

# How InterPayments Helped an SAP-Powered Enterprise Save Over \$40 Million in Annual Costs

## Summary

A leading medical supply provider looking to expand operating margins saw credit card surcharging as a prime opportunity. But retaining their existing SAP and Paymetric integration was critical, and traditional surcharging solutions required a disruptive switch to a new processor and gateway. The company also needed to ensure that surcharging was always compliant and that they could customize who would be surcharged and at what rates. Only InterPayments answered all these concerns, integrating directly with Paymetric to deliver the company instant savings.

## About the Company

**Industry:** Health technology, products, and services

**Company Size:** Enterprise (5000+ employees, \$1B+ annual revenue)

**Location:** Headquartered in the Midwest United States, with sales in the US and Canada

**Background:** A leading medical supply provider that offers a variety of solutions for health providers, from consumables to digital workflow technology, with a focus on partnerships to strengthen the professionals that keep everyone healthy

## Challenges

**Recover fees on credit card payments** – The company's C-suite needed to expand operating margins. They saw the recovery of credit card fees via surcharging as a solution with immediate impact. Fees took up to 2.5% from every transaction, cutting millions of dollars from their quarterly profits. Lower-cost ACH and debit payments would not be surcharged, allowing customers to avoid the fee entirely.

**Minimal disruption** – Making changes to the many ways orders are processed on the web and through SAP would cause chaos across the business. The impact would be felt everywhere, from the invoice creation of frontline sales all the way to the general ledger. This productivity drag can undo the savings gains of fee recovery, so the existing SAP and Paymetric-powered system needed to be left in place. Surcharging compliance is also an enormous challenge that can't be placed on the company's busy accounting and legal teams.

**Customer-centric flexibility** – The company couldn't risk losing control of any part of the customer experience. So the surcharging solution needed to be flexible, allowing for data-driven market segment targeting and real-time tweaks and reductions. The financial impact of these changes should also be tracked and detailed to inform future modifications.

## The Solution

Among the surcharging solutions available to the company, only InterPayments offered both the ability to integrate directly into Paymetric and target surcharging for each customer. And when the company interviewed its payment partners for surcharging suggestions, all of them – SAP, BillTrust, and PayMetric – recommended InterPayments.

## Our Partners and Integrations

InterPayments ensures omnichannel coverage through integrations with all major eCommerce and Virtual Terminal solutions as well as customized integrations with your platform.



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## Intuitive Surcharging Built into SAP

To meet the company's needs, **InterPayments worked directly with Paymetric to integrate with their SAP-native offering, XiPay.** Surcharging capability was also added to Paymetric's Open AR, Direct AR, and Auto AR, allowing all varieties of one-time, open account, and recurring payments to be surcharged. A Web AR integration was also created, ensuring that surcharging would appear in every tool the company used to invoice clients. InterPayments also fully accounted for potential credits and returns.

## A Tech-Forward Answer to Compliance and Customization

Integrating seamlessly into the existing SAP payment system was only possible because of InterPayment's all-API-driven solution, which is unique in the surcharging space. **This approach also allowed InterPayments to deliver maximum flexibility regarding how the customer can surcharge clients.** To minimize customer impact, the company only wanted to surcharge 1.5%-2% of the value of the invoice, absorbing the rest of the 2.5% fee cost. For smaller clients with smaller budgets, the surcharge would be waived entirely. The company also wanted to understand the exact dollar-amount impact of these decisions, so it could change them in real-time as needed. InterPayments allowed for all of this while maintaining full, contractually guaranteed compliance with every transaction.

## Results

**As a result of this one-time integration, the company expects to deliver operational savings of about \$44 million per year. These anticipated gains would begin to be captured as soon as surcharging takes effect.**

**And because the company can easily select and change who gets surcharged and at what rate, no customer impact is expected.**

Interested in using InterPayments with your SAP and Paymetric system? For delivery as early as Q1 2024, talk to us today. Scan the code below with your phone camera to schedule a demo:



To learn more about other ways that InterPayments can help you recover card processing fees in a compliant, customer-friendly way, read our FAQ:

