2011

Case Study

Advanced Payment Processing Drives Top & Bottom Line Growth through the Unification of Transactional Content

ImageScan Inc. enables this Fortune 100 specialty retailer to implement a single platform capable of clearing electronic and paper payments as well as provide a structured view for return items decisioning & re-presentment.

"ImageScan's TCM Unify [solution] is of substantial strategic value to us as we seek to exceed our customers' continuously evolving expectations and aggressively grow profits in an uncertain economy. I strongly recommend ImageScan to any financial institution looking for efficiency, scalability and adaptability to changing needs."

~ Vice President of Finance, Fortune 100 specialty retailer

ImageScan Inc.
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A Case Study: The Substantial Advantages of Unifying and Managing Transactional Content

When a Fortune 100 specialty retailer approached ImageScan Inc. in search of a single platform capable of clearing electronic and paper payments, ImageScan proposed a solution that not only addressed its needs but also substantially improved the company's retail success. The company's top priorities for the new platform were to exceed its customer's constantly evolving expectations and to aggressively grow profits in today's turbulent economy. Moreover, the system needed to combine efficiency with scalability and prove its potential for future adaptability. The company soon learned that ImageScan's *TCM Unify*® solution held significant, strategic value in terms of its stated priorities, as the solution would drive both top- and bottom-line growth.

The company prides itself on delivering ultimate customer satisfaction, which requires convenient and efficient payment options. In 2001, upon the conclusion of a review of its transaction processing capabilities, it sought out the services of a local bank to process payments. After a short stint, they made the decision to charter their own wholly-owned industrial bank subsidiary to handle payments. The company's Vice President of Finance observed, "When a large financial services company serves your clients, you don't have real control over how they're treated." She went on to say that, "With our own bank, we knew we could deliver a more consistently excellent customer experience." But, therein lay the challenge: the company lacked the key components for successfully unifying the myriad of payment options in-house.

The company's managers recognized the limitations and administrative overhead associated with the existing disparate payment systems for mail, telephone, web and in-person payments. Siloed information from different systems could not be consolidated with real-time accessibility. Also, they were keenly aware of the costs, stability issues, lack of scalability, and the heavy reliance on lengthy, manual processes in the face of substantial projected growth. With dated, low-tech systems, operations staff experienced several disruptive service calls per week, reducing operational productivity and causing concern for customer satisfaction. The VP noted, "It became clear to us that the sophistication of our payment processing environment was very important to the overall performance of our business." Once again, managers returned to their goal of integrating the various payment systems into a modern, unified platform and decided to take a fresh look at available technology.

Case Study Highlights:

- Unification of multiple payment channels into a single, seamless platform environment
- Shift from handling $300 million in annual credit card billings in 2001, primarily paper checks, to $2.4 billion in 2010 from a variety of payment mediums
- Dollar volume growth by 800% accommodated with a small increase in staff
- Strength of business scalability & adaptability on future business growth
- Reliability of core technologies and support services

Taking the next step

While surveying the vendor landscape at a payment industry conference, the VP learned about ImageScan's *TCM Unify* solution, which could offer her company an efficient platform capable of processing all types of payments, thus reducing labor and errors through intelligent imaging and workflow management. Deploying *TCM Unify* would allow the company to combine the integration and reporting functionality essential for supporting a reliable, high-touch and multi-channel credit card business, as well as offer scalability for future integrations. With single view architecture, the company could combine all returns into one process, regardless of the source payment system. Furthermore, *TCM*

Unify's open APIs (application programming interfaces) provided the flexibility to import new payment channels and add capabilities to their *TCM Unify* platform in the future.

After conducting a cost and benefits comparison between upgrades of the existing, disparate systems and the implementation of ImageScan's integrated platform, the VP and the company's senior management selected ImageScan as its new vendor. "The growth and change we'd experienced up to that point forced us to think about how we could best cope with whatever growth and change we might experience in the future," the VP explains. "From that perspective, ImageScan and *TCM Unify* were clearly the wise choice."

Unified, efficient payment processing

Once installed, the Fortune 100 retailer utilized ImageScan's *TCM Unify* to normalize multi-channel payment files for output, streamline processes, retire old reporting applications and concatenate multiple instances of ARC (Accounts Receivable Conversion) files into a single file for both electronic and eligible checks. As the result of deploying the new *TCM Unify* application, the retailer was able to support $2.4 billion in annual transaction billings in 2010, while reducing costs, errors and administrative overhead. In turn, the company retired several legacy systems, eliminated two costly return item processes, and created a single, structured view for return items decisioning and re-presentment.

In order to create a unified view of returns, *TCM Unify* creates virtual images of the electronic transactions – the telephone or web payments – before presenting them as well as the check payments for initial presentment. All payment images are contained in the *TCM Unify* database therefore every returned item that is presented to the retailer can be found in one customer service vehicle. In this unified view of all transactions, *TCM Unify* includes remittances, invoices, correspondence or relevant imaged, transactional documentation. This ability is credited with enabling the company to create one process for all returned payments, reducing costs and inconvenience associated with side processes. The unified return process also automatically updates the opt-out databases, based on return reason code and notifies customers of the returned item.

TCM Unify's open architecture enabled the retailer to unify its multiple payment channels into a single processing environment, achieving both efficient customer service and business transparency. Paper checks as well as electronic, Automated Clearing House (ACH) and interactive voice response (IVR) payments are all captured, credited and transmitted for clearing within a common software system.

Company customer service representatives do not have to toggle between applications to find and resolve questions. The elimination of this toggling – combined with the fact that *TCM Unify's* user interface is more intuitive and easier to navigate than the previous system – enables customer service representatives to handle more calls per day and helps meet its goal of increasing customer satisfaction.

As for business transparency, a unified payment processing environment gives its managers full visibility into payment activity across all channels. By using *TCM Unify's* reporting functionality, managers can track trends, analyze current activity, and spot anomalies for all types of payments – instead of having to run separate reports and then consolidate them. This complete and accurate reporting facilitates faster, more informed decision-making – while easing compliance with regulatory mandates. "A siloed approach to payment processing is inefficient and unwieldy," declares the VP. "It's much more beneficial to the customer, to the front-line staff, and to the bank managers when all payment types are processed in a single, holistic environment."

Clear commitment to customer needs

The stability of *TCM Unify* allows the retailer's staff to allocate more time generating value for the business and its customers, rather than spend it on the phone attempting to solve technical problems. And, while the VP requires ImageScan's assistance far less often than she did of her previous vendor, she also appreciates the level of service they receive from ImageScan for the occasional technical issue. "With ImageScan, we always have an accountable contact person – instead of just dealing with a generic help desk," she says. "As a company with a strong culture of customer service, we really value this clear commitment to meeting our needs." *TCM Unify's* intuitive user interface and eLearning modules reduce training time for new operators, which creates faster on-boarding of new employees than previously experienced.

On the Horizon

This Fortune 100 retailer used *TCM Unify* to achieve a single platform on which all payment types, paper or electronic, are processed. The platform met or exceeded all of the company's goals by both surpassing customers' evolving expectations and achieving a banner year in 2010. "ImageScan's solution outperforms our previous system in every way," notes the VP. "We're very glad we took advantage of the opportunity to move to a payment processing solution that better meets our present needs and better positions us to meet any future challenges that come our way."

How this retailer benefits from *TCM Unify*:

- Streamlined depositing and reporting
- Enhanced business intelligence
- Reduced operations & IT costs
- Increased customer satisfaction