

# Enhancing payments for corporate banks and their customers

## Industry challenge

Corporate banks are increasingly being challenged by non-bank competitors looking to capture market share with products that provide a digital banking experience for corporate customers. Part of the challenge is that their internal technology infrastructure can be up to 40 years old and is not easy to either upgrade or rip and replace. If corporate banks are to keep up with challengers, they must become digital corporate banks and provide a better experience to their customers in key areas.

One of these areas is payments, where an average of 8% of cross-border payments are held up for manual investigation and processing, costing banks up to US \$120 million per day. This is in part due to the lack of information that can be shared with a payment transaction over existing technology infrastructure, meaning banks must request information on the purpose, origin and beneficiary of a payment over email, often after the payment has been sent for settlement.

If documents and data about a payment can be sent with the payment message, risk would be reduced, less payments will be held up for manual investigations and more will be settled in real-time.

## Know Your Transaction

A corporate bank uses identitii's platform, Overlay+, to securely collect rich information and documentation related to payments from their corporate customers using a private blockchain. Running on Microsoft Azure and a bank's existing technology infrastructure, Overlay+ collects information related to a payment as part of the initiation process and uses Identitii Tokens and existing technology to share that information securely with permissioned third parties.

By using Overlay+ to securely collect information from its corporate customers (via API or a Microsoft Outlook add in) corporate banks experience reduced time and operational cost allocated to sanctions and AML investigations. Additionally, payments are processed faster, providing a better experience to corporate customers.

Using Microsoft Azure allows banks to provide a fast time to market for their customers, enabling them to realise value from Know Your Transaction technology faster. Cloud based applications also enable quicker technology updates and simpler adoption of future innovations.

## Results

Enabling the collection and exchange of intelligent information at the time a payment is made, allows corporate banks to better compete with non-bank challengers by providing an improved digital banking experience. It also improves the straight through processing of payments and reduces financial crime.