

The Evolution of Corporate Cards



By Keren A. Rosenfeld

Corporate Cards

For decades, corporate credit cards have provided the best solution for managing employee business expenses - from client meetings to travel expenses, vendor payments to SaaS and subscriptions, essentially filling all non-payroll financial needs.

But as the world shifts towards online transactions, with a major push from the global pandemic, we see the next big thing is already out there. Although the accounting field has been taking its time embracing technological advances, in recent years the automation revolution is beginning to spread, in large part due to one of the fastest-growing segments in the payment industry - the virtual card.

The next generation of credit cards has a 16-digit credit card number, CVC or CVV and an expiration date, and works just like the physical card, but exclusively online. While the traditional plastic card can be used anywhere, it comes at great cost - having to share sensitive information, being vulnerable to fraud, subject to overspending, and prone to wasting high-level workforce, to name a few.

A hand is shown from the left, palm up, holding a glowing, translucent white orb. The background is a dark teal color with a yellow triangle in the top left corner.

The Evolution of Corporate Cards

While corporations can get virtual cards from banks, credit card companies, and financial service businesses, virtual cards reach full potential when used as part of a smart spend management platform, generating a powerful sync between employers, employees, and A/P departments.

How does it work?

Virtual cards can be issued per vendor, employee, purchase and so on, and controlled by setting budgets and expiration dates or limiting usage. It makes company spending simpler to manage, and easier to track and audit. Add the automatic sync to the GL and instant transparency, and you earn a considerably more accurate overall view in far less effort.

The highlight of virtual cards has to be security. They are completely legal, and significantly safer against fraud and data breaches. They can't be lost or stolen, prove useless to hackers, and protect the company's real credit card or account information, thanks to digitally-generated numbers and alternating verification codes. If problems arise, it's easy to cancel a virtual card and set a new one, without compromising other payments.

Need more?

Virtual cards and spend management platforms also save money. For example, flagging zombie accounts and unwarranted auto-renewals. The efficient funding and reporting processes save all parties time, and replace hours of menial work with opportunities for forward-thinking accounting.



The Evolution of Corporate Cards

For employees, it has all the benefits and none of the risks. The virtual card can be issued under anyone's name, but remains attached to the company account. So it eliminates the need of using personal credit cards, ensures employees' credit scores remain unscathed, and gets rid of tedious reimbursements.

Also worth mentioning, virtual and automated processes are more eco-friendly. Unlike the endless paper trails left by physical cards and manual bookkeeping work, virtual cards and smart payment platforms reduce paper use and the environmental (and literal) cost of shipping.

The corporate card evolution

It's clear virtual cards are the natural evolution of corporate cards, sharing the benefits of using company funds for company expenses, and elevating other aspects of security, convenience, and efficiency.

For a safe, easy-to-use payment option that offers control and visibility, non-payroll spend virtual cards are an ideal option. Fintech companies like PayEm offer dedicated virtual cards for vendors as part of its global spend and procurement platform. This is an ideal way to instantly approve, track, and manage vendors, subscriptions, and funding requests in an instant while viewing real-time spend.

**Ready to increase efficiency and control
while saving your team money?**

[Book a Demo](#)

PayEm