# Model N Payment Management

Today, more than ever, high tech companies are selling through multi-tier channels and relying on indirect partners to reach new goals and expand product and market reach.

## Model N

# 47%

**of those surveyed report deterioration in payment practices of B2B customers over the past year**

To reward partners for performance and product growth, companies use different types of performance-based incentives. "Channel incentives are usually performance-based and aim to improve the yield, reach, or mix of a group of partners. Common incentives include volume rebates, new customer bonuses, sales performance incentive funds (SPIFs), market development funds (MDFs), embedded headcount, and activity-based rewards."[1]

While incentive programs may positively influence partner behavior and revenue, high tech companies are challenged with a lack of transparency and visibility with partner payments. Recent research from Atradius reported "47% of the survey respondents in the U.S. report deterioration in payment practices of B2B customers over the past year."[2]
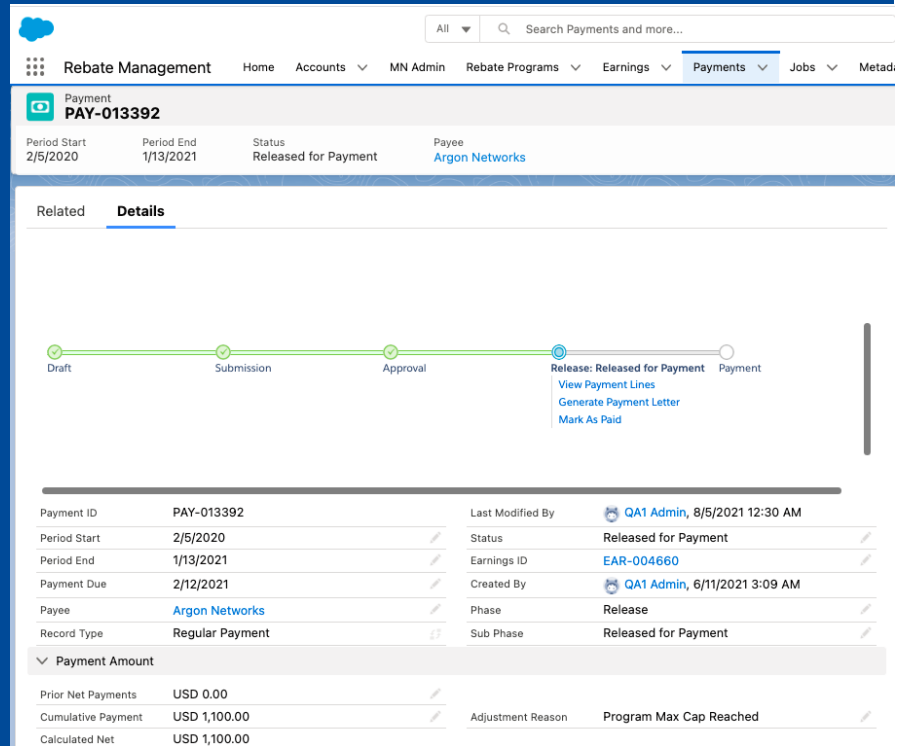
When it comes to payments, the biggest challenges for finances teams surrounds visibility, transparency, integration, and speed. Too often companies have payment funding sources in one area and finances in an ERP. Stuck in the middle are finance teams trying to understand who needs to be paid, how and when. They rely on spreadsheets or ill-equipped in-house solutions. This creates a new level of complexity for high tech companies.

Without an automated and integrated solution, the challenges impact partner relationships, retention, and performance due to payment inconsistencies. The goal of high tech companies and finance should be to improve their time to payment, decrease payment fees and increase partner satisfaction.

**1** Forrester, Time to Rethink Channel Incentives and Program Management, Forrester Research

**2** Atradius Payment Practices Barometer, July 2021

## Solving Incentive Payment Complexity

As high tech companies pursue new ways to streamline and improve partner experience, an intelligent and modern payments solution integrated with their channel incentives ecosystem is key. With an integrated solution, finance teams can seamlessly manage partners from the initial program design to measurement and payment. This integration provides continuous insights and transparency into key partner performance and effective payments.

# Model N Payment Management Overview

Model N Payment Management is a payment processing solution that makes global payments easy, efficient, and transparent for high tech finance teams and improves partner relationship and retention. Model N Payment Management is a key component of our channel incentive management ecosystem and is integrated with Model N Rebate Management and MDF Management solutions.

# Benefits

- Decrease operational overhead through simplified onboarding of payees

- Generate instant payments to global partners

- Remove payment complexity providing transparency and audits for partner payments

- Eliminate errors from payment verification to payment receipt

- Increase partner engagement by reducing payment time while increasing transparency

**Learn more about our approach to** *Model N Payment Management.*