

Mid-tier banks don't have to lose out in scale game, says ACE Software

The payments business may be a scale game but mid-tier banks are not necessarily out of the running yet, according to payments solution vendor ACE Software. As the vendor's CEO, Parth Desai, explains, tier two and three banks can invest in a specialised payments processing gateway in order to keep pace with the larger players out there.

"Being able to cope with the current trend towards rising volumes of payments together with achieving economies of scale, is key to survival in today's tough economic climate. This is where tier two and three banks tend to struggle, especially in these budget conscious times, but this does not have to be the case," says Desai.

ACE Software is actively targeting the mid-tier section of the banking sector with its own specialist payments processing solution, which it says allows them to benefit from lower costs even at smaller scale and the vendor's own expertise. As a second generation specialist payments platform, Pelican for Payments removes the need to invest in a plethora of systems in order to meet all of a bank's payments processing requirements, including exceptions processing, charging etc, says the vendor. It therefore aims to provide a 'one stop shop' that is a cost efficient solution to keeping pace with the continuing evolution of the payments market.

Many of these banks are currently reliant on manual processes or siloed legacy systems, which have no place in such a ruthlessly

competitive environment. Customers, both retail and corporate, are less tied-in to banks than ever before and are therefore more likely to vote with their feet when it comes to banks not meeting their high expectations.

"Regardless of payment size, speed has become a differentiator for corporate and retail customers and banks must demonstrate their ability to process payments quickly and efficiently. With intelligent routing and repair components, the ACE Pelican for Payments platform allows these banks to become more agile and cope with existing and future volume increases," claims Desai.

Banks are also able to configure the solution to their own specific requirements, thus affording them as much control as possible in these risk conscious times, says the vendor. An integrated system will allow for risk reduction by the improvement of liquidity controls and visibility around payment flows, adds Desai.

By freeing up time from dealing with manual processes and inefficiencies, these banks are enabled to add more value to their offerings, he continues. This means that mid-tier banks are able to compete on a level with big banks that have had to invest vast sums of cash in their systems. "You don't have to be a huge bank in order to provide quality payment services to your customers, it merely takes investment in a smart payments solution that cuts cost and complexity out of the equation," says Desai.