

GUIDE

Comparing Six Top Global Payment Methods

This guide explores the pros and cons of six global payment methods and when to use them.



1 Wire Transfer

Types:

Credit Transfer

SWIFT

Fedwire

Wire transfers are a popular interbank payment method known for their reliability and speed. They allow direct transfers between bank accounts. While wire transfers effectively manage the complexities of cross-border payments, they can be costly, with fees for both payers and payees and potential intermediary fees. In cases of failed payments, identifying and resolving issues can incur additional manual costs and resubmission fees.

Use when: Large or urgent payments are needed globally

Pros: Fast, reliable, global coverage

Cons: High fees, poor traceability, manual processes



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Local Bank Transfer

Types:

ACH (US)

EFT (Canada)

SEPA (Europe)

Local bank transfers are electronic fund transfers within the same country, typically processed through national clearing systems. They usually occur in batches and can be completed within one business day or a few days, depending on the banking infrastructure. These transfers are cost-effective, involving lower fees and typically only one currency, which reduces the need for currency conversion. To initiate a transfer, the payer needs the payee's account number and banking information.

Use when: Domestic, low-cost, non-urgent payments

Pros: Cheap, reliable

Cons: Limited currency options, clearing delays



Global ACH

Types:

International ACH (US)

SEPA (Europe)

BACS (UK)

Global ACH, also known as cross-border ACH, refers to the use of a country's domestic clearing system to send international payments. Rather than relying on costly wire transfers, Global ACH enables payers to transfer funds across borders using the local electronic payment infrastructure of each payee's country. This method is often more cost-effective and convenient than traditional international wires, particularly for small or recurring payments.

Use when: International small/frequent payments

Pros: Cost-effective, local currency support

Cons: Complex setup, country-specific rules, slow



Paper Checks

Types:

Paper Cheques

Bank Draft

Paper checks are physical documents directing a bank to transfer funds from the payer's account to the payee's. The payee can cash or deposit the check, but funds are withdrawn only after the payer's bank processes the check and verifies adequate funds are available. Paper checks are slower and less traceable than electronic methods, and banks often provide printing services to send checks directly to payees after payments are uploaded via a banking interface.

Use when: No electronic option exists, or physical proof is needed

Pros: Familiarity, traceable in local systems

Cons: Slow, fraud-prone, high-cost, postal issues



Corporate Card

Types:

Virtual Card

Pay by Card

Corporate cards allow businesses to use credit cards to pay vendors in person, online, and even for invoice-based payments. This method can extend payment flexibility by enabling companies to fund vendor payments through their existing credit lines while preserving cash flow. For vendors, corporate cards provide faster access to funds compared to checks or standard bank transfers. However, fees associated with card processing may be passed on to the payer.

Use when: Extending payment terms, preserving cash flow

Pros: Earn rewards or cashback

Cons: Processing fees



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PayPal

Types:

PP

PYPL

PayPal Wire Transfer

PayPal is a widely used online payment platform that allows individuals and businesses to send and receive money electronically. Due to its ease of use and global reach, it is especially popular in digital marketplaces, freelancing platforms, and e-commerce. Both the payer and payee must have PayPal accounts, which are linked to email addresses and supported by bank or card details. Funds are typically transferred instantly between accounts, and users can then withdraw money to their linked bank accounts or use it directly for purchases.

Use when: Paying digital freelancers

Pros: Fast, widely adopted, trusted brand

Cons: Fees, regulatory gaps in some countries, account requirement



Payment Method Comparison Table



Method	Speed	Cost	Global	Ideal For
Wire Transfer	Fast	High	Yes	Large, urgent global payments
Local Bank Transfer	Slow–Fast	Low	No	Small domestic payments
Global ACH	Slow	Low	Yes	Regular international payments
Checks	Very Slow	Medium	Limited	Traditional or non-banked users
Corporate Card	Fast	Medium	Yes	Vendors that allow or accept Pay by Card
PayPal	Fast	High	Yes	Digital economy payees



How Tipalti Supports Multiple Payment Methods

Tipalti offers global payment capabilities to 200+ countries and territories in 120+ currencies via 50+ methods, including wire transfers, local bank transfers, global ACH, paper checks, Tipalti Card, PayPal, and more. Leveraging over 26,000 global banking rules, Tipalti helps send payments efficiently

to recipients anywhere in the world. With an emphasis on security, reliability, scalability, financial controls, fraud prevention, and error reduction, Tipalti provides both payers and payees with a best-in-class payment experience.

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