



Put sophisticated analytical tools to work for your company.

Smart companies constantly look for ways to extract more value from their investment in a Procure-to-Pay process. They want new ways to optimize performance and procedures. That's why Visa has developed a robust suite of analytical tools, including the Return on Investment Analysis. Use the tools to help you assess how well your procurement and payment processes are performing and, more importantly, how they could be enhanced. You can benefit from the use of leading-edge tools and data analytics, combined with practical suggestions from Visa and your commercial banker.

Visa Return on Investment (ROI) Analysis

While you recognize that a commercial card program will streamline operations, you may be unclear about how soon your investment in a card program will pay off. Or how much impact it can have on profitability. Visa's Return on Investment Analysis calculates the potential financial benefits of maximizing your commercial card program. It yields a business case model that details potential savings projected over a three-year period. So you can feel more confident about your commercial card program investment.

Best Fit

Companies looking to calculate potential savings opportunities from new and existing card programs.

Benefit

Understand how much your Visa® Commercial card program can potentially contribute to the bottom line.

Highlights

- **Estimates the financial benefits** of creating or expanding a commercial card program.
- **Allows you to set** financial goals over a three-year period and monitor progress to date.
- **Calculates the impact** to working capital based on float days and short-term rates.
- **Calculates potential transaction cost savings** from converting check payments to card payments.
- **Provides a summary benefits analysis**, based on the data entered:
 - ROI Estimates, including a three-year Net Present Value (NPV)
 - Savings to Current Spend
 - Savings to Current Process
 - Cash Flow Estimates
 - Benefits Overview
 - Costs Overview

You Provide

Estimates for card volume and transaction growth to Visa or your commercial banker.

The Right Tool for the Job

Visa's suite of PerformSource Analytical Tools also includes the Accounts Payable Analysis, Average Transaction Analysis, Industry Benchmark Analysis and Best Practices Diagnostic.

Learn more about how Visa's PerformSource Analytical Tools can help drive the success of your company's commercial card program. Contact Visa at PO@Visa.com or your commercial banker for more information.



Return on Investment Analysis: Excerpt of Sample Report

VISA Procure-to-Pay					
Commercial Card Expansion Return on Investment		Client Name: ABC Company			
Commercial Card Program Volume and Transaction Goals					
Commercial Card Program Goals	Current Year	Year 1	Year 2	Year 3	
Card Volume Goal (000s)	\$2,000	\$3,000	\$5,000	\$10,000	
Card Transaction Goal	4,000	5,000	8,000	15,500	
Working Capital Assumptions					
Check Days Payable	Card Days Payable	Short-Term Interest Rate			
30	25	2.0%			
Financial Assumptions					
Cost of Capital	Savings per Card Transaction				
12.0%	\$15.00				
Card Program Expansion Cost Overview					
Commercial Card Program Costs	Current Year	Year 1	Year 2	Year 3	
Implementation Costs	\$15,000	-	-	-	
On-going Costs	\$5,000	\$5,000	\$3,000	\$3,000	
Working Capital Costs	\$0	\$271	\$814	\$2,171	
Total cost of Ownership	\$20,000	\$5,271	\$3,814	\$5,171	
Estimated ROI (000s)					
Cash Flow Estimates (000s)	NPV	Current Year	Year 1	Year 2	Year 3
Process Savings		\$60	\$75	\$120	\$233
Total Costs		(\$20)	(\$5)	(\$4)	(\$5)
Net Process Savings		\$40	\$70	\$116	\$228
Rebate Potential		\$20	\$30	\$50	\$100
Net Cash Flow		\$60	\$100	\$166	\$328
Present Value of Total Savings	\$541	\$60	\$94	\$140	\$247

The Return on Investment Analysis and reports are intended for informational purposes only and should not be relied upon for marketing, technology, legal, regulatory, tax, financial or other advice. The information is not intended to advise you of strategies applicable to your specific situation, but rather to highlight issues for your consideration. Therefore, you should consult your own advisors. Visa is not responsible for your use of the tool, studies, reports and information, including errors of assumptions or conclusions of any kind that you might draw from its use.