What to Look for When Choosing a Payment Solution for NetSuite

Paystand

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What we'll be covering

What should you look for in a NetSuite payment solution?

NetSuite offers a variety of flexible payment solutions, but users often face difficult integration challenges associated with these third-party tools called SuiteApps. The right payment solution will not only integrate easily with your current systems, but will also help you reduce processing costs, speed up collections, and even streamline the payment process for your customers.

Selecting the best payment software for your team depends on a lot of factors, including your growth rate and the volume of transactions you're processing.

In this guide, we'll take you through what to look for when choosing a NetSuite payment solution.

What is a NetSuite SuiteApp?

Before we get started, let's get the NetSuite lingo out of the way.

A SuiteApp is an application that enhances NetSuite in order to meet your business needs. Some SuiteApps run completely inside NetSuite, while others are integrations with other systems in use by NetSuite customers.

When shopping for a payment solution, it's important to look for a SuiteApp with a "Built for NetSuite" status* — the gold standard for B2B payments applications. All Built for NetSuite apps must be reviewed for compliance with NetSuite's standards, which include documented proof of robust architecture, development, security and privacy. A product demonstration and/or customer references follow, and only upon final approval can an application meet NetSuite's stringent standards and win SuiteApp designation.

Paystand's SuiteApp has had a Built-for-NetSuite status since 2018.

3 Factors to Consider When Shopping for a NetSuite Payment Solution

Choosing a payment SuiteApp that doesn't meet your needs can be costly, given contracts, software, implementation costs, and the time it takes to migrate to a new provider. Before you start investing in a payments partner, consider these three factors:

COMPATIBILITY

The implementation of new work processes, technologies and tools are one of the most significant challenges that enterprises face. Studies show that up to 75% of ERP integrations fail. These mistakes usually occur because of inexperience with migration and how an ERP integration should be implemented. As a result, many SuiteApp implementations take longer than expected, costs run over, and business value is not delivered.

If a solution doesn't play nice with your current setup, it's probably not worth your time. The ability to sync your various software systems is what sets superstar payment solutions apart.

COMPLIANCE

It is important that you pick a payment provider that offers secure data processing. If you accept credit and debit cards, this means selecting a provider that is PCI-compliant*. The PCI Data Security Standard is a U.S. industry standard governing how you secure, process and store sensitive payment information.

A reliable payments solution should reduce your PCI compliance workload and safeguard your customers' payments using the latest in data security. This means taking advantage of technologies like tokenization, point-to-point encryption, and other fraud management tools.

Note: Paystand is a Level 1 PCI DSS payment processor.

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FEES AND MARKUPS

You want to keep processing fees as low as possible, but beware of the attractive rates some solutions may have to offer. Transaction fees are only one way that payment solutions add on costs. There are also hidden charges that can negatively impact your margins.

For example, Authorize.net charges customers $10/month to process eCheck and $25/month for ACH, and that's in addition to regular per transaction costs. Other markups may include:

· Fees for leased equipment, such as a lockbox

· Early termination penalties and charges

· Fees for exceeding maximum monthly quotas

· Fees for missing minimum monthly quotas

Sample Hidden Fees and Markups in eCheck Pricing

FEE TYPE	MERCHANT COST
Monthly Fee	$10
Processing Fee	.75%
Returned Item Fee	$3.00 each
Chargeback Fee	$25 each

Must-Have NetSuite Payment Solution Features

Ideally, payment software should exponentially improve both the internal Accounts Receivable process and the customer-facing payment experience. Here are some must-have features to look for when choosing a NetSuite payment solution:

1. MULTIPLE PAYMENT METHODS AND FLEXIBLE OPTIONS

Payments play a crucial role in the overall customer experience, but they can sometimes be an afterthought. Many users like to have options or they have their own preference as to which payment method they use. Offering your customers multiple payment options can help you get paid faster, reduce the risk of bad debt, and adapt quickly to changing customer expectations.

Streamlining bill payments for your customers can also help reduce barriers in getting money from their accounts into yours. Manual billing processes and traditional payment methods like paper checks require time and effort that can be a burden on internal resources. They also require work from your customers and can create a less-than-ideal interaction with your brand.

When shopping for a payment solution, look for a tool that enables you to have all payment rails presented as options – credit card, debit, ACH, and eCheck, as well as digital alternatives like the Paystand Bank Network*, which can eliminate transaction fees altogether.

More than 140,000 businesses make payments using the Paystand Bank Network

Having payment options that allow for 0% processing can drastically cut transaction costs and eliminate manual work typically associated with paper-based options like check.

2. AUTOMATIC RECONCILIATION

Without a doubt, manual reconciliation is the least efficient and most cost-demanding process in a company. According to a survey by EY, up to 60% of a financial department's resources are spent on managing transaction-intensive processes. And around 95% of this effort is wasted on transactions that already match, rather than problem entries that actually require attention.

That's why one of the most important features that a NetSuite payment solution can offer is automatic reconciliation. Payment solutions like Paystand can deal with repetitive tasks like transaction matching, giving you the ability to drill down on open entries or exceptions that require additional attention, and also to develop strategic, qualitative activities.

After a payment is remitted, the payment solution should automatically reflect it in your NetSuite ERP records, eliminating a large amount of manual processing.

Tip: We've gathered this checklist of things to consider when reviewing and improving reconciliation management from our most successful customers:

- Map out all reconciliations. Is anyone doing double work? Are there any gaps?
- Analyze your month-end, quarter-end, and annual close from end-to-end. Who does what? When do they do it? Why?
- Are processes and procedures written down or is it sitting in one central colleague's brain?
- Are there any reconciliations being done that should be automated?

3. ENTERPRISE-GRADE REPORTING

There's no denying that data-driven insights are the backbone of financial decision-making, helping accounting and finance professionals better understand their customers, receivables, revenue, and more.

Payment solutions with enterprise-grade reporting offer an easy way to access this data, as well as tools to analyze revenue insights and monitor key financial metrics.

When analyzing payment solutions that offer enterprise-grade reporting, look for tools that can customize reporting to your specific needs as a business. The solution should also be able to guide your team in identifying opportunities and red flags based on customer payment history.
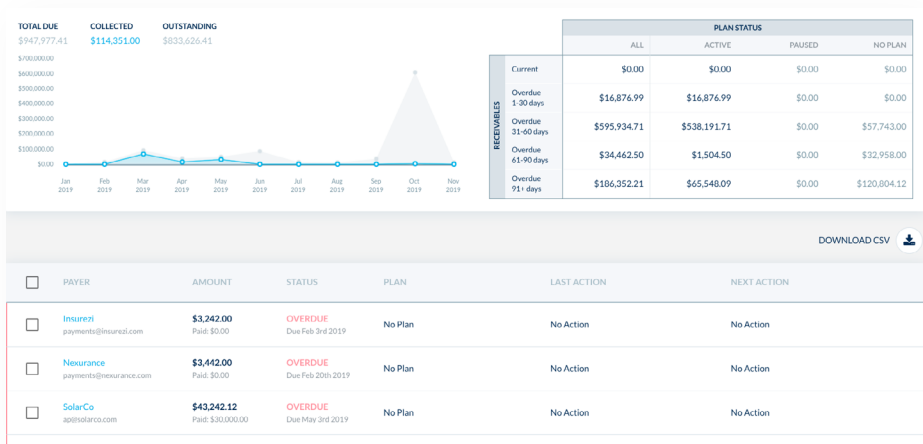
4. DIGITIZED PROCESSES AND SMART RECEIVABLES

Digitization is a key element needed in order to speed up time to cash, eliminate human error, reduce manual processing, and improve forecasting accuracy.

Digitizing your process within NetSuite extends what is possible with your ERP. For example, a key element that Paystand offers is smart "Pay Now" buttons that automatically recognize what open receivables in NetSuite are associated with the customer clicking on the button. Because the button recognizes the customer in your "source of truth", Paystand can automatically update all your records whenever a payment has been made.

By choosing a payment solution that allows you to create and edit digital receivables, you can capture critical customer data within the receivable itself and use it to automate all sorts of back-office activities.

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Key Tips to Choosing a NetSuite Payment Solution, According to NetSuite Customers

As powerful as a modern NetSuite payment solution can be, your success will depend on how you integrate it into your day-to-day accounting operations. By taking the right steps, you can set yourself up for a smoother migration and a more effective implementation.

THESE THREE KEYS CONTRIBUTE TO THE BEST POSSIBLE OUTCOMES FOR YOUR TEAM:

Finding a Payment Solution That Digitizes Your A/R Records

Let's say your current process is completely manual and paper-based. Each month, an A/R clerk reviews each customer record and prints a paper invoice based on products or services purchased. She pops each one into an envelope and puts it in the mail. Each day, she checks the mail for invoice payments and manually records them in a spreadsheet. She handles inbound phone inquiries regarding invoice errors and makes outbound calls to delinquent payers.

Now, imagine that your company sticks with this manual process and has to hire one person for every X number of invoices the company sends. You can easily see how that kind of headcount strategy doesn't scale, and there's a good deal of room for error with all those manual steps.

Choosing a payment solution that digitizes all your records takes a big chunk of work off the plate of A/R clerks, reduces paper processing costs, decreases the margin for error, and speeds up payments.

Find a Payment Solution That Automates Your Processes

Digitizing all the inputs associated with A/R is an amazing feat - but it isn't the only thing to look out for. Here are a few examples of what it would be like to digitize without automation:

- Customers receive invoices via email in PDF attachments. In order to make an online payment, they have to find a payment processor you accept - totally disconnected from your invoicing process.
- Customers make online payments but they're not connected to your receivables data. For every payment a customer makes, an A/R clerk has to check the payment provider and reconcile it in the system.
- A/R clerks have online data about delinquent invoices, but they have to send individual emails to customers.

Automation is the next step on the journey to better payments. It takes all the disparate online inputs and ties them together, removing yet another layer of manual work.

Find a Payment Solution That Uses Data to Drive Growth

After digitizing A/R records and automating processes, it might seem like your team can let payments run on auto-pilot. While this is partially true, the drastic reduction of manual, low-value payments work also represents a huge opportunity: the ability to drive positive change throughout the business using actionable receivables data.

Reviewing available payment data in online reports can help answer the following questions:

- What percentage of customers are late each month?
- Are there any similarities between late payers?
- What strategies could we experiment with to reduce late payments?
- What about speeding up payments in general?
- What could we do to eliminate more friction points in the payment process?

The answers to all of these questions can help you become even more healthy from a financial standpoint - an attractive attribute for customers, employees, investors, board members, and potential hires.

Conclusion

There's no "perfect" payment solution out there, so you'll need to find the best fit for your specific business. For some businesses, security may be the biggest priority. For others, it may be the cost.

Make sure to review multiple options before you land on a final contender, and if you're stuck, we would love to help your company choose the best NetSuite payment solution for your needs.

The right NetSuite payment SuiteApp can help you transform your entire A/R processes -- saving you time and money. Please feel free to contact us with any questions.

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