



# Payments in a time of social distancing

How a global pandemic affected the payments landscape



# Alan Moss (Moderator)

VP of Marketing, Miura Systems Ltd



Alan Moss is currently working as VP of Marketing at Miura Systems, a leading global provider of secure mobile acceptance technology. In parallel, Alan is Head of Fintech and Payments at the consulting company, BluSpecs Innovation.

Alan has over 20 years' experience in the electronic payments business, working with industry leaders such as Hypercom, Thales and Verifone, in a variety of roles from business development and product marketing to global relationship management. Alan also worked in international sales for De La Rue's security holographics and security print divisions. Prior to working for BluSpecs, Alan was VP of Business Development at Verifone, where he was responsible for the deployment of new value-add applications and services in Europe. Whilst at Verifone, Alan was also a board member and Chairman of the General Assembly of Nexo, a leading pan-European standardization initiative promoting the interoperability of card payments.

Alan holds an International MBA from Madrid's leading business school, Instituto de Empresa, as well as a bachelor's degree from the University of London.

# James Booth

VP, Head of Partnerships EMEA, PPRO



James Booth has over ten years of experience in the financial sector, eight of those in fintech. In his current role as VP, Head of Partnerships for EMEA, he leads the new business and partner development teams in managing PPRO's new and existing strategic partnerships.

In addition to helping PPRO partners grow their business, he acts as PPRO's internal advocate for aligning the company's product roadmap with the needs of its customers. James has been actively involved in various projects during his tenure at PPRO, including helping establish PPRO's presence in North America and managing the development of the PPRO Partner Portal.

[james.booth@ppro.com](mailto:james.booth@ppro.com)

# Jennifer Archangeli

Product Marketing Manager, PPRO



Jennifer is PPRO's Product Marketing Manager in the product management team. Prior to joining PPRO this year, she has been a product and content marketer for and with tech startups, SMBs, and enterprises such as Dell, Microsoft, and Nokia.

[jennifer.archangeli@ppro.com](mailto:jennifer.archangeli@ppro.com)

# Agenda

- About PPRO (2 mins)
- COVID-19 caused monumental (and permanent) changes in shopping habits (5 mins)
- What industries are enjoying growth during the pandemic (5 mins)
- Local payment methods driving 'glocalization' (10 mins)
- How merchants rose or fell to the task (5 mins)
- Top tips for standing out amongst all the new competition (10 mins)
- Summary (1 min)
- Q&A (15 mins)



MERCHANT  
PAYMENTS  
ECOSYSTEM

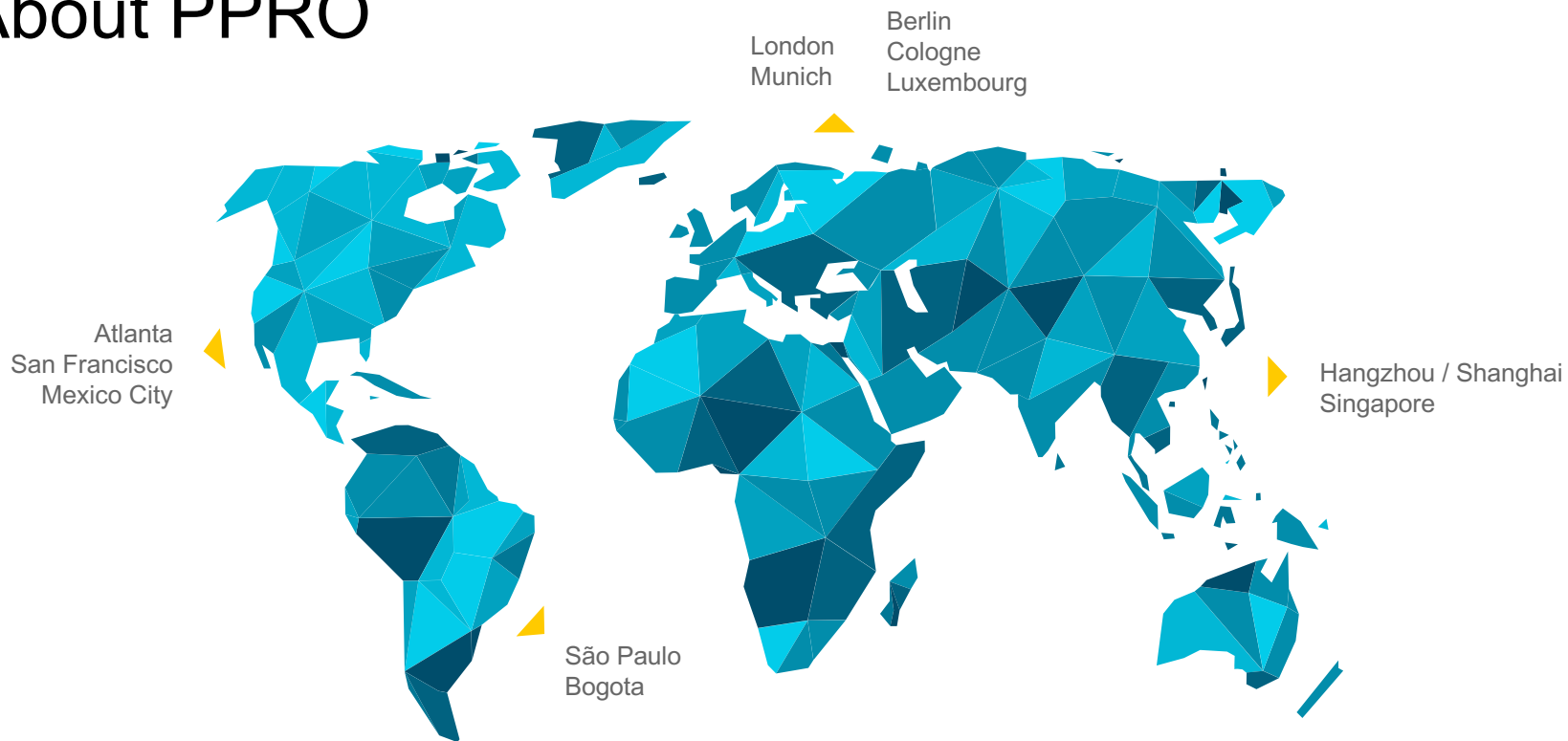


June 2020

# About PPRO

James Booth

# About PPRO



# Monumental (and permanent) changes in shopping habits

James Booth



# E-commerce is still growing



## US

54% increase in orders in first week of April (in comparison to the same week last year)



## Germany/UK/France

80% are now making at least half of their purchases online

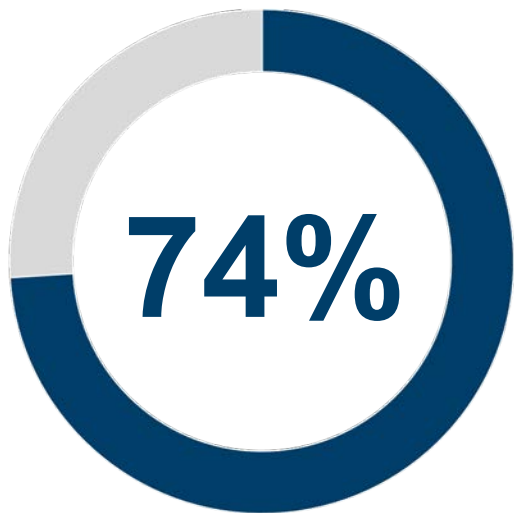


## China

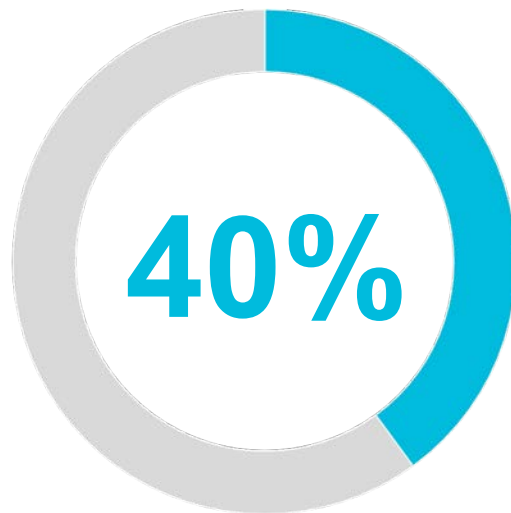
Sales of common household goods quadruple during the peak of the outbreak



# New habits are taking root



74% of UK consumers think they will continue to **prefer** online shopping even after the lockdown restrictions start to lift.

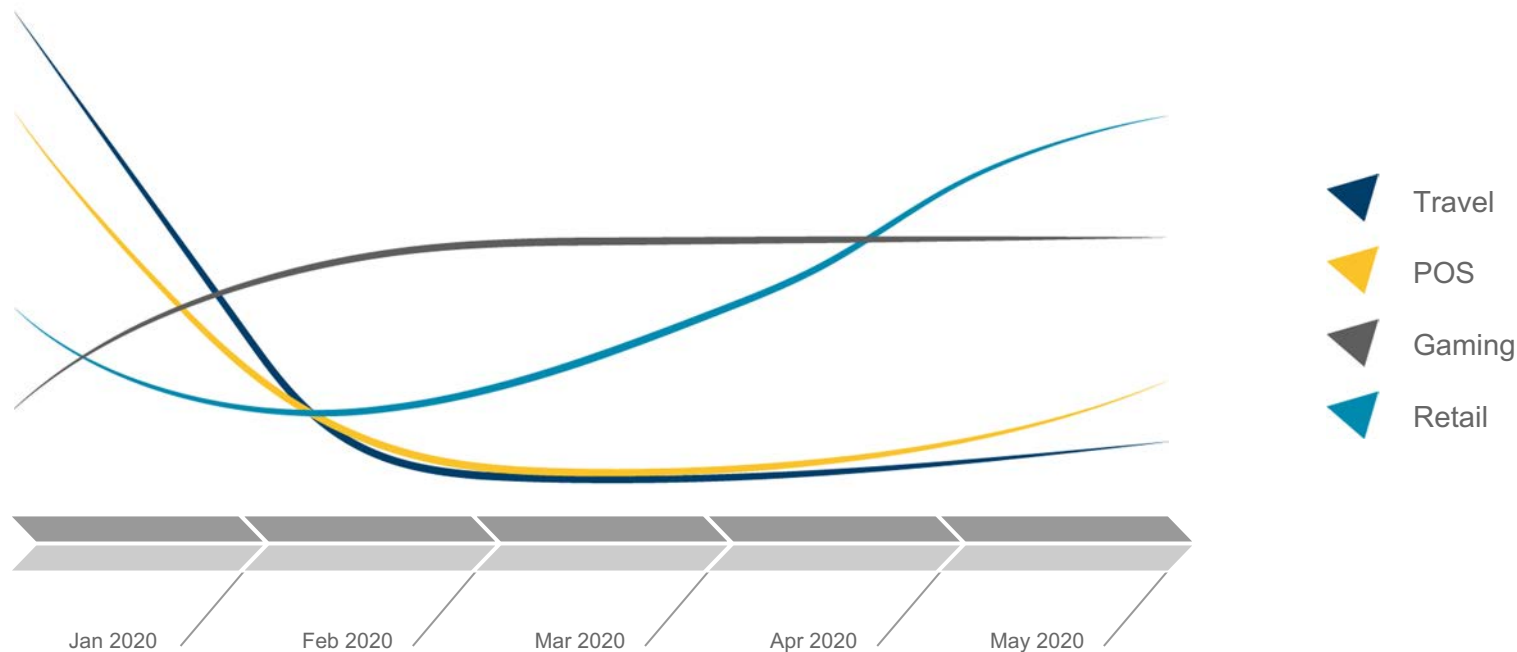


40% of Americans say they will shop online **more than in-store** going forward.

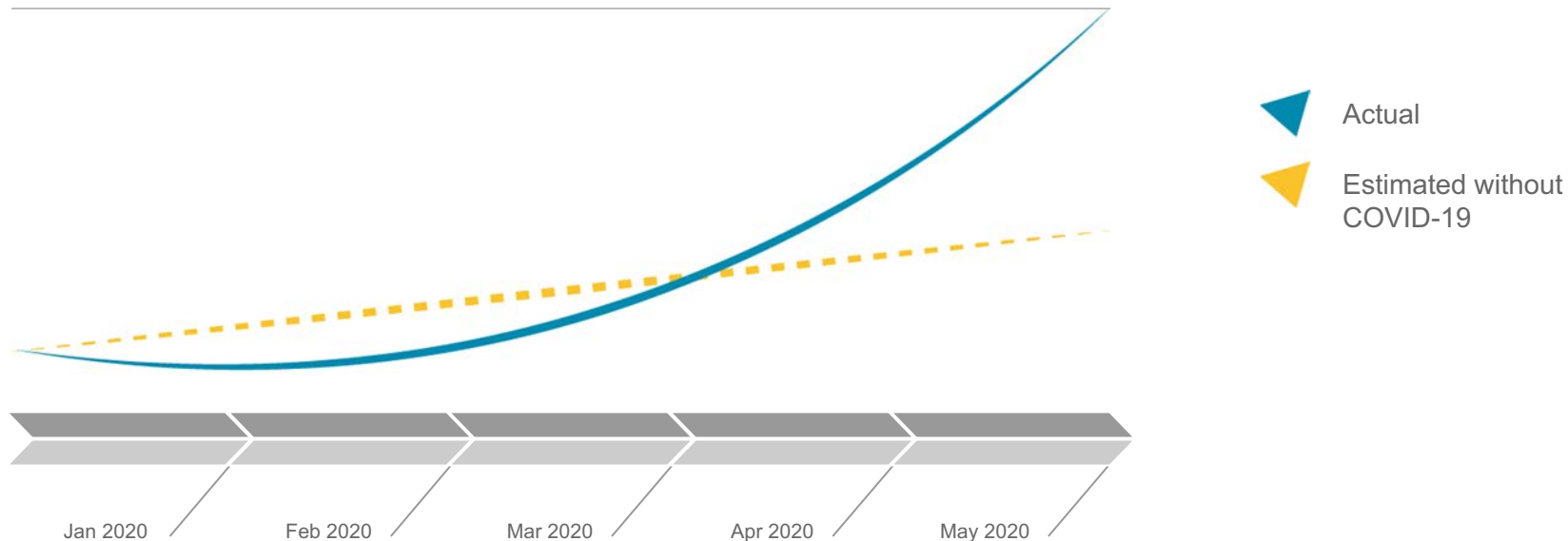
# What industries are enjoying growth during the pandemic

James Booth

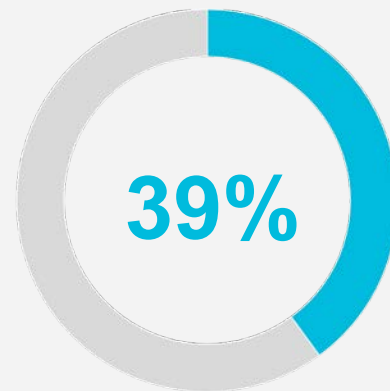
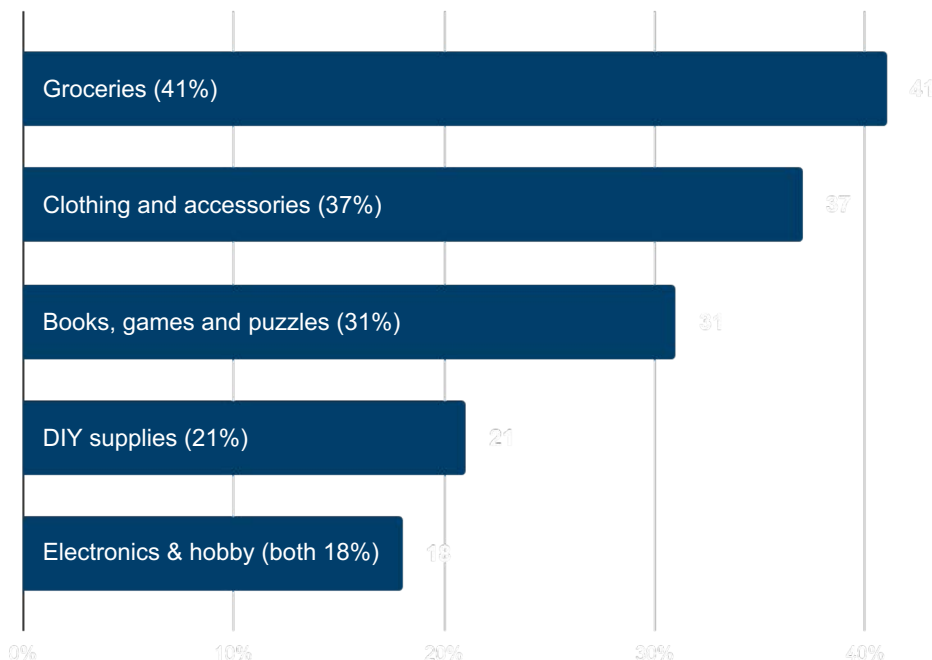
# An initial dip, then a rebound



# The impact of COVID-19 on e-commerce growth



# Top items purchased during lockdown



39% of consumers have signed up to a new subscription in the last three months:

- TV, film & music streaming services
- Fresh produce boxes
- Meal delivery kits
- Fitness memberships

# From PPRO's sample set of merchants

Industries where we've seen significant growth in volume per merchant include:

- Food and Beverage: **141%**
- Forex: **48%**
- Healthcare and Cosmetics: **39%**
- Gaming: **20%**



# Local payment methods driving 'glocalization'

Jennifer Archangeli



# Local payment methods are a lever for growth



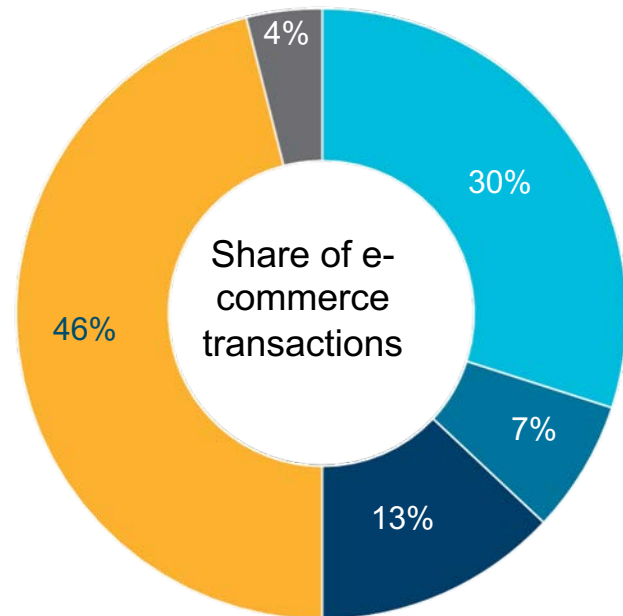
Cards already on the decline pre-COVID-19

During and post-COVID-19:

- Increased use of contactless, digital payment methods:
  - Mobile e-wallets
  - Bank transfers
  - QR codes
- Predicted increase of “buy now, pay later” schemes

# E-wallets growing globally, fueled by APAC

Population:	3.6 billion (1.8 billion online)
B2C e-commerce:	\$1.7 trillion which is <b>20% of total retail</b>
E-commerce growth:	22%
GDP:	\$29.1 trillion
GDP per capita:	\$8,165
Average online spend:	\$2,181
Mobile e-commerce:	57%



# Spotlight on GrabPay



E-wallet in Grab super app

## 115M Grab customers

Grab: No.1 brand SG, 18-34y  
GrabPay: No.1 e-wallet SG

4M GrabPay Users in SG (87% pop)

## 75% daily consumer usage

2M SG consumers underbanked  
(only bank accounts)

GrabPay markets

## SEA coverage growing

Current: SG, MY, PH, TH  
Future: ID, VT



When checking out online  
select the **GrabPay** payment  
option.



Enter a **mobile phone number**  
and receive a **verification**  
**code** to authorise payment.



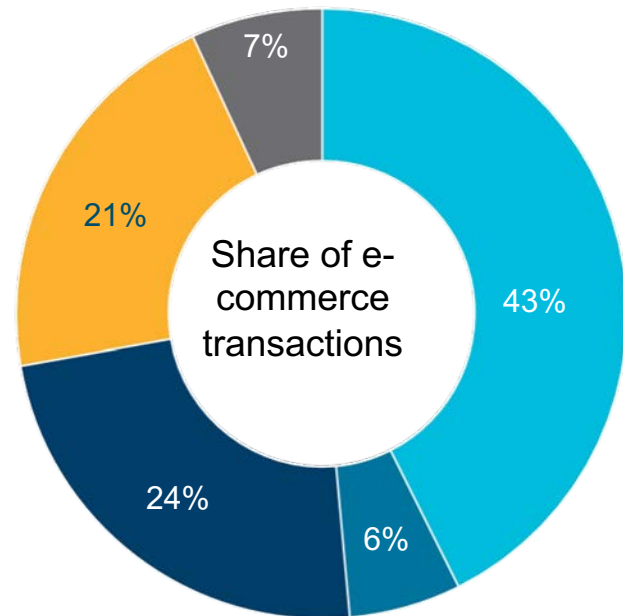
**Review** your transaction  
details and **confirm** the  
payment.



You're done!

# Bank transfer payments wildly popular in Europe

Population:	481.2 million (420.5 million online)
B2C e-commerce:	\$680.3 billion which is <b>14% of total retail</b>
E-commerce growth:	12%
GDP:	\$18.9 trillion
GDP per capita:	\$43,844
Average online spend:	\$2,884
Mobile e-commerce:	48%



# Spotlight on BLIK



Joint venture 6 largest PL banks

**8.39M BLIK  
users** (22% pop)

Launched in 2015 > created  
and developed in PL

13 banks available

**90% PL banking  
customers**

Accessible in 12 mobile banking  
apps

6.5 times growth since 2017

**218M TXN in  
2019**

70% BLIK TXN are e-commerce



When checking out online  
select the **BLIK** payment  
option.



Copy your **BLIK code** from  
your bank app and click **pay**.



Confirm the transaction  
using your **PIN** in your  
bank's app.



You're done!

# A whole world of payments insights at your fingertips

Explore new markets, optimise your payments mix, and increase conversion in every corner of the world.

- Insights for 60 e-commerce markets
- Over 490 local payment methods\*
- Exclusively for PPRO partners
- Thousands of hours of research
- The distilled knowledge of our global team of payment experts

## Get a free trial for the Digital Almanac



[legacy.ppro.com/almanac/](https://legacy.ppro.com/almanac/)



# How merchants rose or fell to the task

James Booth

# Top challenges for consumers during COVID-19



**28%**

Getting a  
delivery slot for  
essential items



**26%**

Nearby  
physical  
retailers closing



**13%**

Accessing a  
retailer's  
website



**13%**

Getting a click  
and collect slot  
for essential  
items



**12%**

Not being  
able to speak  
to a customer  
service  
operator



# Pain points across retail



Make online shopping  
as easy and comfortable  
as possible for new  
customers



Transforming one  
time buying into  
customer loyalty



Offering the right  
payments options for  
the new audience

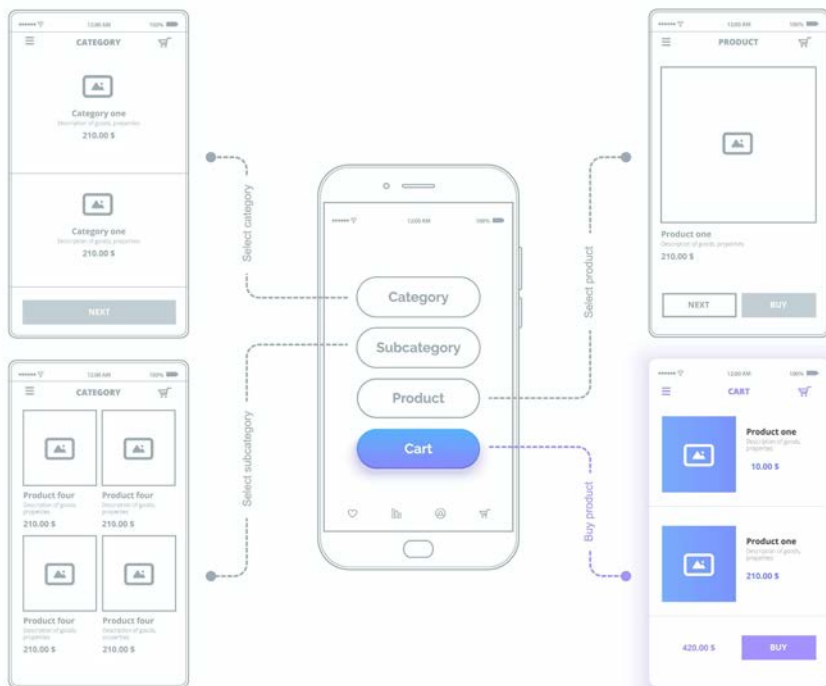


Expand into  
additional relevant  
markets to increase  
reach

# 5 top tips for standing out amongst the new competition

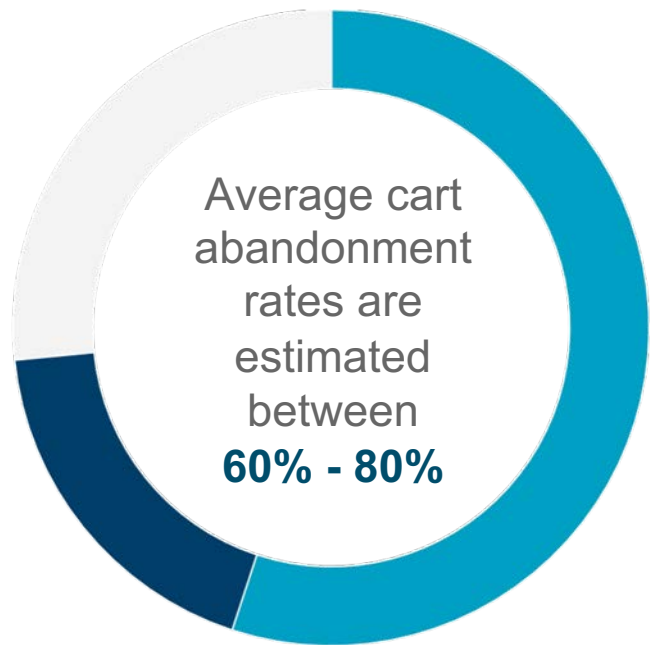
James Booth

# 1. Streamline the user experience of your e-commerce shop



- ✓ Navigation clear?
- ✓ Imagery bright and representative of the products?
- ✓ Do product description pages include video?
- ✓ Optimised for mobile?

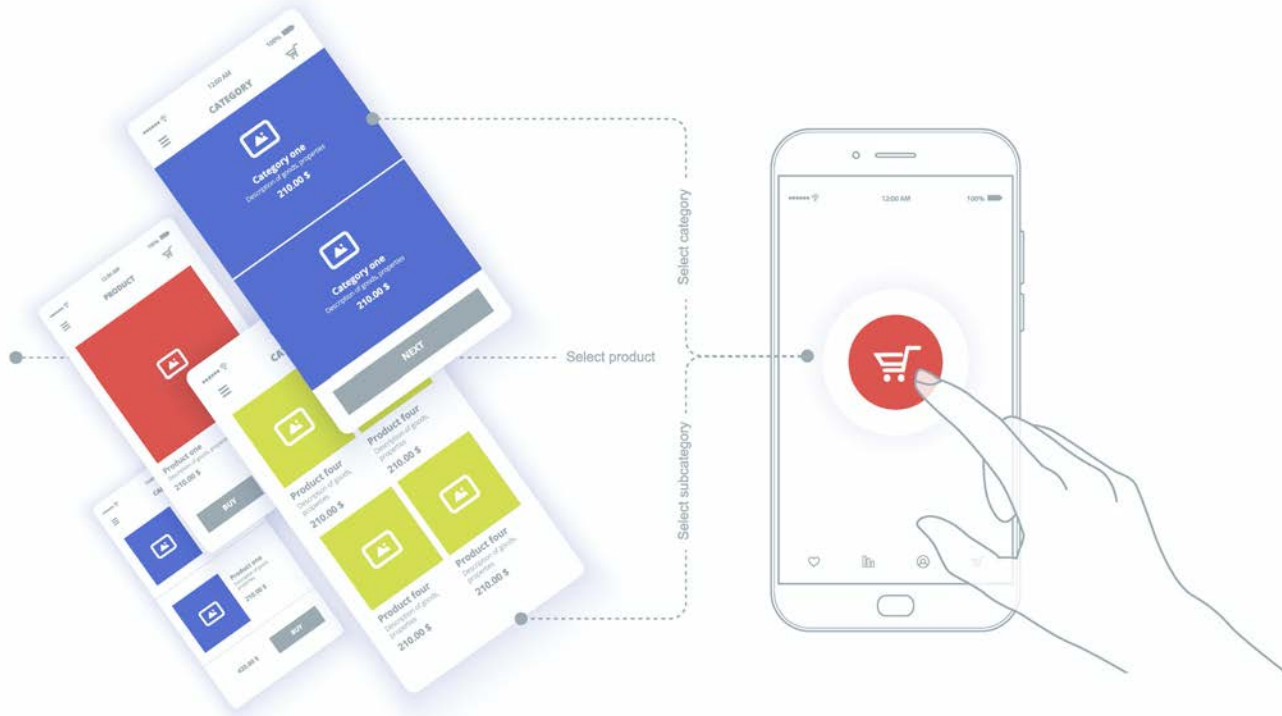
## 2. Analyse your cart abandonment rate



### Why do online shoppers abandon their cart?

- 40% shipping costs too high
- 33% price comparisons
- **20% preferred payment method not available**
- 15% delivery time too long
- 12% website too slow
- 12% security concerns
- 11% lack of details on returns
- 8% preferred delivery option not available

### 3. Remove all unnecessary complexity at the point of checkout



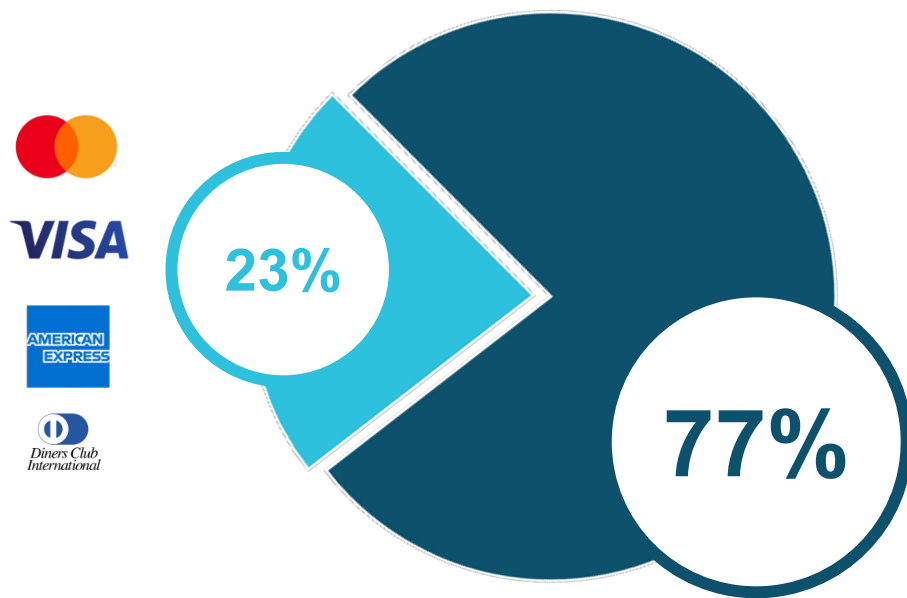
## 4. Consider new markets

A shopper might look across borders for what they want:

- Better quality products
- Better price
- Better delivery options
- Preferred payment methods accepted



## 5. Find out what local payment methods customers in each target market prefer



Bank Transfers



E-wallets



WeChat Pay



Cash Payment  
Schemes



Paysafe:cash



Local Card  
Schemes



Local



Local



Deferred credit  
schemes

Klarna.

divido

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June 2020

# Q & A

Alan Moss



**Thank you for  
joining us!**

