

Phixius by Nacha Account Validation Reduces Payment Costs: ALIASWIRE CASE STUDY

Aliaswire is a Boston-based fintech that hosts billing and payment services. Aliaswire partnered with Phixius by Nacha to help its customers with “WEB debit” compliance (“WEB” is an internet-initiated ACH consumer debit). Nacha passed a rule in 2018, which became effective in 2020, specifying conditions that require WEB debits to be validated. Aliaswire offers Phixius account validation as a standalone service and as a feature within its DirectBiller billing and payments platform.

Prior to integrating with Phixius, return rates were a significant issue for Aliaswire clients due to incorrect or occasionally problematic account information.



“After implementing Phixius, **administrative return rates dropped 20% to 25% on average** for our clients. This is a great benefit, considering the cost of funds, retrying logic and related customer service issues.”

Nirmal Kumar, Chief Product Officer, Aliaswire

This reduction in return rates is attributed to Aliaswire’s ability to validate account information for their clients accurately and in real time, flagging potentially problematic transactions before they are processed. Reduced return rates have had a direct positive impact on clients’ operational efficiency and cost savings, as fewer resources are required to handle return processing.

While initially using Phixius to ensure customer WEB compliance, Aliaswire now leverages Phixius to provide account validation for other types of customer ACH transactions as well.

Aliaswire’s partnership with Phixius ensures that every transaction is screened for accuracy and authenticity. Suspicious or mismatched account details are immediately flagged. Clients have reported increased confidence in their ACH transactions, knowing that the accounts have been validated.

“We enable account validation for every transaction, not only for WEB debit compliance,” said Kumar.

“We’re helping our clients speed the flow of payments while also quickly and easily complying with Nacha’s requirements. Modern account validation should deliver multiple benefits such as increasing your transaction volumes and improving the user experience while also preventing fraud.”

The partnership between Aliaswire and Phixius has redefined account validation for ACH transactions. With a significant reduction in return rates, clients have reduced costs and related customer service issues. This case study demonstrates that it’s a best practice to validate all ACH transactions, not just WEB debits, and that Phixius by Nacha is integral to successful account validation.

DirectBiller[®]

ABOUT ALIASWIRE

Aliaswire is a fintech company based in Boston with a history of innovation in payments. The company supports leading financial institutions and their close to 1,000 clients with modern B2B and B2C bill pay capabilities through its DirectBiller[®] platform. Citi, Bank United, BMO, East West Bank, Pacific Premier Bank and MUFG are just some of the institutions serving their commercial customers’ payment needs with DirectBiller. For more information, visit aliaswire.com.



ABOUT PHIXIUS BY NACHA

Created and operated by Nacha, Phixius is the trusted peer-to-peer network where businesses can exchange and verify payment-related information securely, instantly, and across multiple payment types.

Do you want to learn more about how Phixius can help your business? Schedule a demo at Phixius.com.