



Assessing Global Payout Services

A GUIDE TO CHOOSING THE RIGHT SERVICE FOR YOUR BUSINESS



Brought to you by: **TRANSPAY**

The Specialist in Local Bank Transfers Worldwide



INTRODUCTION

Sending payouts to partners, sellers, freelancers, employees or vendors worldwide in an efficient and cost-effective way can be a tall order for the many ambitious global businesses who are intent on expanding their reach. The complexity of sending mass global payouts – the practice of sending payouts to hundreds or thousands of recipients across multiple countries and currencies – can be daunting.

Finding the right global payouts specialist can make the difference between getting lost in the complexities, or seeing your way through successfully. As a specialist in Local Bank Transfers, we at Transpay know the vital areas to assess when choosing the global payouts provider that's right for your business. Whether this is your first time looking for a global payouts service, or you're switching from your current provider, our assessment guide can help.

Payouts Network

Many payouts providers claim that they can make payouts to anyone. However, if you take a closer look, you might find that some services do not work directly with leading banks and payouts partners in your key payouts countries. Some services simply outsource this critical component by hiring one or more intermediaries who then connect the payouts provider to those banks and payouts partners. The addition of middlemen to the payouts process leads to inefficiencies and higher costs for you and your recipients.

Asking the following questions will help you select a payouts service that delivers timely and cost-effective global payouts:

DOES THE SERVICE

WHY IT MATTERS

Cover all the countries that you make payouts to?

Ideally, you should work with a single global payouts service that covers all, or nearly all, the countries where you send payouts.

Make payouts to all major national banks in your key payouts countries?

The ability to send payouts to major banks in your payouts countries helps ensure that most of your recipients can be paid via Local Bank Transfer, a direct bank deposit.

Make Local Bank Transfers to the recipient's bank account?

Many recipients prefer being paid via Local Bank Transfer thanks to the lower costs and ease of having funds delivered just as a paycheck would be.

Payouts Network (Continued)



DOES THE SERVICE	WHY IT MATTERS
Pay recipients in local currency or USD?	Having multiple currency options gives your recipients flexibility to receive funds in their preferred currency.
Have direct partnerships with the bank payout partners in their network?	Direct bank partnerships eliminate the extra costs and complexities of using payout intermediaries.
Offer alternative cash disbursement options in emerging markets?	Payouts services that offer a cash pickup option can help grow your market share in emerging markets where recipients may be unbanked, or where the economy is heavily cash-based.
Support mobile wallets in countries where they are prominent?	If one of your key payouts countries has a widely used mobile wallet, offering that option can grow your market share and engender goodwill among your recipients.

Service Integration and Implementation

There are different ways to integrate with global payouts services, including API, batch and web-based methods. Before signing up with a payouts provider, determine the integration method that best suits your business needs, and check that the payouts provider you choose offers that method before you sign on the dotted line. Here are some questions to ask:

DOES THE SERVICE

WHY IT MATTERS

Offer single-integration REST APIs?

Single-integration REST APIs reduce integration complexities and increase flexibility for your developers.

Have additional implementation methods, including API, batch files, and web-based methods?

Even if a provider offers an implementation method that suits you now, having more implementation methods gives you flexibility in the future should your needs change.

Allow for bank deposits to be made via any Bank ID, SWIFT Code, or Routing Number?

These options ensure that your recipients can be paid via Local Bank Transfer, an option welcomed by many recipients.

Have a dedicated implementation manager?

A dedicated implementation manager acts as a valuable resource throughout the onboarding phase and helps facilitate a smooth integration.

Service Integration and Implementation (Continued)



DOES THE SERVICE

WHY IT MATTERS

Allow for an unlimited number of simultaneous transactions?

This helps you determine if the service can accommodate your business growth without the need for additional development work.

Provide real-time transaction statuses?

Knowing the status of your payouts at any time provides added convenience for you and your recipients.

Foreign Exchange (FX) Rates and Fees

Many payouts services are vague about their foreign exchange (FX) rates and fees. Some even charge extra fees to your recipients for receiving or withdrawing their funds. Here are some questions to ask to help you fully understand the costs involved:

DOES THE SERVICE

WHY IT MATTERS

Show the real-time FX rate at the point of transaction?

This helps you and your recipients know exactly what exchange rate you are getting.

Charge the recipients extra fees?

Services that charge few or no landing fees help your recipients save on costs.

Disclose all fees for both you and your recipients?

This helps you and your recipients know exactly what fees will be deducted from the payout.

Charge hidden FX markups or interbank transfer fees?

Services that are transparent with their fees can help your business avoid unnecessary costs.

Compliance and Risk Management

BSA, AML, OFAC, KYC, MSB – though you may not already be familiar with these acronyms, your payouts provider should be. These acronyms relate to various entities and regulations that govern cross-border payouts. Make sure that your payouts provider adheres to these requirements and owns the requisite licenses by asking the following:

DOES THE SERVICE

Hold money service and other licenses as required in all jurisdictions served?

Screen your transactions through sanctions lists, including OFAC SDN, PEP, HMT, RES 1988, AQ and CFSP and others?

WHY IT MATTERS

In general, any company that enables global (or cross-border) payouts is required to be licensed as a Money Services Business (MSB) or its equivalent in the jurisdictions that it serves.

The Patriot Act requires all U.S. businesses to comply with Office of Foreign Assets Control (OFAC) regulations. The U.S. Department of Treasury can charge significant fines and take legal action against organizations that knowingly or inadvertently neglect to comply.

Experience and Expertise

Due to the complexities involved in sending mass global payouts, it is advisable to work with a global payouts service with a minimum of several years of operating history and a track record of processing millions of payouts annually. Ask the following questions to gauge a payouts provider's level of experience and expertise:

DOES THE SERVICE

WHY IT MATTERS

Have an extensive operating history?

Doing global payouts efficiently and cost effectively often requires several years of experience.

Currently process payment volumes of at least \$1B USD annually?

Significant payment volumes generally mean that the service can offer you better FX rates and lower transaction costs.

Have a roster of satisfied, long-term clients?

Satisfied clients provide additional proof of the service's track record and reputation.

A quality global payouts specialist can help you reach new markets, offer Local Bank Transfers in a timely manner and ensure a positive recipient experience. Make sure you know the right questions to ask to ensure that you partner with a global payouts expert who can help your business grow and succeed. [Visit transpay.com](https://transpay.com) to learn more and to speak with one of our Local Bank Transfer experts today.



ABOUT transpay

Transpay is a service from WyndPay, a leading global payments company with more than 30 years of operating history. WyndPay processes over \$8 billion USD in annual payment volumes. Transpay provides businesses of all sizes with a scalable, secure, and fully compliant cross-border mass payout solution, making it easy to send funds directly to the local bank accounts of vendors, business partners, freelancers or others reaching over 95 percent of the world's bank accounts. To learn more, visit www.transpay.com.

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