2004 electronic payments survey, lack of integration between electronic payment and accounting systems was considered a major barrier to increased use of electronic payments. While lack of integration continues to be a barrier, results of this year's survey reveal progress by organizations in integrating the two systems, bringing with it cost savings and processing efficiencies. Organizations are more likely to have integrated their accounting systems with their ACH payment systems than with their card systems. Fifty-nine percent of organizations have integrated ACH systems, while only 40 percent have done the same for card payments. In 2004, only 45 of respondents reported that their organizations had integrated accounting systems with electronic payment systems.

A majority of organizations use purchasing cards to make B2B payments, especially for small dollar purchases like office supplies and services. Reducing paper processing and receiving rebates are among the major benefits. Purchasing card use has grown over the past two years, with three out of five organizations reporting increased usage for small dollar purchases. While only 14 percent of purchasing card users pay with cards for large dollar purchases (over \$5,000), almost half of them increased their use in the past two years.

Respondents were asked to compare ACH and card payments and indicate which payment method their organization prefers for B2B payments based on a number of criteria. Financial professionals chose ACH over cards by wide margins as offering the greater benefit for most purposes. However, about one-quarter to one-third of respondents often expressed no preference between the two payment methods.

Most companies use wire transfers and they are the most frequently used method for making international payments from the U.S. Over the past two years, 43 percent of wire transfer users added to their wire volume, primarily because of greater need for final, same-day payments or because they make more international wire transfers. The organizations that reduced the number of wire transfers did so primarily because of their high cost.

Remote deposit has quickly found a place in organizations' check collection practices. Two out of five respondents indicate that their organizations use remote deposit service. Organizations benefit from improved funds availability, fewer trips to the bank branch to make deposits and later deposit cut-off times. Nevertheless, the use of remote deposit has no effect on most organizations' preference for receiving electronic payments. At one-third of organizations, preference for electronic payments has even increased.

## Highlights of Survey Results

The key findings of the 2007 AFP Electronic Payments Survey include:

- The typical organization makes 74 percent of its B2B payments by check.
  - For payments to major suppliers, the typical company makes an estimated 65 percent of its payments by check, 18 percent by ACH credit and 11 percent by wire transfer.
  - When paying other suppliers (i.e., those not considered to be major trading partners), 80 percent of organizations indicate that checks are the primary method.
  - Forty-three percent of respondents expect that their organization is very likely to convert the majority of its B2B payments to major suppliers from checks to electronic payments in the next three years.
- The typical organization receives 64 percent of its B2B payments by check.
  - When organizations receive payments from major customers, 57 percent of the payments are in the form of checks.
  - For payments received from “other” B2B customers, 80 percent of organizations indicate that checks are the primary method of payment they receive from their “other” B2B customers.
- Fifty-nine percent of organizations indicate that they use electronic payments to reduce costs. Other benefits include:
  - Improved cash forecasting (41 percent)
  - Improved working capital and a reduction in days’ sales outstanding (28 percent).
- The top barriers to the adoption of electronic payments are:
  - Difficult to convince customers to pay electronically (85 percent)
  - Trading partners cannot send or receive automated remittance information with electronic payments (77 percent)
  - Shortage of IT resources for implementation (76 percent).
- Organizations are more likely to have integrated their accounting systems with their ACH payment systems than with their card systems.
  - Fifty-nine percent of organizations have integrated their ACH systems, while only 40 percent have done the same for card payments.
    - For ACH payments, half of organizations have integrated their A/P systems, while only 32 percent have integrated their A/R systems.
    - For card payments, 35 percent of organizations have integrated their A/P systems and 16 percent have integrated A/R.
  - About one-quarter of respondents from organizations that have not integrated their systems indicate that they are very likely to do so over the next two years.
- Key benefits of integrating electronic payment systems with accounting systems include:
  - Posting and reconciliation processes have become more efficient (87 percent)
  - Generated cost savings and resulted in staff reductions (76 percent)
  - One-third or fewer respondents indicated that they improved working capital or gained the ability to take early payment discount.

- Purchasing cards are used by a majority of organizations (61 percent) to make B2B payments.
  - Three out of five organizations (59 percent) use purchasing cards for small dollar purchases like office supplies and services.
  - Fourteen percent of organizations use purchasing cards for large dollar purchases over \$5,000.
  - Three out of five organizations report that use of the cards for office supplies and services increased over the past two years.
  
- Benefits of using purchasing cards for B2B purchases include:
  - Reducing the volume of purchase orders, invoices and other documents (62 percent)
  - Receiving rebates (45 percent)
  - Improving spend management and reporting and facilitating the process of paying infrequent payees (41 percent).
  
- Nearly half of organizations accept purchasing cards from their business customers.
  - For office supplies and services (smaller dollar purchases), 38 percent of organizations accept purchasing cards. Thirty percent of organizations accept cards for large dollar purchases over \$5,000.
  
- Wire transfers are the most frequently used method to make international payments from the U.S.
  - At the typical company, wire transfers comprise 11 percent of payments to major suppliers.
  - Over the past two years, 43 percent of organizations increased their use of wire transfers.
  - Organizations that increased wire transfer usage did so because they had greater business need for final, same-day payments (38 percent) or because they made more international payments (31 percent).
  
- Two out of five respondents (41 percent) indicate that their organization currently uses remote deposit service.
  - Large organizations are most likely to value improved funds availability (73 percent)
  - Smaller organizations value the need for fewer trips to the bank branch to make deposits (73 percent).
  - Slightly over half of respondents indicate that they benefit from a later cut-off time for bank deposits.
  - Fifty-three percent of organizations that are not using remote deposit now indicate they are not likely to implement the service in the next two years.

# Survey Findings

## Current Payments Practices

### Check Usage in Business-to-Business (B2B) Disbursements and Collections

#### Disbursements

Most business-to-business (B2B) payments continue to be made by check, but check's share of an organization's B2B payments is declining. Today, the typical organization makes 74 percent of its B2B payments by check. In 2004, AFP survey results indicated that checks represented 81 percent of the typical organization's payments.

Furthermore, the percentage of organizations relying on checks for over 60 percent of their payments declined from 75 percent to 67 percent from 2004 to 2007. On the other hand, the percentage of organizations reporting lower check volumes—where checks represent 40 percent or less of B2B payments—rose from 13 percent to 21 percent.

Checks represent a smaller share of B2B payments at large organizations than at organizations with annual revenues under \$1 billion. Twenty-six percent of organizations with annual revenues greater than \$1 billion use checks for 40 percent or fewer payments compared to 14 percent of organizations with annual revenues under \$1 billion. On the other hand, three-quarters of smaller organizations use checks for at least 61 percent of their transactions compared to 59 percent of larger organizations.

**Percentage of Organization's B2B Payments Made by Check**  
(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
0-20%	10%	8%	8%
21-40%	11	6	18
41-60%	12	11	15
61-80%	25	23	25
81-100%	42	52	34
Median	74%	82%	68%

#### Collections

Organizations also are receiving fewer checks from business customers than they did three years ago. The percentage of organizations collecting over 60 percent of their payments by check declined from 69 percent reported in AFP's 2004 survey to 54 percent in 2007. On the other hand, the percentage of organizations at which checks represent 40 percent or less of B2B customer payments rose from 20 percent to 29 percent during that time. Overall, the typical organization receives 64 percent of its B2B payments by check compared to 75 percent in the 2004 AFP survey.

Organizations are more likely to make B2B check payments than to receive checks from their business customers. This disparity is consistent with the findings of AFP’s 2004 survey. While 67 percent of organizations make over 60 percent of B2B payments by check, only 54 percent receive that many check payments.

As is true for disbursements, checks play a smaller role in B2B collections at large organizations than at organizations with annual revenues under \$1 billion. Nearly one-third of organizations with annual revenues greater than \$1 billion receive fewer than 40 percent of their B2B payments by check compared to only 23 percent of smaller organizations.

**Percentage of B2B Payments Received by Check**  
(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
0-20%	17%	16%	17%
21-40%	12	7	15
41-60%	17	16	20
61-80%	25	26	26
81-100%	29	35	22
Median	64%	70%	59%

### B2B Payment Methods

The survey asked respondents to distinguish between payment methods used with major trading partners and with other trading partners in order to examine the impact of business relationship on payment method. Results indicate that for both B2B disbursements and collections, electronic payments play a larger role than checks in transactions with major trading partners, while checks are more important in transactions with “other” suppliers and business customers.

#### B2B Disbursements: Major suppliers

While check use is almost universal (98 percent) among organizations to pay major suppliers, the full range of electronic payment methods has been widely adopted. Eighty percent of organizations use wire transfers to pay major suppliers, 73 percent use ACH credits, 45 percent use purchasing cards and 35 percent use ACH debits.

Checks continue to be the dominant method of payment to major suppliers. The typical company makes an estimated 65 percent of its payments to major suppliers by check, 18 percent by ACH credit and 11 percent by wire transfer. Purchasing cards and ACH debits account for a very small percentage of total payments.

Larger organizations are more likely to use electronic payment methods—specifically ACH credits—to pay major suppliers than are smaller organizations, and conversely, a smaller percentage of checks. The percentage of ACH credits in a large organization’s payments mix is nearly twice that of smaller organizations (22 percent vs. 13 percent).

The more B2B payments an organization makes, the more likely it is to use ACH credit payments. Among organizations that make more than 5,000 U.S. payments per month, ACH credits account for 21 percent of the typical organization's payments. ACH credits account for only 14 percent of payments at the typical organization that makes fewer than 1,000 U.S. payments per month

**Payment Method Used to Pay Major Suppliers**  
(Mean Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Checks	65%	71%	60%
ACH credits	18	13	22
Wire transfers	11	10	11
Purchasing cards	4	3	5
ACH debits	2	2	2

**B2B Disbursements: Other suppliers**

Eighty percent of organizations indicate that checks are the primary method used to pay their “other” suppliers, i.e., those not considered to be major trading partners. Checks are more likely to be the primary payment method for organizations with annual revenues under \$1 billion than for larger organizations (87 percent vs. 74 percent). On the other hand, larger organizations are twice as likely as smaller organizations to use ACH credits as the primary method for paying other suppliers (19 percent vs. eight percent). The remaining electronic payment methods are less likely to be used as the primary payment method.

**Primary B2B Payment Method Used to Pay Other Suppliers**  
(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Checks	80%	87%	74%
ACH credits	13	8	19
Wire transfers	4	3	5
ACH debits	2	2	1
Purchasing cards	1	1	2

### **B2B Collections: Major business customers**

Almost all organizations (97 percent) receive checks from major B2B customers. They also receive the full range of electronic payment methods. Eight-three percent of organizations receive ACH credits from major customers, 74 percent receive wire transfers, 24 percent receive ACH debits and 20 percent receive purchasing card payments.

Checks are the major method of payment from major business customers. However, checks play a smaller role in collections than disbursements. Fifty-seven percent of payments that organizations receive from major customers are in the form of checks, but they use checks to make 65 percent of payments to major suppliers.

The typical organization also collects 22 percent of its payments from major customers by ACH credit, 14 percent by wire transfer, five percent by ACH debit and two percent by purchasing card.

Organizations with annual revenues over \$1 billion receive half of their payments from major customers by check compared to 64 percent for smaller organizations. On the other hand, large organizations are more likely than smaller organizations to receive ACH credits and wire transfers from major B2B customers.

**Method of Payment Received From Major Business Customers**  
(Mean Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Checks	57%	64%	50%
ACH credits	22	18	26
Wire transfers	14	12	16
ACH debits	5	4	6
Purchasing cards	2	3	2

### **B2B Collections: Other business customers**

Eighty percent of organizations indicate that checks are the primary method of payment they receive from their “other” B2B customers, i.e., those not considered to be major trading partners. Checks are more likely to be the primary payment method received by organizations with annual revenues under \$1 billion than for larger organizations (86 percent vs. 74 percent). On the other hand, larger organizations are twice as likely as smaller organizations to receive ACH credits as the primary payment method from their other customers (14 percent vs. seven percent). Organizations with annual revenues over \$1 billion are also more likely than smaller organizations to receive wire transfers as a primary payment method from their other business customers (nine percent vs. five percent).

**Primary Method of Payment Method Received from Other Business Customers**  
(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Checks	80%	86%	74%
ACH credits	11	7	14
Wire transfers	6	5	9
ACH debits	2	1	3
Purchasing cards	1	1	1

**Delivery and Receipt of ACH Remittance Information**

The percentage of organizations automating the delivery of ACH remittance information has increased since AFP's 2004 survey, but in many cases applying remittance information to accounts payable or accounts receivable continues to be a manual process.

Thirty-seven percent of organizations provide ACH remittance information to suppliers via EDI/CTX transmission, up from 27 percent using EDI three years ago. On the collections side, over half of organizations (54 percent) receive an EDI/CTX transmission from their business customers today; only 36 percent received information in EDI format in 2004.

Organizations with annual revenues over \$1 billion and those that have integrated their accounting systems with their ACH systems are more likely to have EDI/CTX transmission capability. The larger organizations are more likely to receive an EDI/CTX transmission than to transmit ACH remittance information to suppliers (64 percent vs. 44 percent).

Among organizations that have integrated their A/P systems with their ACH systems, 45 percent provide remittance information via EDI/CTX transmission, while 64 percent of organizations that have integrated their A/R systems with ACH systems receive ACH remittance information via EDI/CTX transmission.

However, smaller organizations are also developing data transmission capability. About one-third of organizations with revenues under \$1 billion transmit remittance data to suppliers and 44 percent receive transmissions from customers.

The use of e-mail to send and receive ACH remittance information is widespread. Almost half of organizations (47 percent) use e-mail to provide remittance information to suppliers and over half (53 percent) receive remittance information from customers via e-mail. Fax and mail are used for remittance information by about two out of five organizations. Interestingly, organizations are much more likely to receive remittance information from their customers via a web site than to use that channel to send remittance data to suppliers.

**Delivery Method for Providing ACH Remittance Information to Suppliers**  
(Percent of Organizations)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
E-mail	47%	46%	53%
EDI/CTX transmission	37	32	44
Mail	21	16	26
Fax	20	13	27
Third-party web site	6	6	7
Organization's web site	5	1	9
Supplier's web site	5	6	4
Other	14	17	10

**Delivery Method for Receiving ACH Remittance Information from Customers**  
(Percent of Organizations)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
EDI/CTX transmission	54%	44%	64%
E-mail	53	53	56
Fax	30	26	37
Mail	26	24	31
Customer's web site	16	19	15
Third-party web site	16	17	17
Organization's web site	5	3	6
Other	6	8	5

# Electronic Payments: Trends, Benefits, Barriers

## Growth Prospects for B2B Electronic Payments

Many organizations expect to increase their use of electronic payments significantly in the next few years. Forty-three percent of respondents expect that their organizations are very likely to convert the majority of their B2B payments to major suppliers from checks to electronic payments (ACH, cards, wires) in the next three years. Even payments to other suppliers are likely to become more electronic. One-third of respondents indicate that the majority of payments to other suppliers is very likely to migrate from checks to electronic payments in the next three years.

These responses are up considerably from AFP's 2004 survey, when only 28 percent of respondents indicated that their organizations were very likely to convert the majority of their payments from checks to electronic in three years (the 2004 question did not distinguish between major suppliers and others).

Larger organizations—those with annual revenues over \$1 billion—and organizations that make large monthly volumes of B2B payments are more likely to move their payments to electronic. More than half (54 percent) of larger organizations expect to make the majority of their payments to major suppliers electronically in the next three years compared to one-third of smaller organizations. Similarly, 45 percent of organizations that make over 5,000 U.S. payments per month are likely to shift the majority to electronic compared to 38 percent that make fewer than 1,000 B2B payments per month. Integration is also a factor: 48 percent of organizations that have integrated either their accounts receivable (A/R) or accounts payable (A/P) system with their ACH system expect to make the majority of B2B payments to major suppliers electronically in the next three years.

Compared with the 2004 survey, there has also been a decline in the percentage of organizations that are not at all likely to make the majority of payments electronically in three years. This year, the responses were ten percent for major suppliers and 18 percent for other suppliers. In 2004, 22 percent of organizations indicated that they were not at all likely to convert the majority of B2B payments to electronic.

On the other hand, six percent of organizations paying major suppliers and four percent paying other suppliers have already made the move to electronic for the majority of their B2B payments, while only three percent indicated that they had already done so in 2004.

### Likelihood of Converting Majority of B2B Payments to Major Suppliers From Checks to Electronic Payments in Three Years (Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Very likely	43%	33%	54%
Somewhat likely	41	50	33
Not at all likely	10	12	7
Majority already electronic	6	6	6

**Likelihood of Converting Majority of B2B Payments to Other Suppliers  
From Checks to Electronic Payments in Three Years**  
(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Very likely	33%	25%	42%
Somewhat likely	45	46	45
Not at all likely	18	25	10
Majority already electronic	4	4	3

**Benefits of Electronic Payments**

Organizations migrating from checks to ACH, card and wire transfer payments achieve a variety of benefits. The top three benefits of sending and receiving electronic payments involve cost savings and internal efficiencies. Benefits related to working capital were less likely to be cited.

Cost savings are the benefit cited by a majority of organizations adopting electronic payments. Three out of five organizations indicate that they use electronic payments to reduce costs. The second most widely cited benefit of electronic payments is improved cash forecasting, identified by 41 percent of respondents. About one-quarter of respondents each considers improved working capital and a reduction in days' sales outstanding among the top three benefits.

There were few significant differences in the benefits gained by large and small organizations. However, large organizations are more likely to benefit by straight-through processing efficiencies to accounts payable and accounts receivable.

**Top Three Benefits of Sending or Receiving Electronic Payments**  
(Percent of Organizations)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Cost savings	59%	62%	58%
Improved cash forecasting	41	42	39
Straight-through processing to A/P or A/R	32	29	37
More efficient reconciliation	31	31	31
Fraud control	29	25	31
Working capital improvement	28	29	31
Better supplier/ customer relations	27	30	24
Reduction in days sales outstanding	24	23	27
Ability to take early payment discounts	15	13	18
Other	3	3	1

## **Barriers to Increased Use of Electronic Payments**

A variety of barriers obstruct the path of organizations interested in increasing their use of electronic payments. They involve technology and integration issues, trading partner relations and internal corporate priorities.

No single factor is considered a major barrier by the majority of respondents. However, when looking at the weight of the barriers overall—both major and minor—three factors stand out as having been selected by more than three-quarters of respondents.

- Difficult to convince customers to pay electronically (85 percent)
- Trading partners cannot send or receive automated remittance information with electronic payments (77 percent)
- Shortage of IT resources for implementation (76 percent)

Three other barriers were selected by almost as large a percentage of respondents.

- No standard format for remittance information (74 percent)
- Lack of integration between electronic payment and accounting systems (73 percent)
- Difficult to convince suppliers to accept electronic payments (73 percent)

These barriers are similar to those identified in AFP's 2004 survey. No groundbreaking solutions for eliminating these obstacles have been discovered in the last three years. Nevertheless, many organizations are gradually overcoming them, reducing their reliance on checks and indicating a greater willingness to migrate to electronic payments than they were three years ago.

Larger organizations—those with annual revenues over \$1 billion—and smaller organizations both indicate that they face the same barriers. However, smaller organizations are more likely than larger organizations to identify the following as major barriers to increased use of electronic payments:

- Lack of integration between electronic payment and accounting systems (38 percent)
- Funding for electronic payments projects not a priority (27 percent)
- Check systems work well (27 percent)
- Senior management not convinced of business case (19 percent)

These findings are significant when related to an organization's likelihood of converting the majority of its B2B payments from checks to electronic. Among organizations that encounter major barriers in gaining funding for electronic payments projects and making the business case to senior management, only 28 percent indicate that they are very likely to convert the majority of their payments to major suppliers to electronic in the next three years. In contrast, 43 percent of all respondents, including 33 percent of smaller organizations, indicate that they are very likely to do so.

On the other hand, barriers dealing with technology and integration and those involving trading partner relations do not affect the likelihood of an organization converting the majority of its B2B payments to major suppliers to electronic.

**Barriers to Increasing Use of Electronic Payments**  
(Percentage Distribution)

	Major Barrier	Minor Barrier	Not a Barrier
Difficult to convince customers to pay electronically	32%	53%	12%
Trading partners cannot send or receive automated remittance information with electronic payments	25	52	23
Shortage of IT resources for implementation	38	38	24
No standard format for remittance information	32	42	26
Lack of integration between electronic payment and accounting systems	30	43	27
Difficult to convince suppliers to accept electronic payments	18	55	27
Funding for electronic payments projects not a priority	22	41	37
Check systems work well	23	37	40
Privacy/security of bank account information	11	43	46
Loss of check float	11	42	47
Senior management not convinced of business case	15	34	51
Organization cannot send or receive automated remittance information with electronic payments	14	31	56

### **Integration of Electronic Payments with Accounting Systems**

In AFP's previous electronic payments surveys, lack of integration between electronic payment and accounting systems was considered a major barrier to increasing use of electronic payments. Results of this year's survey reveal continuing progress by organizations in integrating the two systems, bringing with it cost savings and processing efficiencies. Because of the growing prominence of cards in B2B payments, the 2007 survey covered accounting systems integration with both ACH and card payments.

Organizations are more likely to have integrated their accounting systems with their ACH payment systems than with their card systems. Fifty-nine percent of organizations have integrated their ACH systems, while only 40 percent have done the same for card payments.

Large organizations with annual revenues over \$1 billion are more likely to have integrated accounting and payment systems than organizations with annual revenues under \$1 billion. At larger organizations, 71 percent of ACH systems and 49 percent of card systems are integrated. In contrast, at smaller organizations, 46 percent of ACH systems and 30 percent of card systems are integrated.

In 2004, only 45 percent of respondents reported that their organizations had integrated accounting systems with electronic payment systems, including 56 percent of large organizations.

Accounts payable (A/P) systems are more likely than accounts receivable (A/R) systems to be integrated with electronic payments. For ACH payments, half of organizations have integrated their A/P systems, while only 32 percent have integrated their A/R systems. The same is true for card payments. Thirty-five percent of organizations have integrated their A/P systems and only 16 percent have integrated A/R.

**Integration of ACH Payment Systems with Accounting Systems**  
(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Neither is integrated	41%	54%	29%
A/P only	27	23	31
Both A/P and A/R	23	14	32
A/R only	9	9	8

**Integration of Card Payment Systems with Accounting Systems**  
(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Neither is integrated	60%	70%	51%
A/P only	24	16	30
Both A/P and A/R	11	8	14
A/R only	5	6	5

The more payments an organization makes, the greater the likelihood that it has integrated its payments systems with its accounting system. Seventy percent of organizations that make at least 5,000 U.S. business payments per month have integrated their ACH system with at least part of their accounting system compared to 47 percent of organizations that make fewer than 1,000 business payments per month.

Organizations whose electronic payments account for at least half of their B2B transactions are also somewhat more likely to have integrated their ACH and accounting systems. For example, 55 percent of organizations that make at least half of their payments to major suppliers electronically have integrated their ACH system with their A/P system, while 43 percent of organizations that receive at least half of their payments from major customers electronically have integrated their ACH system with their A/R system.

In the next two years, progress toward the integration of electronic payment and accounting systems will occur gradually. About one-quarter of respondents from organizations that have not integrated their systems indicate that they are very likely to do so over the next two years.

Smaller organizations are much less likely to take action than larger organizations. Half of respondents from organizations with annual revenues under \$1 billion report that their organizations are not at all likely to integrate the systems compared to just 18 percent of respondents at larger organizations.

**Likelihood of Integrating Electronic Payment and A/P or A/R Systems  
in the Next Two Years**

(Percentage Distribution of Organizations that Have Not Integrated)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Very likely	24%	21%	31%
Somewhat likely	36	29	51
Not at all likely	40	50	18

The major benefits of integrating electronic payment and accounting systems derive primarily from internal processing efficiencies. These benefits are similar to those for electronic payments generally (see page 12) and their importance has not changed since AFP's 2004 survey.

When asked to identify the top three benefits of integrating electronic payment and accounting systems, 87 percent of respondents from organizations that have integrated A/P and/or A/R systems indicate that posting and reconciliation processes have become more efficient. Seventy-six percent indicate that integration has generated cost savings and resulted in staff reductions. One-third or fewer respondents each indicate that they improved working capital or gained the ability to take early payment discounts.

**Top Three Benefits of Integrating Electronic Payment and Accounting Systems**

(Percent of Organizations that Have Integrated Electronic Payment  
and A/P and/or A/R Systems)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
More efficient posting and reconciliation	87%	87%	88%
Cost savings/staff reduction	76	72	79
Working capital improvement	36	35	38
Improved trading partner relations	27	33	24
Ability to take early payment discounts	21	21	22
Reduction in days sales outstanding	18	20	15
Increase in payables outstanding	15	14	18
Other	2	2	*

Payments industry analysts have observed that the working capital benefits of electronic payments can be optimized through end-to-end automation of the entire financial supply chain, including invoicing, dispute resolution, payment and reconciliation.

Only 19 percent of respondents indicate that their organizations participate in some type of procure-to-pay service that includes these capabilities, more likely larger organizations with annual revenues over \$1 billion.

**Participation in Procure-to-Pay Service**  
(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Organization does not participate	81%	88%	75%
Organization participates in the service	19	12	25

Seventy-three percent of organizations that use the service asked their trading partners to participate. The remainder (27 percent) said they were asked to participate by their trading partners. Banks were most often cited as the provider of the procure-to-pay service. Fifty-eight percent of participating organizations use their bank's service compared with 20 percent that use an enterprise resource planning (ERP) vendor and ten percent that use an electronic invoice presentment and payment (EIPP) vendor.

**Provider of Procure-to-Pay Service**  
(Percentage Distribution of Organizations that Participate)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Bank	58%	52%	62%
ERP vendor	20	38	13
EIPP vendor	10	5	11
Other	12	5	13

Most organizations that participate in a procure-to-pay service indicate that they achieved at least some of the benefit they expected. Forty-three percent of respondents were unqualified in their satisfaction, while 56 percent were partially satisfied with the benefits gained. Larger organizations were more likely to be satisfied with the experience than smaller organizations (53 percent vs. 29 percent).

**Success in Achieving Expected Benefit of Procure-to-Pay Service**  
(Percentage Distribution of Organizations that Participate)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Expected benefit was achieved	43%	29%	53%
Expected benefit was somewhat achieved	56	67	47
Expected benefit was not achieved	1	5	*

Most organizations that do not participate in a procure-to-pay service indicate that the business case has not been proven (36 percent) or that they were not asked to join (23 percent).

**Primary Reason for Not Participating in Procure-to-Pay Service**  
(Percentage Distribution of Organizations that Do Not Participate)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Business case not proven	36%	36%	35%
Not asked to join	23	24	23
Involves too many parties to implement	14	15	14
Lack of funding	9	8	11
Trading partners not interested in participating	7	9	6
Other	10	9	11

## Purchasing Card Payments

### Making B2B Card Payments

Purchasing cards are used by a majority of organizations (61 percent) to make B2B payments, including 69 percent of organizations with annual revenues over \$1 billion and 54 percent of smaller organizations.

Three out of five organizations (59 percent) use purchasing cards for small dollar purchases like office supplies and services, including 67 percent of large organizations and a somewhat smaller percentage (53 percent) of organizations with annual revenues under \$1 billion. Only 14 percent of organizations use purchasing cards for large dollar purchases over \$5,000.

**Use of Purchasing Cards for B2B Payments**  
(Percent of Organizations)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Use purchasing cards for office supplies and services	59%	53%	67%
Use purchasing cards for large dollar purchases	14	14	15
Do not use purchasing cards	39	46	31

Organizations that make a large number of payments are more likely to use purchasing cards. Sixty-one percent of organizations that make at least 5,000 U.S. business payments per month use purchasing cards, while 53 percent of organizations that make fewer than 1,000 business payments per month use the cards.

Purchasing card use has grown in recent years. Three out of five organizations report that use of the cards for office supplies and services increased over the past two years. Usage was unchanged at 36 percent of organizations, while only four percent cut back on using cards.

Although only 14 percent of organizations use purchasing cards for large dollar purchases over \$5,000, almost half (49 percent) increased their use for this purpose in the past two years. Usage remained the same at 41 percent of organizations, while ten percent cut back.

**Change in Use of Purchasing Cards Over the Past Two Years**  
**Office Supplies and Services (Small Dollar Purchases)**  
(Percentage Distribution of Organizations That Use Purchasing Cards for Small Dollar Purchases)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Increased	60%	63%	62%
Remained the same	36	33	34
Decreased	4	4	4

**Change in Use of Purchasing Cards Over the Past Two Years**  
**Large Dollar Purchases (Over \$5,000)**  
(Percentage Distribution of Organizations That Use Purchasing Cards for Large Dollar Purchases)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Increased	49%	54%	47%
Remained the same	41	35	42
Decreased	10	11	11

Most organizations use purchasing cards to reduce the paper processing associated with making B2B purchases. Sixty-five percent of organizations with annual revenues over \$1 billion and 59 percent of smaller organizations consider that reducing the volume of purchase orders, invoices and other documents is a top benefit. Rebates are another important benefit of purchasing cards, cited by 45 percent of respondents. Purchasing cards also help organizations improve spend management and reporting and facilitate the process of paying infrequent payees, benefits cited by 41 percent of organizations.

An organization's size can influence what they consider the most important benefits of using purchasing cards. Organizations with annual revenues over \$1 billion are more likely to value rebates, improved spend management and reporting and better ability to negotiate volume discounts. Smaller organizations are more likely to find purchasing cards easier for making payments to infrequent payees and for facilitating the migration from checks to electronic payments.

**Top Three Benefits of Using Purchasing Cards**  
(Percent of Organizations That Use Purchasing Cards)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Reduces paper processing (purchase orders, invoices)	62%	59%	65%
Receive rebates	45	42	48
Improves spend management and reporting	41	37	44
Easier to make payments to infrequent payees	41	48	34
Enables move from checks to electronic payments	37	43	34
Enables integration of payment data with accounting systems	21	21	23
Enables better negotiation of volume discounts	14	6	21
Increases days payables outstanding without incurring late fees	11	12	9
More complete remittance information	7	5	6
Decreases interest paid on credit line	4	6	2
Other	4	6	2

## Accepting B2B Card Payments

Fewer organizations accept purchasing cards than use them to make B2B purchases, but the cards are nevertheless widely accepted. Nearly half of organizations accept purchasing cards from their business customers. However, smaller organizations are slightly more likely to do so (50 percent) than larger organizations (47 percent). For office supplies and services (smaller dollar purchases), 38 percent of organizations accept purchasing cards. Thirty percent of organizations accept cards for large dollar purchases over \$5,000.

### Card Acceptance from Business Customers (Percent of Organizations)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Accept for office supplies and services	38%	43%	37%
Accept for large dollar purchases	30	31	29
Does not accept card payments	51	50	53

Nearly all businesses (88 percent) that accept card payments from their business customers do so to meet customer demand. Cards are their customers' preferred method of payment. The top internal benefit for card-accepting organizations is faster receipt of payments and a decrease in days' sales outstanding, cited by four out of five organizations. Seventy percent of organizations also benefit from the elimination of collection activity.

### Top Three Benefits of Accepting B2B Card Payments (Percent of Organizations that Accept Card Payments)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Satisfies customer payment preference	88%	87%	90%
Enables faster receipt of payments/ decreases days sales outstanding	81	81	81
Eliminates collection activity	70	72	67
Improves collected funds availability	39	42	37
Increases dollar value of sales	19	16	24
Other	3	3	2

The need to pay interchange fees is the primary disadvantage of accepting purchasing card payments from business customers, indicated by 68 percent of organizations that accept the cards. Few respondents cited other disadvantages: chargeback management (ten percent), exposure to card data breaches (nine percent) and fraud potential (six percent).

**Primary Disadvantage of Accepting B2B Card Payments**  
(Percentage Distribution of Organizations that Accept Card Payments)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Interchange fees	68%	64%	71%
Chargeback management	10	15	5
Exposure to card data breaches	9	9	8
Fraud potential	6	5	7
None	7	7	8

Organizations do not accept card payments from business customers primarily because card payments are not applicable either to their business or their customer base (62 percent). Fifty-nine percent of organizations with annual revenues over \$1 billion and 65 percent of smaller organizations cite that reason. For 18 percent of respondents, interchange fees are the primary reason for not accepting B2B card payments.

**Primary Reason for Not Accepting B2B Card Payments**  
(Percentage Distribution of Organizations that Do Not Accept Card Payments)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Not applicable to business/customer base	62%	65%	59%
Interchange fees	18	19	18
No benefit to be gained	9	7	12
Fraud potential	3	2	3
Chargeback management	2	2	1
Exposure to card data breaches	*	*	*
Other	7	6	7

**ACH and Card Payments: A Comparison**

Respondents were asked to compare ACH and card payments and to indicate which payment method their organization prefers to use for B2B payments based on a number of criteria. Financial professionals chose ACH over cards by wide margins as offering the greater benefit for most purposes. Moreover, large organizations with annual revenues over \$1 billion express a much stronger preference for ACH than smaller organizations. On the other hand, about one-quarter to one-third of respondents often express no preference between the two payment methods.

- ACH is most often preferred by respondents as being less costly (61 percent) and offering better data security (53 percent).
- For paying trading partners, half of respondents prefer ACH because more suppliers accept ACH and it is better for paying multiple invoices with a single payment.
- When dealing with remittance information, 47 percent of organizations prefer ACH because it offers more complete remittance information and enables better integration of remittance information with accounting systems. As indicated on page 15, half of organizations have integrated their A/P systems with their ACH payment systems while only 35 percent have done the same for their card systems.
- Only when considering ease of use do financial professionals give a small edge to cards over ACH (37 percent vs. 34 percent). Although ACH is preferred by one-third of respondents for its ability to improve working capital, almost half of respondents express no preference based on that factor.

**Factors in Determining Preferences Between  
ACH and Cards For B2B Payments**  
(Percentage Distribution)

	All Respondents			Revenues Under \$1 Billion			Revenues Over \$1 Billion		
	ACH	Cards	No preference	ACH	Cards	No preference	ACH	Cards	No preference
Less costly	61%	17%	22%	55%	18%	27%	67%	15%	17%
Better data security	53	8	39	49	9	43	59	8	33
More suppliers accept the payment type	51	25	24	43	29	28	60	22	18
Better for paying multiple invoices with a single payment	50	17	32	49	18	37	56	17	27
More complete remittance information	47	15	38	41	14	45	55	15	30
Better integration of remittance information with accounting system	47	21	32	42	23	35	54	20	26
Easier to use	34	37	29	34	38	28	35	37	28
Improved working capital	33	19	48	28	20	58	39	19	42

## Wire Transfers

Wire transfers are an important component of an organization's B2B payments. Most companies use wire transfers. At the typical company, wire transfers comprise 11 percent of payments to major suppliers. Wire transfers are the most frequently used method to make international payments from the U.S., and 67 percent of respondents indicate that their organizations make international payments. Checks are the second most widely used method for making international payments.

Over the past two years, 43 percent of organizations increased their use of wire transfers. Usage was unchanged at 41 percent of organizations, while only 17 percent decreased their use of wires. Heavy users of wire transfers are more likely to have increased their usage. Fifty-five percent of organizations that use wires to make at least 20 percent of their payments to major suppliers or receive at least 20 percent of payments from major customers by wire have increased their wire usage over the past two years.

### Change in Use of Wires Over the Past Two Years (Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Increased	43%	41%	46%
Stayed the same	41	42	36
Decreased	17	17	18

Business need governs the demand for wire transfers. Organizations that increased wire transfer usage did so because they had greater business need for final, same-day payments (38 percent) or because they made more international payments (31 percent). Smaller organizations with annual revenues under \$1 billion (49 percent) are more likely than larger organizations to have had greater need for same-day payments in the past two years. Relatively few organizations (17 percent) increased their use of wire transfers to replace check payments.

### Reason for Increased Use of Wires (Percentage Distribution of Organizations that Have Increased Their Use of Wires)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Greater business need for final, same-day payments	38%	49%	31%
More international payments	31	26	33
To replace check payments	17	12	20
Better security and fraud control	6	3	8
Other	8	11	7

On the other hand, half of organizations that reduced their use of wire transfers in the past two years did so because of the high cost of wires. Fifty-three percent of respondents from large organizations cite this as the reason, compared to 48 percent of smaller organizations. Another quarter of respondents (24 percent) cut back on wires because the business need for final, same-day payments had declined.

### Reason for Decreased Use of Wires

(Percentage Distribution of Organizations that Have Decreased Their Use of Wires)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
High cost	51%	48%	53%
Less business need for final, same-day payments	24	19	27
Delays in release of wires	2	3	*
Fewer international payments	2	3	*
Other	22	26	20

## Remote Deposit and Lockbox Imaging

### Remote Deposit

The decline of the check in favor of electronic payments has been accompanied by increasingly electronic processing of the check itself. Remote deposit—enabled by the Check 21 Act—has quickly found a place in organizations’ check collection practices. Remote deposit service enables an organization to scan the checks it receives and transmit the images to the bank for deposit.

Two out of five respondents (41 percent) indicate that their organization currently uses remote deposit service. Large organizations with annual revenues over \$1 billion are more likely to use the service than smaller organizations (45 percent compared to 36 percent), but both groups cite a number of cash management benefits that they gain from remote deposit.

### Use of Remote Deposit Service

(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Organization uses remote deposit service	41%	36%	45%
Organization does not use remote deposit service	59	64	55

Large and small organizations differ in the major benefits received. Large organizations are most likely to value improved funds availability (73 percent), while the same percentage of smaller organizations values the need for fewer trips to the bank branch to make deposits. Slightly over half of all respondents indicate that they benefit from a later cut-off time for bank deposits.

**Top Three Benefits of Using Remote Deposit**  
(Percent of Organizations that Use Remote Deposit)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Improved funds availability	67%	58%	73%
Fewer trips to the bank branch to make deposits	64	73	57
Later cut-off time for bank deposits	52	55	50
Cost savings	44	44	45
Improves cash concentration	31	30	31
Bank choice not based on geographic proximity	18	18	17
Fewer bank accounts	8	8	9
Reduces the number of banks used	6	3	8
Other	1	*	1

Twenty-eight percent of organizations using remote deposit combine that service with check conversion to ACH (ARC, POP, BOC).

The use of remote deposit has not changed most organizations' attitude toward receiving electronic payments. Sixty-six percent of respondents from organizations that use remote deposit indicate that the service has not changed their preference for receiving electronic payments. On the other hand, one-third of organizations believe that remote deposit has increased their preference for receiving electronic payments. In fact, 46 percent of organizations using remote deposit expect to convert the majority of their payments to major suppliers to electronic in the next three years.

**Effect of Remote Deposit on Attitude toward Receiving Electronic Payments**  
(Percentage Distribution of Organizations that Use Remote Deposit)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
No impact on preference for receiving electronic payments	66%	69%	63%
Increases preference for receiving electronic payments	32	38	34
Reduces preference for receiving electronic payments	3	3	2

Future growth in remote deposit is likely to be gradual. A majority of organizations that are not using remote deposit now (53 percent) indicate they are not likely to implement the service in the next two years. Only about one-quarter of organizations are likely to adopt the service in that time frame.

**Likelihood of Using Remote Deposit in the Next Two Years**  
(Percentage Distribution of Organizations Not Using Remote Deposit)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Very likely/Likely	27%	29%	23%
Somewhat likely	21	18	25
Not at all likely	53	53	52

**Lockbox Imaging**

Lockbox services are also “electronifying” paper processing. Over two-thirds (69 percent) of organizations use wholesale lockbox services, and the overwhelming majority receives images of both checks and remittance documents. Interestingly, use of these services is more widespread at organizations with annual revenues under \$1 billion than at larger organizations. Payments processing is also electronified by lockbox services which provide a consolidated payments file that may include checks, ACH, wires and cards. This service is used by 53 percent of organizations with wholesale lockbox services.

**Use of Wholesale Lockbox Services**  
(Percentage Distribution)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Uses wholesale lockbox services	69%	60%	78%
Does not use wholesale lockbox services	31	40	22

**Lockbox Services that Organizations Receive**  
(Percent of Organizations that Use Wholesale Lockbox Services)

	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Check images	86%	90%	81%
Images of remittance documents	82	86	80
Payments file which may include checks, ACH, wires and cards	53	49	59
Images of exception items	44	50	41
Auto-application to my A/R system	37	29	44
Option to convert checks to ACH or to process them as checks	10	9	11
Other	2	1	3

## Conclusions

Significant progress is being made in the migration of B2B payments from checks to electronic payments. Organizations are increasing their adoption of all electronic payment methods—ACH, cards and wires—and check imaging as well. As a result, they are achieving quantifiable, bottom-line benefits. These include cost savings, more efficient posting and reconciliation, better cash forecasting, working capital improvement and straight-through processing to accounting systems.

Many organizations are gradually conquering the barriers to increased use of electronic payments and reducing their reliance on checks, but at others the barriers remain strong. Most survey respondents indicate that it is difficult to convince customers to pay electronically and to convince suppliers to accept electronic payments.

Despite the dynamic payments environment, many of the important barriers to electronic payments identified in AFP's 2004 survey still exist. They include a shortage of IT resources for implementation, no standard format for remittance information and lack of integration between electronic payment and accounting systems.

A two-pronged approach is recommended to smooth the path to a more electronic payments future. The benefits of electronic payments have been identified in this survey. They should be highlighted, quantified, strengthened and expanded to include automation of the entire financial transaction process. It may be difficult to make the business case for priority investment in electronic payments when check systems work well, especially for smaller organizations.

Second, a stronger attack on the continuing technical barriers to electronic payments is needed. Banks, third-party providers and technology vendors should focus even greater efforts on the problems associated with delivering automated remittance information with electronic payments, the lack of standards and ways to reduce the manual work involved in applying electronic payments.

When AFP conducts an electronic payments survey several years hence, it is likely to reveal continued advances in the adoption of electronic payments. The challenge today is to smooth the path of change.

## About the Survey

In September 2007, the Research Department of the Association for Financial Professionals sent a 52-question survey to its corporate practitioner members with the following job titles: cash manager, director, analyst and assistant treasurer. When the survey closed on September 14, AFP had received 375 responses. AFP also sent the survey to non-member corporate practitioner customers of AFP and received an additional 118 responses, for a total of 493 responses. The modified response rate from AFP corporate practitioner members only (after adjusting for bad e-mail addresses, etc.) was ten percent. The responses from this survey are the basis of the report.

Financial professionals who responded to the survey on behalf of their organizations are representative of AFP's membership as a whole. The typical respondent works for an organization with annual revenues of just over \$1 billion. The largest percentage of respondents is employed in manufacturing. The following tables provide a demographic summary of the survey respondents.

### Industry Classification (Percentage Distribution)

Manufacturing	23%
Banking/Financial Services	9
Energy (including Utilities)	9
Insurance	8
Government	8
Non-Profit (including Education)	7
Retail (including Wholesale/Distribution)	6
Health Services	6
Real Estate	5
Business Services/Consulting	3
Software/Technology	3
Construction	3
Transportation	3
Hospitality/Travel	2
Other	6

**Annual Revenues**  
(Percentage Distribution)

Under \$50 million	7%
\$50-99.9 million	5
\$100-249.9 million	9
\$250-499.9 million	15
\$500-999.9 million	13
\$1-4.9 billion	31
\$5-9.9 billion	8
\$10-20 billion	5
Over \$20 billion	7
Median	\$1.13 billion

**Number of U.S. Business-to-Business Payments Made per Month**  
(Percentage Distribution)

# of U.S. B2B payments per month	All Respondents	Revenues Under \$1 Billion	Revenues Over \$1 Billion
Up to 500	26%	39%	13%
501-1,000	17	19	16
1,000-5,000	33	33	32
5,001-10,000	11	4	18
Over 10,000	13	1	21

The Research Department of AFP is grateful for the financial underwriting by the Electronic Payments Network (EPN) of the 2007 AFP Electronic Payments Survey. Both questionnaire design and the final report were the responsibility of the AFP Research Department, which is solely responsible for the content and conclusions.

## **AFP Research**

AFP Research provides financial professionals with proprietary and timely research that drives business performance. The AFP Research team is led by Director of Research, Kevin A. Roth, PhD, who is joined by two research analysts. AFP Research also draws on the knowledge of the Association's members and its subject matter experts in areas that include bank relationship management, risk management, payments, and financial accounting and reporting. Study reports on a variety of topics, including AFP's annual compensation survey, are available online at [www.AFPOnline.org/research](http://www.AFPOnline.org/research).



## **About the Association for Financial Professionals**

The Association for Financial Professionals (AFP) headquartered in Bethesda, Maryland, supports more than 16,000 individual members from a wide range of industries throughout all stages of their careers in various aspects of treasury and financial management. AFP is the preferred resource for financial professionals for continuing education, financial tools and publications, career development, certifications, research, representation to legislators and regulators, and the development of industry standards.

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