

Client Profile (Under NDA)

The client is an e-merchant in travel domain based in India.

The Challenge

The finance officers from client side used to spend hours each day reconciling the banking entries. "We didn't have auto-reconcile so had to go through files manually. It was very time-consuming, repetitive & hence prone to errors." Another challenge they faced was a high level of risk involved regarding transposing numbers which required extra time to identify and correct any mistakes.

Simply put, the single biggest challenge for the Finance Department was to ensure all credit card sale proceeds resulted in the bank collection, within stipulated time frame. This effectively meant that the reconciliation of each & every credit card sale/refund transaction between sale portal and gross credit to the bank had to be done. It excluded the net of charges by intermediaries like payment gateways etc.

Such process was achieved manually but as the volumes ramped up, this was not a viable option and an automated process was desired.

Added to volume related issue, other realities of such transactions are,

- *Sale realization* - The payment gateways should ideally report the exact funds and should transfer the money to the merchant. But in some cases, shortage of funds was observed.
- *Short remittances* - Instances a payment gateway failed to report the exact sale amount, successful or otherwise transactions for whatever reasons
- *Short collection* - All the transactions for which actual collection amounts were lesser than actual due amounts. This was due International credit card sale and applicable Rate of Exchange.
- *Time frame* - The time delay in sale to collection needs to be closely monitored.

Benefits

The solution detected & helped recover revenue leakages (up to 1.2% of card collection) & reduced ongoing risks and raised flags for prevalent leaks. Further by adopting this system, the organization freed the resources of traditional & repetitive jobs and diverted them towards value creating tasks.

For Solution

To find out how ez's CCR solution can help the client, please contact us at support@ezconsultants.net. We can provide PoC (Proof of Concept) for 3 months client data, no strings attached.

