

HOW AN INNOVATIVE COMMUNITY BANK IS DISRUPTING ON-DEMAND PAYMENTS

Sutton Bank, a community bank located in north central Ohio, has been an issuing bank of prepaid cards for nearly fifteen years. As an issuing bank, Sutton sponsors numerous programs and actively participates in growing the prepaid card industry. Recently through its processor and program manager relationships, Sutton has issued prepaid cards for some of the emerging On-Demand marketplace opportunities.

ON-DEMAND DELIVERY COMPANY SOLUTIONS

Sutton Bank and Marqeta worked with On-Demand Delivery (“ODD”) companies and card networks to craft numerous custom solutions to solve the business challenge of facilitating a courier purchase at a retailer the courier completes as a purchase on behalf of the ODD company customers. The payment solution controls the courier spend and creates automatic accounting and reconciliation and provides a level of detail and control that traditional credit/debit cards do not support. A full service innovative bank, a card network, and a processor with an advanced configurable and scalable processing platform came together to create a custom solution using the existing payment card rails. Given that virtually every retailer accepts a branded payment card, and the couriers know how to use the card, the team configured a system to authorize and control each purchase transaction on a card. The transaction is tracked, using the courier’s prepaid card number, to the exact merchant address and exact merchant number, and the courier’s prepaid card is only loaded with funds for the exact amount of the purchase. As a result the courier can only take his/her assigned card to the exact merchant and only make the exact purchase that the ODD company authorizes. The funding of the card is controlled through Just-in-Time (“JIT”) loading which has proved to be a strong deterrent to fraud. Once the purchase clears, the courier’s prepaid card is loaded for the next transaction, and so on through the shift. This solution can be used anywhere a business is sending a courier/runner (employee or contractor) out to make purchases on behalf of the business.

To learn more about JIT loading go to https://www.marqeta.com/api/docs/VtTqsikAAHoQiUV_/jit-funding-overview.

For more information regarding Marqeta go to <https://www.marqeta.com/>.

ON-DEMAND PAYROLL SOLUTIONS

Sutton Bank, InComm and Instant Financial (“Instant”) crafted a custom payroll card solution for service industry employees. Instant recognized a need for service industry employees to have immediate access to their earned pay despite payday being a week or more away. A mobile App, integrated with a prepaid card platform, is required to engage the workers such that a portion of their earned income is immediately available to them if they need access to it. Additionally, the payroll application seamlessly fits with employers’ existing HR and payroll systems. Four financial services companies came together to create a custom solution using the existing payment card rails, a full service innovative bank, a financial technology company with a new pay disbursement platform, a configurable and scalable processing platform, and a card network. Service employees are given immediate access to a portion of their pay via Instant’s mobile App where they are able to request a portion of their earned but unpaid wages on a daily basis and utilize the funds as they are loaded onto the employee’s prepaid payroll card. The mobile App is simple, easy, and transparent without additional user or service fees and puts control of money into the hands of those who earned it with immediate access. Employers benefit from increased employee retention and engagement, a recruitment advantage, and reduced pay distribution costs. With over 75 million employees paid hourly in the United States and with these same employees typically waiting up to two weeks to access their pay, the applications for this product are plentiful.

For more information regarding InComm go to <http://www.incomm.com/Pages/default.aspx>.

SUTTON BANK

Sutton Bank is a progressive Ohio based independent, community bank. Founded in 1878, Sutton Bank has grown into a top-performing community bank, as recognized by the Independent Community Bankers of America. Sutton Bank is a customer centric organization invested in Prepaid as a core banking product, with strong partnerships in the prepaid space. One of the earliest banks in Prepaid, Sutton offers flexible, customizable card programs with unique functionality and responsiveness.

For more information regarding Sutton and prepaid cards go to www.suttonprepaid.com.