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The Key Topic of POSitivity Magazine is **Navigating Covid-19**

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SUMMER
WEEK
2020

17-21 August | Virtual Event

NEW NORMAL IN MERCHANT PAYMENTS

LEVERAGING THE EXPERIENCE FROM COVID-19 TIMES

THIS IS NOT A REPLACEMENT OF ANNUAL MERCHANT PAYMENT ECOSYSTEM CONFERENCE TAKING PLACE IN FEBRUARY 2021

| #mpesummerweek

THE INTRODUCTION

We're excited to announce MPE SUMMER WEEK !
A virtual edition to MPE 2020 annual conference.

Join our newest virtual event and meet individuals and businesses that are disrupting the merchant payments industry in COVID-19 times.

KEY NUMBERS:

5 DAYS of VIRTUAL CONFERENCE / **5** THEMES / **10** KEYNOTES

25+ On-Demand Sessions

15 Sponsors & Exhibitors in Virtual Exhibit Hall

1.500 Senior Delegates* in Virtual Networking Lounge

*(70% previous MPE participants)

More information coming soon!

Join our mailing list to be posted!

The Key Topic of POSitivity Magazine is **Navigating Covid-19**

Dear POSitivity magazine readers,

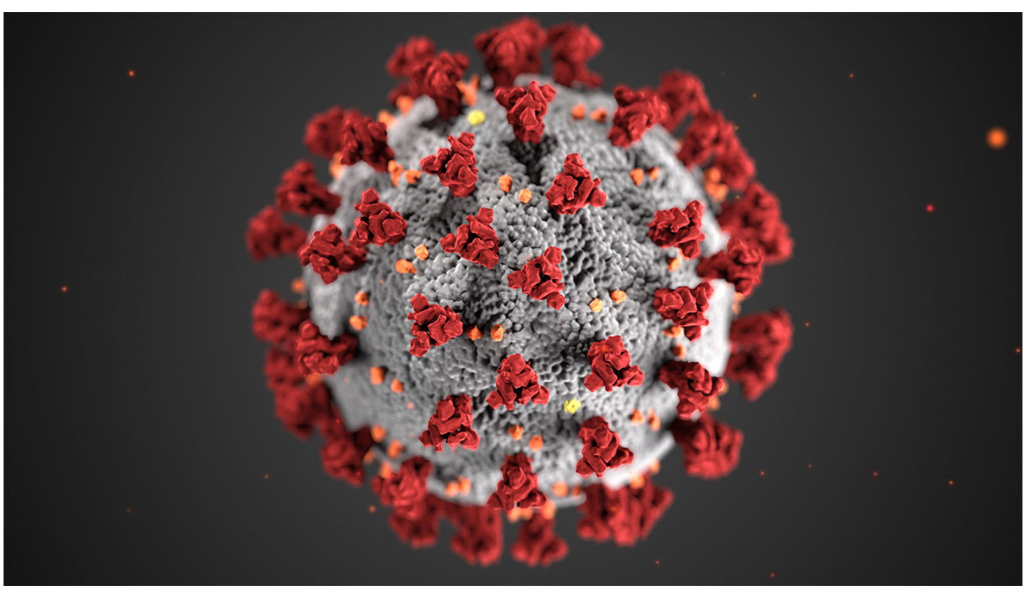
The COVID-19 has affected our day to day lifes, having impact on almost every work area. Pandemia is slowing down the global commerce posing immidiate and long-term challenges to both merchants and payment professionals. In order to keep readers abreast of this evolving situation, MPE POSitivity magazine provides a bi-monthly coverage of how the COVID-19 pandwwemic has affected customer spending and commerce during previous months. There are two particularly hard-hit industries worth noting that are showing declines across every category and country. In the magazine section „IMPACT ON CUSTOMER SPENDING & COMMERCE", you will explore:

- what are the Industries in the Red and
- how the crisis impacts business models of merchants and payment providers?

MPE 2020 speakers and MPE community members shared their perspectives on COVID-19, in the section „INDUSTRY PERSPECTIVES & BLOGS":

- What are the direct implications for the merchant payments ecosystem?
- What the industry is doing to overcome the challenges connected with pandemia.

If you have not had a chance to join one of the (COVID-19 impact on merchant payments) webinars MPE organised during previous months, you can find the list of previous webinars or register for the upcoming webinars.



We hope you and your families stay safe and look forward to engaging with you online over the coming weeks. If there is anything we can do to help you through this trying time, please let us know.

Enjoy the reading

Your MPE team (the publisher of the POStivity magazine)

COVID19 -
Industry perspectives & blogs

Cashless **Economy Gets a Boost** From an Unexpected Ally

Biser Jorgow
Vice-President & Founder
SoftPos

According to the latest data from Juniper Research, published in their "POS TERMINALS Vendor Strategies, Innovation & Market Forecasts" report, number of contactless POS terminals globally will almost double in the next four years, growing from 74 million units in 2019 to 139 million in 2023. On the contrary, traditional non-contactless POS number will deteriorate by 22% yearly in the same period.

The value of transactions will grow too, with contactless rising intensely at a CAGR of 33% and responsible for the entire POS transactions growth equal to USD 3 trillion over the next 4 years.

But with COVID-19 pandemic, the world has changed already. And so did our daily routines. No one could possibly imagine that in 2020, simple everyday actions like buying groceries or receiving a package from a postman or courier might become a potential threat to your health.

We've already known for years that physical money is not the best method of payment anymore – costly to handle for business, easy to lose or get stolen, it wears away and it takes a lot of space compared to credit or debit cards for instance. Still, even if it was a known fact for some people, just recently governments, media and experts made the wide public aware of the fact, that banknotes or coins can also transfer viruses or germs. Recent World Health Organization statements revealed, that a 2017 study of used banknotes in New York City found 397 distinct bacterial species crawling across the bills.

Having that information spread basically everywhere – from mass media and internet to local stores, we have entered the era when cashless and especially contactless payments are the officially recommended and praised method. And it happened faster than anyone could predict.

The COVID-19 pandemic made governments, financial supervision, card issuers and acquirers work together to raise their limits for contactless transactions without PIN

in various countries (i.e. 100 PLN instead of 50 PLN in Poland, 15000 HUF instead of 5000 HUF in Hungary or 45 GBP instead of 30 GBP in the UK). As of April 29th, a total of 47 countries had their limits increased, with most of them having their limits doubled. Recent Kantar reports ("COVID-19 MONITOR. Attitudes of population towards the current situation") show that customers in Europe in general tend to prefer card payments over cash payments, but on the other hand they try to avoid biggest malls and superstores during the COVID-19 pandemic. Of course, it will take some time to change people's behaviors entirely, remembering that particular nations like Germans have a long-lasting trust for cash payments and some of their shops or restaurants still do not accept card payments at all. Still, the new approach can be easily spotted in places which started to accept only card payments, that might be quite a shock for the traditionalists.

Apart from that, the current situation created a completely new space in which the electronic payments community members can position themselves as the ones taking care of the smaller merchants struggling with the consequences of economic lockdown. And in some cases – doing a lot more than particular countries' governments. Both VISA and Mastercard have released statements announcing multi-million USD help to support small and micro-businesses around the globe. Also many local initiatives, like the successful Cashless Poland Foundation stepped up their programs helping merchants and companies to learn new ways of handling business – from starting online sales to new approach to marketing.

Having said that, it's easy to predict that the contactless payments segment will grow fast in the upcoming years and the numbers might be even higher than predicted in the aforementioned research.

With all those changes around us, it looks like the future is bright for any new ideas and innovations on the cashless payments market, specifically payment applications like the Polish SoftPos. Responding to both acquirers' and merchants' needs, SoftPos created a solution allowing easy contactless payments acceptance without traditional terminal. The implementation costs are much lower than with the traditional hardware. The mobility is a game-changer, as you don't need a special device, extra chargers, cables, etc. And last but not least – the SoftPos app is the first that allows payments with PIN, which makes it a fully operational contactless payment terminal.

"Our goal was to transform regular Android devices into POS terminals, get rid of any extra hardware and make payment acceptance as mobile as your smartphone for instance. All other advantages constant, last two months showed that SoftPos is also well suited for all those merchant categories, which are very sensitive to the economic situation. With SoftPos payment provider companies can minimize financial losses they suffer right now due to shrinking merchant portfolios" – says Biser Jorgow, Vice-President & Founder.

Now you just need an Android-based phone or tablet (with Android 8.0 or above), NFC and internet connection and… that's it! You can run your business in a new, safer way, while having your whole company's payments literally under your thumb. It's the easiest and fastest method for any merchant to jump on the bandwagon of rising contactless payments and enter the new decade with real technological improvement.

Welcome to the future of payments!

Learn more about SoftPos:
https://www.softpos.eu
https://www.facebook.com/softpos.eu

COVID 19 -
Impact on merchant payments ecosystem

Anna Bejaoui
GM
EVO Payments

1. How do you see the direct impacts of COVID-19 on the merchant payments industry? Will there be changes In Transactions Volume and in business models/propositions (services) of payment providers?

As a result of the corona crisis, the number of electronic payment transactions has increased although this increase varies greatly depending on industry and sales channel. In e-commerce, we primarily see an increase in technology retail sales. At POS, we are seeing a drastic increase in everyday goods such as supermarkets and bakeries, but a hefty decline in all parts of retail and hospitality that had to close during lockdown. It is striking that the Germans, who actually love their cash, are increasingly open to cashless, especially contactless, payment solutions at POS - even for smaller amounts. Digital wallets that process payments in less than 1 second are increasingly being used here too. Consumers are becoming more flexible when it comes to cashless payments and at the same time retailers are proactively promoting to use contactless payment options. This will have a positive impact on the speed of product development in payment solutions. We assume customers will get used to new convenient payment options and will also keep on using those post Covid-19. In the future, changes in purchasing behavior should be expected in some industries. In the travel industry, customers may no longer be willing to take on longer term and high cost bookings, and payment service providers will increasingly have security mechanisms in place for changes to usual transaction activity which occur in the event of a pandemic. Online and brick-and-mortar retailing are no longer to be considered separately, but are seen by consumers as increasingly coherent which as a result build the basis for the consumers' expectations towards payment options. At EVO Payments, we therefore are encouraged to continue supporting retailers in implementing multi-channel or omni-channel solutions that meet their needs.

2. How can payment providers help Merchants navigate through COVID-19 and in the new post-COVID reality to drive frictionless payments?

At EVO Payments everything starts with personal conversations and an individual, tailored approach. It is important to find the right payment mix. Not only large and medium retail chains, but also the small individually owned café around the corner can make use of our solutions. Online payment options for retailers, such as Pay-by-Link, are particularly high on the list of services in demand in recent weeks. These are ideal solutions for vendors who do not have an online shop in place or for when the purchase is pre-ordered and is paid online for pick-up-service. Not only the catering industry benefits from this, but also retailers who process customer orders and payments by phone, SMS, online or by email.

3. Shopping behaviours of consumers is radically changing. We are increasingly embracing digital wallets and contactless payments and many consumers are buying online the frequently pur-

chased products/items previousy (like groceries). Do you expect that e-Commerce will grow in the new "post-Covid" Normal and how may this affect the payment Industry?

In the area of e-commerce, we assume that "Post-Covid-19" products for everyday needs such as drugstore items with a low shopping cart value will be increasingly purchased online. It remains to be seen whether credit card organizations will lower fees which can accelerate this growth trend. Increasing e-commerce volumes will come with increasing refund rates and an increase in fraud also – and as a result all the precautions already undertaken by merchants and their payment providers will become even more important.

4. How can payment providers help merchants with setting up payment processes to cater to the changing shopping behaviour (from in-store to online/mobile)?

EVO Payments is working hard to offer customers the best possible consultancy in order to find the right, tailor-made payment solution for each individual business. Together with the merchant, we develop solutions with the right payment mix. It is extremely important that customers find the suitable payment methods that fit their business model. We rely on multi-channel solutions that correspond to the processes and service range of the individual retailer. Standard payment solutions can be tailored to fit the merchants.

5. A significant increase in refund and chargeback levels, spurred by the coronavirus, are expected in the payments industry as purchases, events, and trips are being canceled. Merchants are overwhelmed by disputes and cancellations. Customers demand to refund money for travel and accommodation. What are the new challenges for merchants, payment providers and the industry on the way to efficient chargeback management?

To avoid chargebacks, retailers should proactively offer their customers solutions and communicate very clearly. These solutions may include vouchers for later redemption or credits. The conditions for any solution should be communicated very clearly, not only to the customer, but also to the partners involved, such as travel agencies, hotels, agencies, etc. This way, high chargeback levels can be avoided.

6. The coronavirus pandemic is going to be an opportunity for e-Commerce merchants, bringing also a massive wave of fraud attacks into an online environment. What are the new security & risk challenges for acquirers, PSPs and merchants? Are there any new specific fraud types we see an increase in during the COVID-19 crisis?

Based on our customers' feedback and our own systems, we have so far not seen a big increase in fraud cases. New fishing sites, which have already been created and are now being created referencing COVID-19 specifics, are of course a risk that must be closely monitored. However, the basic principle is that payment applications must be secure and comply with

the statutory standards. The fraud risk can be further minimized with internal risk checks using appropriate software.

7. Banks are faced with the perfect opportunity to take their contactless card strategy to the next level. Are Biometrics a remedy to contactless concerns connected with the rise of more payment fraud?

We continue to see the strong trend especially towards mobile payment methods, which allow higher volumes made contactless thanks to biometric methods. Our terminals have been supporting mobile payments such as Apple Pay and Google Pay since the market launch. The advantage of mobile wallets is that there is no transaction-specific limit. The limit for contactless payments was raised from EUR 25 to EUR 50 for credit cards, a step in the right direction at the right time. Now it is time to see whether and how quickly banks will follow and offer mobile processes too.

8. The UK's FCA announced to delay the implementation of SCA rules by six months in an effort to minimize disruption to consumers and merchants during the ongoing Covid-19 crisis. The FCA's ruling is likely to be followed by national authorities across Europe. What are the challenges on the horizon regarding pan EU compliance? The European Commission announced that the deadline for Strong Customer Authentication will remain in place for 31/12/20 - how do we expect this to play out?

With the FCA being the first mover, it can be expected that other national regulators will follow suit. At the same time, it is desirable that merchants as well as the payments industry keep a high pace in implementing SCA in the timeframe that was originally set forth. Due to the corona crisis there is a likelihood though that there will be some slow-down as focus has shifted, for many merchants as well as for some players in the payments industry.

9. This crisis will have made many consumers think differently about the way how they shop and pay. What is your advice for merchants, how to prepare for this new normal, and how to improve their long-term ability to service demand and create a great online payment experience?

In Germany, many retailers still have to close gaps in the POS area, i.e. to accept card payments in the first place. The higher demand for card payments will spur on all card payments, be it by girocard or by credit cards. Credit cards have the advantage for consumers of securing short-term liquidity. In addition, when travel is possible again retailers should ideally be equipped for international customers who want to pay with their credit card. As already mentioned, there is a strong trend towards contactless and above all to mobile payments. This trend is unlikely to return to the previous level. For e-commerce retailers, it is more important than ever to optimize the mix of payment methods and reduce cost. However, newer trends in online payments such as instalment payments should also be taken into account, provided they fit the merchant offering.

Doug Gray
Chief Commercial Officer
Maxa

1. How do you see the direct impacts of COVID-19 on the merchant payments industry? Will there be changes In Transactions Volume and in business models/ propositions (services) of payment providers?

The latest data clearly shows that a lot of shopping has moved online – and across all demographics. However, while some verticals like fitness and digital goods are thriving, others, like luxury goods and fashion are really suffering. Brands, rightly so, are focusing their resources and messaging on the customer, making sure both their transactional and emotional needs are met at this uncertain time. Many merchants are offering help to consumers around seller fees, shipping costs and loan terms. While internally, frontline workers are also being offered help and support by some merchants with flexible working arrangements.

2. How can payment providers help Merchants navigate through COVID-19 and in the new post- COVID re-

ality to drive frictionless payments?

The key point to remeber here is not to give already stressed consumers any more reasons to be anxious. Emphasise the consumer protections offered through credit card payments to provide extra cover for nervous consumers increasing their online shopping behaviour. Be clear, honest and communicate well to help build trust and confidence. Make sure checkout pages are optimised and functioning correctly. Payment provider Ensure human support, automated assistants or helpful articles are easy to find and know drop off points. Offer more payment options such as buy now pay later, or new technologies like online contactless where customer tap their card against their own phone to pay - delivering fast, simple and familiar experiences that minimise drop offs.

3. Shopping behaviours of consumers are radically changing. We are increasingly embracing digital wallets and contactless payments and many consumers are buying online the frequently purchased products/items previousy (like groceries). Do you expect that Ecommerce will grow in the new "post-Covid" Normal and how this may affect the payment Industry?

In 2019, retail e-commerce sales worldwide amounted to 3.53 trillion US dollars and was projected to grow to 6.54 trillion US dollars in 2022 (Statista 2020). Similarly, the global contactless payment market size was expected to grow from USD 10.3 billion in 2020 to USD 18 billion by 2025, at a Compound Annual Growth Rate (CAGR) of 11.7% during the forecast period. However, many of these predictions were made before COVID-19, with consumer confidence now being one of the main concerns keeping business leaders awake at night.

Consumers globally expect and accept long-lasting effects of COVID-19 on their personal life and financial situation. As shutdowns continue, consumers will still feel the pinch of reduced income and expenses. However, some pockets of increased spending do remain. Consumers are trying new brands, channels, and behaviors that they say they will keep even when restrictions are lifted.

A lot of consumer spending has shifted towards digital channels, products, and services across categories, however that shift has not been enough to offset the overall reduction in spending.

Moderate optimism does remain in some regions across the globe, driving expectations of increased spending in some regions and product categories. Industries such as hospitality and luxury goods will expectedly continue to struggle, however items around personal health and well-being, online grocery shopping, digital entertainment and social connection tools will continue to perform well as the daily lives and values of consumers remain disrupted.

4. How can payment providers help merchants with setting up payment processes to cater to the changing shopping behaviour (from in-store to online/mobile)?

If we want to give first-time online shoppers a great first-time experience, or even just to reinforce a relationship with existing online shoppers – then we must put ourselves in their shoes and think of all the unnecessary steps that we also find frustrating. Although it might be beneficial to your database – do we really want to force new customers to create an account in order to buy from us? Surely you can capture their details another way. You can always ask them to create an account after their purchase, providing a much smoother customer experience. It also means they will not have yet another username and password to remember next time they want to shop with you too – potentially causing more friction at checkout.

Innovative new solutions coming to market, such as online contactless payments, give consumers the familiarity and convenience of in-store payment – but online, with just one tap of their card on their own mobile phone. New technologies such as this have been developed to compliemnt the huge growth in online shopping and contactless payments. Consumers rated them the fastest, easiest and most trusted payment method in European market research. However it also has benefits for the merchants and acquiring banks, who enjoy more conversions and less fraud as it's a Card Present transaction. Even the Mobile Network Operator's benefit, with a slicker top up payments that reduce churn, and a new recurring revenue stream for post-paid customers as a percentage value of their online transactions. This new business model requires no investment or support either.

From a branding perspective, keep everything as consistent as possible for the consumer – from your shops, to your product pagess, to your checkout pages – you want everything to feel safe and familiar to your customers. Use the same colors, font style, design aesthetic, and terminology on your checkout page as you do across the rest of your website. You will capitalise on the in-store brand recognition for your website by keeping everything consistent and familiar.

5.A massive wave of chargebacks, spurred by the coronavirus, are expected in the payments industry as purchases, events, and trips are being canceled. Merchants are overwhelmed by disputes and cancellations. Customers demand to refund money for travel and accommodation. What are the new challenges for merchants, payment providers and the industry on the way to efficient chargeback managament?

Acquirers have been offering eCommerce light models to enable traditional Bricks & Mortar stores to move slowly towards eCommerce solutions with Pay-by-link models to faciliate the customer payment remotely. European Merchant Services and NEXI (amongst others) have both moved quickly in this direction to meet their existing clients needs

6. The coronavirus pandemic is going to be an opportunity for eCommerce merchants, bringing also a massive wave of fraud attacks into an online environment. What are the new security & risk challenges for acquirers, PSPs and merchants? Are there any new specific fraud types we to see an increase during the COVID-19 crisis?

Businesses in every industry around the globe have been significantly impacted by changes in consumer shopping behaviour since the on-set of COVID-19. Payment fraud rates have also seen changes linked to the pandemic. Fraudsters will also go where the money is – which at the moment is online. Categories such as digital goods and services have seen sharp increases in activity across their platforms. Some reports have even suggested the rate of attempted payment fraud has grown by up to 50% since early January.

Not surprisingly, some industries have seen a huge drop off in business, including hospitality, events and public transport. Concerningly though, cases of attempted fraud have persisted in these ares, therefore creating a magnified fraud rate. This is can result in fines from payment providers where the fraud rate becomes too – compounding current financial losses.

7. This crisis will have made many consumers think differently about the way how they shop and pay. What is your advice for merchants, how to prepare for this new normal, and how to improve their long-term ability to service demand and create a great online payment experience?

With numerous countries now reporting to have passed the peak of COVID-19, companies are looking nervously looking ahead and trying to understand the best way to adapt to the new normal. Merchants must now continuously reasses the changing lives, behaviours and needs of their customers – then build a digital infrastructure to accomodate and execute against them. That means reallocating marketing budget, changing comms strategies, shifting frontline resources to meet customer needs, and revisting digital touchpoints to ensure they are optimised to new customer patterns.

If customers are using your online services for the first time, maybe they are historically more traditional shoppers, it's crucial you give them a strong, simple, frictionless first experience by getting the fundamentals right. Ask yourself; has your customer demographic changed and are you equipped to meet their needs and habits? Have their online shopping times changed and do your comms and resources map to that? Customer loyalty will be more important that ever during and post-lockdown as big question marks hang over how consumer confidence will be affected.

Sebastien Slim
Regional Director
HPS

How do you see the direct impacts of COVID-19 on the merchant payments industry? Will there be changes In Transactions Volume and in business models/propositions (services) of payment providers?

"COVID-19 crisis has certainly shaped the way consumers shop. There is the need to be more cautious and respect security measures. Hence merchants face a new challenge: they must provide digital, contactless and frictionless payment methods to their customers. As a payment software provider, it is key to ensure smoothly their transition by enabling merchants to shift to cashless payment methods.

While consumers were confined to their homes, global ecommerce transactions grew. However there is a certain decline on the overall revenues due to some remaining restrictions for industries - for instance the travel industry."

How can payment providers help Merchants navigate through COVID-19 and in the new post-COVID reality to drive frictionless payments?

"There are different ways to do so: either facilitating the usage of existing contactless products or launching new frictionless payments.

For the first one, PowerCARD payment software allows to increase easily payments limits: for example change contactless limit from 30 to 50 EUR, as it is now required in many European countries. This change does not require any line of code and is available right away.

For the second one, during this unprecedented crisis, the World Health Organisation encouraged contactless initiatives to boost the usage of more hygienic payments.
This crisis not only promotes the usage of contactless payments, but it also encourages the usage of any frictionless payments methods. As a matter of fact, HPS recently launched in Ghana and Saudi Arabia an universal and national QR-code payment solution. The implementation of those QR code solutions is timely as it coincided with the World Health Organisation's advice to use contactless payments and avoid the handling of bank notes to deter the spread of Covid-19."

Shopping behaviour of consumers is radically changing. We are increasingly embracing digital wallets and contactless payments and many consumers are buying online the frequently purchased products/items previously (like groceries). Do you expect that Ecommerce will grow in the new "post-Covid" Normal and how this may affect the payment Industry?

"Except for the industries who are still facing some restrictions, ecommerce will likely continue to grow.
However, the ecommerce activity has been deeply impacted by the shipping and delivery of the products which has been even more problematic during the quarantine."

How can payment providers help merchants with setting up payment processes to cater to the changing shopping behaviour (from in-store to online/mobile)?

"To support merchants' transition from in-store to online and/or mobile, payment providers shall offer an omnichannel solution, enabling seamless payments. It means they need to accept online payments in the exact same way they accept face-to-face payments: same "offer/capabilities", same flexibility, same security, etc.

For example, after the lockdown when stores will start to reopen, merchants must be able to accept seamlessly the reverse of the transaction at a point-of-sale that was previously done online."

A massive wave of chargebacks, spurred by the coronavirus, are expected in the payments industry as purchases, events, and trips are being canceled. Merchants are overwhelmed by disputes and cancellations. Customers demand to refund money for travel and accommodation. What are the new challenges for merchants, payment providers and the industry on the way to efficient chrageback managament?

"This will drive for sure new processes to agree on customer requests to get their refund, get a voucher to be used later, etc. That being said, it is not because something is cancelled that it necessarily means a chargeback for the merchant: it really depends on their own regulatory environment and policies.

However, the challenge for merchants will be volumes. Indeed, merchants facing a high number of chargebacks - at least higher than their usual average - do need a scalable platform to manage big volumes. Also, automation of chargeback can also be of great help to deal with this increasing number of chargebacks to reduce the manpower required to process those chargebacks."

Kurt Schmid

Managing Director Digital Payments

Netcetera

Strong boost for cashless payments.

Corona crisis and the future of paying

The corona crisis has profound effects on all areas of life and the economy. It also affects the way in which consumers pay, both now and in the future. What concrete developments can we currently observe in the payment industry and what prospects seem realistic at present? Kurt Schmid, responsible for payment strategy and innovation at Netcetera, analyzed the data from Netcetera's own data warehouse and collected a lot of additional information. Participants of the webinar "Covid-19 and the Impact to the Future of Payments" profited from this knowhow and research.

The payment behavior of consumers shows fundamentally different developments at the checkout in shops on the one hand and in e-commerce on the other.
In a study, 26 percent of the consumers said that since the outbreak of the Corona crisis they have deliberately avoided using cash when shopping in stores. 35 percent stated that they preferred card payments already before. As a result, there was a 30 percent drop in cash payments in those stores that were still allowed to open. This means, Corona is giving cashless payments a very strong boost.

Debit cards currently benefit the most

Debit cards are the main beneficiaries of the shift towards card payments, with an increase in transactions of more than 10 percent. This is because debit cards are mainly used for daily purchases. The numbers for credit cards, which are mainly used for travel, restaurants and hotels, and mobile wallets are growing significantly less, each by just over one percent.

It is also very clear that the Corona crisis is strengthening the trend towards contactless payments. In a worldwide study by Mastercard, 82 percent of consumers answered that they consider contactless methods to be more hygienic. At the same time, Visa reports that contactless payments have increased by 40 percent during the crisis period compared to the previous year. The fact that the limit for contactless payments has been raised to 50 euros (80 CHF, 45 GBP) in most countries is certainly helpful in this respect. Kurt Schmid comments: "Without Corona, the consumers probably would have had to wait for this limit increase for years."

E-commerce can benefit from Corona to the extent that consumers partly abandon their previous reservations. In a worldwide survey, 18 percent of consumers said that they had used online shopping for the first time because of the Corona crisis. This gives online retailers the opportunity to tap into new potential.

Crisis with heterogeneous effects

Overall, however, the effects of the crisis in the payment industry are very heterogeneous. For example, some credit card issuers are currently registering a decline in card sales of 50 percent and more. Acquirers have seen their processed volume fall by around 60 percent in some cases, while payment service providers typically have seen growth due to additional online shopping and declines due to lower overall consumption, roughly balancing each other out.

We can find the reasons for this in the general economic consequences of the crisis: Unemployment rates are rising, and when people have less money at their disposal, private spending falls. In addition, many consumers are more likely to switch from consumption mode to saving mode. It is to be expected that this will be more noticeable in the payment industry than in the economy as a whole due to declining transaction numbers, volumes and earnings.

At least the advantages now achieved in payment will continue to exist: Contactless limits will remain at a higher level than before the crisis. The trend towards contactless payment will also continue, now that consumers have come to appreciate the benefits. In addition, a push for e-commerce can be expected as soon as merchants are able to invest again.

Corona as acceleration for the future of payment

Previous studies have predicted a decline in the cash ratio and an increase in new, digital forms of payment for 2023. It is now noticeable that the Corona crisis is accelerating this change. Originally, it was expected that by 2023 only 28 percent would still pay with cash in the euro zone. Presumably, this will now be 1-2 years sooner and with an even faster move to digital payment.

Key role for digital payment

China is a good example of the key role that digital payment plays in keeping the economy running during the crisis, while at the same time effectively limiting the spread of the virus. This applies both to contactless payment via smartphone and to e-commerce initiatives that help smaller retailers in particular to keep their business running.

The conclusion of the webinar can be summed up as follows: Digitization is more important in all areas of the economy now than ever before. The key to success in payment lies in further improving user-friendliness – especially in e-commerce. New checkout experiences, for example through "Secure Remote Commerce", "Delegated Authentication", "Push Provisioning" and "Easy Onboarding" will support this. In mobile payment, value-added services can make mobile payment even more attractive. Ultimately, the corona crisis offers the opportunity to accelerate the development of digital payment and digital banking.

Kurt Schmid: "During the webinar, we also asked the participants how their companies are getting through the crisis. For most of them, the focus is currently on increasing their own efficiency and driving digitization further. The participants also suggested that this webinar be repeated in about six months' time, when the further development of this pandemic can be better assessed. We are happy to take up this suggestion."
https://www.netcetera.com

Monica Eaton
COO and Co-Founder
Chargebacks911

How is the **Payments Space Responding** to COVID-19 Chargebacks?

The COVID-19 crisis is reshaping the market as we speak. Consumers are dialling back their spending in response to economic uncertainty; in the US, for instance, Visa transaction volume was down 7% in March compared to the same period last year. Analysts with the card scheme draw a direct connection between the drop in transaction volume and COVID-19 concerns.

But, while overall volume is down, digital channels are actually seeing an uptick in activity. Consumers report shopping online 21% more frequently than before, while BOPUS (buy online, pick up in-store) ordering is up nearly one-third.

The gains are not evenly distributed across all verticals, though. Sales via digital channels for essentials like food and beverage were up 12.4% in April compared to March, while sales in March saw a 25.7% increase over February. At the same time, prospects remain bleak for those industries most impacted by the COVID-19 outbreak, like travel and entertainment.

Merchants in this space, including airlines, lodging, transportation and ticketing, face the potential for substantial loss of revenue over the next several months. Consumers, concerned about the status of their holidays, are frantically attempting to alter plans or simply recover their money.

The volume of service requests will likely exceed merchants' capacity to respond as quickly or effectively as they might under normal circumstances. This creates a situation in which customers are likely to file more chargebacks than usual.

Visa's Response to the Situation

Chargebacks are meant as a consumer protection mechanism, and they still perform a very important role in that capacity. However, the process is prone to abuse, and at times of crisis, can lead to an overwhelming volume of chargeback filings with which merchants can't effectively contend.

The card schemes understand that the current situation is unbalanced and unreasonable for merchants. In response, they've taken steps to adjust dispute rules and procedures in an effort to help level the playing field.

Visa, for instance, introduced the Visa COVID-19 Dispute Monitoring Program on April 1, 2020. The stated goal of this new program is to "help maintain the integrity of the dispute process by reducing invalid disputes initiated into the system", as it mentioned in its initial release on the topic. The Visa COVID-19 Dispute Monitoring Program is a global initiative that will, in effect, monitor the volume of disputes submitted by issuers. The program uses a set of predetermined criteria to:

- Stop invalid disputes
- Force issuers to overturn invalid disputes
- Identify issuers who submit excessive invalid disputes without exercising due diligence

To be considered valid, the issuer must file a claim when the merchant was unable to provide the goods or services in question. They must include a detailed explanation as to why it has been filed and that the cardholder tried to resolve the dispute with the merchant before filing.

Issuers flagged for excessive invalid dispute filings may be identified as being in "egregious noncompliance" with these guidelines. This would result in costly non-compliance assessments for the issuer. In extreme circumstances, they may even lose their right to submit disputes attached to certain chargeback reason codes.

Exclusions and Exceptions

It's important to note that this new program applies only to transactions in travel and entertainment MCCs. This protection is not offered to merchants in other verticals, like online retail.

The same applies to the Visa Dispute Monitoring Program (VDMP) and Visa Fraud Monitoring Program (VFMP). The additional fees and other restrictions imposed on merchants who see higher-than-average levels of fraud or chargebacks are suspended for the time being, but only for travel and entertainment merchants. Similarly, the Visa Acquirer Monitoring Program (VAMP) is suspended only for transactions involving a merchant in an applicable MCC.

Merchants outside of those select MCCs aren't being left totally out in the cold, though. Visa has empowered its Regional Risk teams to suspend or waive VDMP and VFMP fees. Thus, even those merchants in other retail verticals who experience a high volume of disputes in the short-term due to the COVID-19 outbreak may be spared the costly compliance fees associated with these programs.

Keep in mind, though, that these changes are:

- **Contingent**: The merchant must demonstrate COVID-19's direct impact on the business
- **Discretionary**: The decision whether to suspend fees rests with the Regional Risk teams
- **Temporary**: Fees for these programs will be reinstated once the worst of the crisis passes

Highlighting a Need for Long-Term Change

Offering some temporary relief is a positive step. That said, we need much more comprehensive, long-term change to the chargeback process.

As the present crisis illustrates, the standard procedures and policies governing the chargeback process are not responsive to any sudden disruption to standard business practices. Given the dynamic and fast-moving nature of the market, we need to develop policies that can be comprehensive, yet responsive.

With time, the COVID-19 crisis will pass. However, the shortcomings it highlighted in the chargeback process will not. We need to take steps to re-examine the manner in which we handle disputes, and try to work toward a more standardized set of rules and procedures that can be applicable across borders and card schemes.

Standardized yet flexible chargeback procedures will make day-to-day chargeback administration a simpler, fairer process. Plus, the next time a major crisis strikes, it may help us to avoid much of the confusion and chaos we're currently seeing in the payments space.

https://chargebacks911.com

James Booth
VP, Head of Partnerships, EMEA
PPRO

Payments in a time of social distancing

It's not news that the global pandemic has seen dramatic changes in consumer behaviour. People who have previously resisted shopping online now have little choice and are signing up to e-commerce sites by the millions.

The effects of COVID-19 on the economy are complicated, but this is mostly positive news for e-commerce. In just one week at the beginning of April 2020, US e-commerce merchants saw orders rise by 54% compared to the same week in 2019, and revenue rise 37% [1]. In the UK, Germany and France — according to a study by Kantar — up to 80% of shoppers are now making at least half of their purchases online [2]. In China, JD.com, the country's largest online retailer, saw sales of common household goods quadruple during the peak of the outbreak there [3].

So, how can merchants best serve new (and existing) customers right now? How can merchants position themselves to emerge from this crisis stronger, with a larger share of new customers?

Here are our top 5 tips on how to stay set for growth:

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

The internet is enabling a lot of the ways we are getting through this crisis. More retailers are establishing online shops, which means that the competition is getting fierce. A new vigour is being applied to UX. Merchants must work harder than before to find and eliminate leaky points in the customer journey; maybe it's clearer navigation or better imagery, or it could be something else. According to PYMNTS, the share of consumers who report using their mobile devices to enhance their in-store experiences has increased from 49.6% to 72.1% during the last year. Make sure that you're designing your site to be mobile-friendly (if not entirely optimised for mobile) so that you're able to convert as many of these opportunities as possible.

2. Analyse your cart abandonment rate

Average cart abandonment rates are estimated between 60% and 80%. There are multiple reasons a customer could be leaving their purchase behind: shipping costs are too high, they found a better price elsewhere, delivery preferences weren't available, or there was lack of detail on the shipping costs or return policy, among others. It's important to know what factors are causing customers to bail out of purchases.

3. Remove all unnecessary complexity at the point of checkout

For instance, allow customers to pay without first going through a lengthy account creation process. Recent PPRO research found that over half of US and UK respondents agree they would stop a purchase if the checkout process is too complicated. And 37% of UK consumers avoid using merchants that require repeat entry of payment credentials. This is an especially important point to make for your new online customers, those who have previously been loyal to brick-and-mortar shops; add tips or instructions in plain language during the checkout process and give them reassurance of what will happen at each step of your checkout flow.

4. Consider new markets

Eyeing an expansion across borders? Or perhaps adding another market? Now is the time. More and more customers are online, looking for products or services that suit their very specific needs. A shopper might look across borders for what they want: stronger brand loyalty, the better quality products, payment methods accepted, and more. You could be reaching untapped markets by offering the right mix of goods, UX, local payment methods, and delivery options.

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

According to Baymard, 20% of abandoned carts are due to a failure to offer the customer's preferred way to pay. With over 450 significant local payment methods across the globe, each country will have different payment cultures. APAC is dominated by e-wallets like Alipay, WeChat Pay and GrabPay. LATAM consumers are reliant upon cash-based payment methods like OXXO and Boleto Bancario, or locally issued credit cards. Work with your payment service provider to activate as many payment methods as possible at your checkout. Prioritise those methods used and trusted by new and prospective audiences.

There is every reason to believe that many of the people who are shopping online for the first time, buying new types of products online, or simply buying more will continue to use e-commerce far more than they did before, even after the crisis ends. Evidence from Wuhan suggests that even after lockdown ends, customers may continue to be cautious about returning to shops, restaurants and other brick-and-mortar outlets [4].

Merchants must offer customers a great experience now. The businesses who do will end the lockdown period with a larger and more loyal customer base than those who neglect the user experience, and specifically the payment experience.

1. https://www.techrepublic.com/article/map-shows-how-covid-19-has-a-major-impact-on-e-commerce
2. https://internetretailing.net/covid-19/covid-19/surge-in-ecommerce-will-outlive-corona-across-europe-consumer-research-suggest-21231
3. https://www.bigcommerce.co.uk/blog/covid-19-ecommerce/#product-categories-shifting-during-covid-19
4. https://www.bloomberg.com/news/articles/2020-04-15/wuhan-s-life-after-lockdown-isn-t-business-as-usual?sref=cHWJcN7x

COVID 19 - Merchant Payments Industry News

CaixaBank helps Covid-19-hit **retailers sell over social media**

Spain's CaixaBank has moved to help retailers hit by the Covid-19 pandemic through the launch of technology that enables them to sell over social networks and messaging applications.

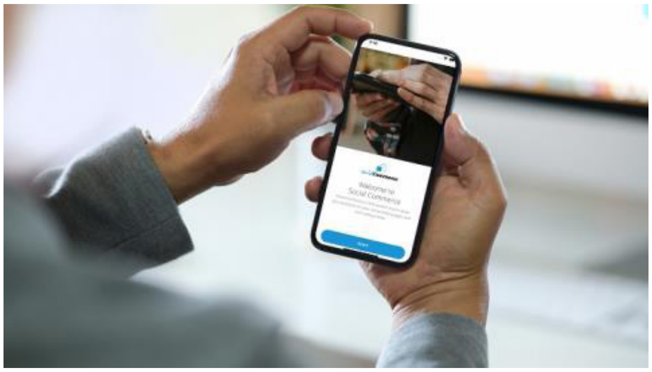
As small businesses are forced to shut their physical doors during the crisis, many are scrambling to get online operation up and running.

To help them make sales, CaixaBank has rolled out Social Commerce, which lets retailers manage online purchases directly from their profiles on Facebook, Twitter, Instagram, WhatsApp, Telegram and other networks.

Customers receive the offers via the business' social profile and messaging applications, and, if they like the product, they can buy it through a link that takes them directly to the payment instructions.

The retailer receives the information on the sale that it has just made, and it can then start to manage the shipment of the order.

CaixaBank has also rolled out a service called PayGold,



which lets firms receive payments online, by email or text message, without the need for a website.

Meanwhile, the Spanish lender is offering discounts on POS terminal fees to firms hit by the lockdown and has put together a financing package to help SMEs and the self-employed.

Source: Finextra

EVO Provides COVID-19 Update and Announces a **$150 Million Additional Investment** from Madison Dearborn Partners

EVO Payments, Inc. (NASDAQ: EVOP) ("EVO" or "the Company"), a leading payment technology and services provider, announced today that it has received a $150 million investment from funds affiliated with Madison Dearborn Partners, LLC ("MDP"), a leading private equity firm that has been a significant shareholder of the Company since 2012. MDP's added resources will strengthen EVO's financial profile and enable the Company to remain focused on future strategic initiatives as it navigates the global COVID-19 pandemic.

"We have taken decisive measures to ensure our business is best positioned to continue to serve our valued customers throughout this global pandemic," said James G. Kelly, EVO's Chief Executive Officer. "The long-term fundamentals of EVO's business remain strong and, as the economy recovers, we believe these actions will support EVO's continued growth through the execution of our strategic plan." A portion of the proceeds from MDP's investment will be used to pay down EVO's revolver borrowings, reducing EVO's pro forma leverage ratio as of December 31, 2019 to 3.3x net debt to Adjusted EBITDA. The remainder of the proceeds are expected to be used to fund potential future investment opportunities.

EVO is closely monitoring COVID-19 and its impact on the Company's business. While EVO's global portfolio represents a diversified mix of merchants across Europe and North America, many of these merchants operate in markets that are subject to broad governmental restrictions on movement and commerce, resulting in substantial reductions in merchant transaction count and volumes.

In response, EVO has taken significant and necessary steps to align its cost structure and cash flows with the expected near-term decline in revenues caused by COVID-19. These actions include a series of initiatives to reduce fixed costs up to 20% for the remainder of fiscal 2020 and lower capital expenditures by up to 75% over the same period. Such reductions will depend on the pace in which economic activity returns.

Given the unknown duration and extent of COVID-19's impact on EVO's business, the Company is suspending its 2020 annual guidance published on February 27, 2020. Ray Sidhom, Chairman of EVO's Board of Directors, stated, "We value our long-term relationship with MDP, and we welcome their strong and demonstrated commitment to the future of EVO as it navigates this global pandemic."

Vahe Dombalagian, a Managing Director on MDP's Financial & Transaction Services team and a member of EVO's Board of Directors, added, "We have been impressed with EVO's growth strategy since we made our initial investment in December 2012. We look forward to building on our partnership with EVO's leadership team as we work together to continue to extend the Company's global footprint and further its growth."

Source: Globe News Wire

Mastercard **'future of work'** taskforce to consider real estate consolidation

Mastercard has set up a 'future of work' taskforce to look at options for consolidating office locations and extending its home working programme beyond the current lockdown period.
Almost 90% of the card scheme's employees globally are working remotely, with social distancing measures and temperature checks a fact of life for the ten percent who continue to man the firm's offices.

Speaking to Reuters, chief people officer Michael Fraccaro says Mastercard will not ask employees to return to its worldwide corporate offices until they are comfortable that the coronavirus outbreak is under control.

In the interim, the company's future of work taskfore will assess the firm's real-estate footprint, operating under the expectation that many of its 20,000 employees worldwide may choose to continue to work remotely when the health crisis passes.

When the situation stabilises, companies around the world may find that their offices are only about 30% full, Fraccaro told the newswire.

“We have stated upfront to all our employees, that it is their choice ... we want them to make the decision on when they feel comfortable returning to the office,” he said.

“Once there is adequate testing and there is a vaccine and people feel comfortable to return, then we may see more,” Fraccaro continued. “But in the early phases it will be vastly less than what we had.”

In a conference call last month, Barclays CEO Jess Staley told shareholders that once the immediate threat has subsided, there may well be a "long-term adjustment about how we think about our locations. The notion of putting 7000 people in a building may be a thing of the past."

Citigroup, for instance, is considering a temporary relocation to the suburbs until it’s safe to return to Manhattan, while Morgan Stanley CEO James Gorman has already mused on a future with "much less real estate".

Source: Finextra

Facebook makes e-commerce play with Shops

Facebook is adding Shops to its social network and Instagram in its biggest move into e-commerce yet.

The Silicon Valley-headquartered social-networking firm announced on Tuesday it was adding shop fronts for businesses to list their wares, along with a host of other e-commerce functionality across its apps. The new features move Facebook further than ever from its roots as a purely advertising-focused business — and also take it more squarely into competition with far more established online shopping platforms like Amazon, eBay, and Etsy.

In an interview with Business Insider, Dan Levy, Facebook's vice president of ads and business platform, said the company had sped up its work on its shopping tool to help support businesses that might make use of it and are under immense strain because of the pandemic and associated economic crisis.

"We knew this was the future of where we were going, supporting online commerce," he said. "Now it's just happening a lot faster."

Facebook Shops allow businesses to create digital storefronts on the social network, where they can host "catalogs" of their products, and will either link out to places to buy the products or allow users to purchase them directly on Facebook.

It will live inside both Facebook and Instagram, and there are plans to add it to the messaging apps WhatsApp and Messenger. Instagram is also creating a dedicated shopping destination where users can find products to buy — and in a sign of the emphasis the company is now placing on e-commerce, Instagram Shop will be made a permanent button on users' navigation bars on the app home screen later this year.

Facebook is also letting brands and creators who use its livestreaming tools tag products in their videos, allowing for the possibility QVC-style shopping channels on Facebook and Instagram and letting influencers plug their sponsors when they go live.

The company is also exploring ways for users to link loyalty programs they have with businesses to their Facebook profiles.

In recent years, Facebook has been throwing more and more weight behind the potential of e-commerce as an area of growth for the business, with previous efforts including a checkout feature and ways for brands to tag products in posts on Instagram. In mid-2019, Deutsche Bank analysts estimated e-commerce on Instagram alone would net $10 billion in revenue a year for the company by 2021.

With lockdowns forcing hundreds of millions of people to stay home, adding deeper shopping functionality to Facebook gives it an opportunity to benefit from the vast increase in online shopping suddenly occurring.

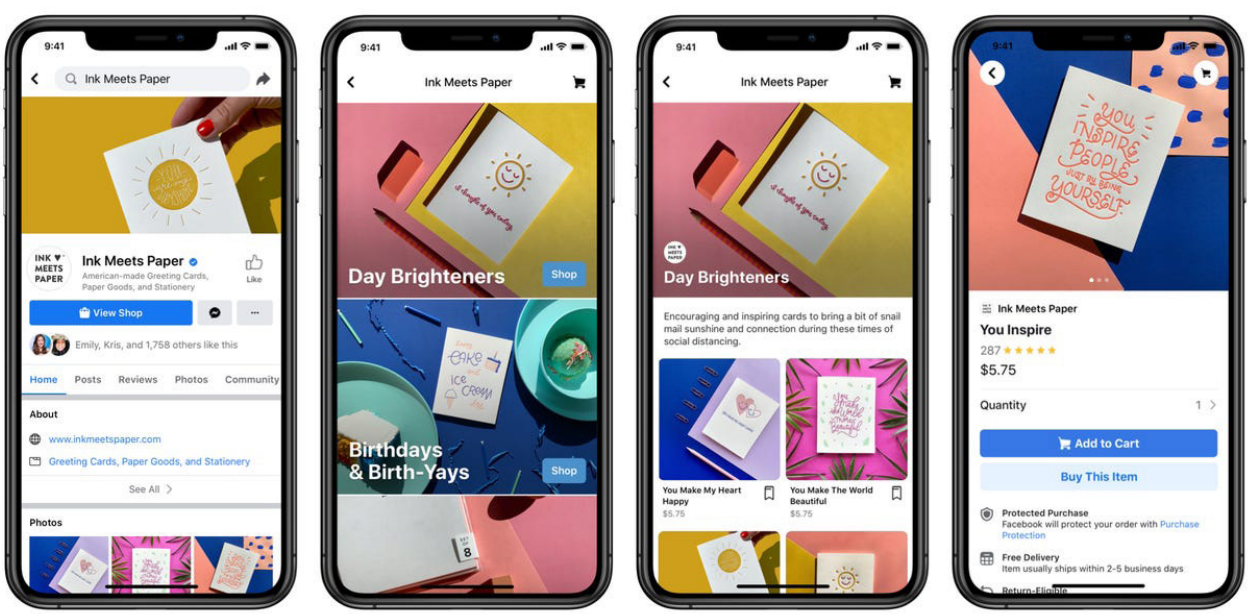
"We're seeing a lot of small businesses that never had online presences get online for the first time," CEO Mark Zuckerberg said in a livestream announcing Facebook Shops on Tuesday. "For a lot of small businesses in this period, this is the difference between staying afloat and going under."

Similarly, e-commerce may help to diversify Facebook's extremely advertising-revenue-reliant business model. The coronavirus has caused economic devastation around the globe, and that has translated to plummeting ad spend by advertisers. Facebook has fared far better than some media businesses — its revenues in early April were roughly flat compared with the same period in 2019, rather than declining — but e-commerce offers more stability in case of future crises, as well as opportunities for growth.

Facebook has launched a flurry of new features and initiatives in response to the coronavirus, seizing the crisis as an opportunity for redemption after years of scandals and crises. It has added group chatrooms called Rooms to let isolated users video chat with one another and promoted reliable information about the pandemic through a new Coronavirus Information Center (though falsehoods about COVID-19 and vaccines still flourish on the site). It is also giving away $100 million in grants to support small businesses that have been affected.

On Monday, Facebook published a survey indicating that one-third of all small businesses in the US have stopped operating because of the coronavirus.

Source: [Business Insider]



Mastercard study shows **consumers moving to contactless payments** for everyday purchases as they seek cleaner, touch-free options

During February and March, as many countries imposed or strengthened social distancing measures due to COVID-19, a significant majority of consumers turned to contactless card payments for necessary purchases. Citing safety and cleanliness, 79 percent of people worldwide and 91 percent in Asia Pacific say they are now using tap-and-go payments.

Consumer polling by Mastercard, studying changing consumer behaviors in 19 countries around the world, paints a picture of accelerated and sustained contactless adoption.

The act of going to the store for eggs, toilet paper, medicine and other necessities has changed dramatically this year. Shoppers have had to adjust to new challenges when buying everyday supplies – a shift in behavior that is particularly clear at checkout as people express a desire for contactless cards and voice concerns over cleanliness and safety at the point of sale.

The new Mastercard survey shows:

Contactless cards move to top of wallet – Perceptions of safety and convenience have spurred a preference for contactless cards and reminded consumers of the ease of tapping. Globally, 46 percent of respondents have swapped their top-of-wallet card for one that offers contactless. In Asia Pacific, 51 percent of people have made the swap.

Confidence in contactless – COVID-19 has increased concerns about cash usage and led to positive perceptions about contactless due to the safety and peace of mind it provides. The majority of respondents (82 percent) globally view contactless as the cleaner way to pay, with 80 percent in Asia Pacific saying the same. Contactless payments are up to 10 times faster than other in-person payment methods, enabling customers to get in and out of stores faster.

Contactless is here to stay – We are in a sustained period where consumers are making purchases in a very focused way. That's reinforcing contactless use in markets where adoption is more mature and it's stimulating use in newer markets. This trend appears to be here to stay as 74 percent of people globally and 75 percent in Asia Pacific state they will continue to use contactless after the pandemic is over.

"Mastercard's survey shows a clear shift to contactless – especially in Asia Pacific – as COVID-19 changes the payments landscape and the way people shop now and in the future," said Sandeep Malhotra, Executive Vice President, Products & Innovation, Asia Pacific, Mastercard. "The fact that 3 in 4 people intend to keep using tap-and-go after the pandemic is a strong sign that consumers see the long-term benefits of having a safer, cleaner way to pay, checking out faster and being more socially responsible."

Contactless Tipping Point

Mastercard has been spearheading the worldwide shift to contactless for years, championing the simple, safe and fast way to pay. Now, as consumers increasingly seek ways to get in and out of stores quickly without touching payment terminals, Mastercard data reveals more than 40 percent growth in contactless transactions globally in the first quarter of 20201. More than 80 percent of contactless transactions are under US$25, a range typically dominated by cash.

While countries worldwide are at different stages of contactless card deployment and usage for daily shopping, Mastercard's insights on trends at grocery stores and pharmacies – where many day-to-day essentials are being purchased – showed nearly all regions experienced significant spikes in February and March.

Reinforcing changing behaviors and consumer checkout preferences, Mastercard saw the number of tap-and-go card payments at grocery stores and pharmacies grow twice as fast as non-contactless transactions globally and 2.5 times faster in Asia Pacific2.

Just last month, Mastercard announced commitments to increase contactless payment limits in more than 50 countries worldwide in Europe, the Middle East, Africa, Asia Pacific, Canada, Latin America and the Caribbean. Limit increases were part of Mastercard's global effort to make sure consumers, merchants and small businesses have the resources to pay safely, receive payment and maintain operations during the COVID-19 crisis.

Source: Mastercard

How COVID-19 **Consumer Spending is Impacting Industries**

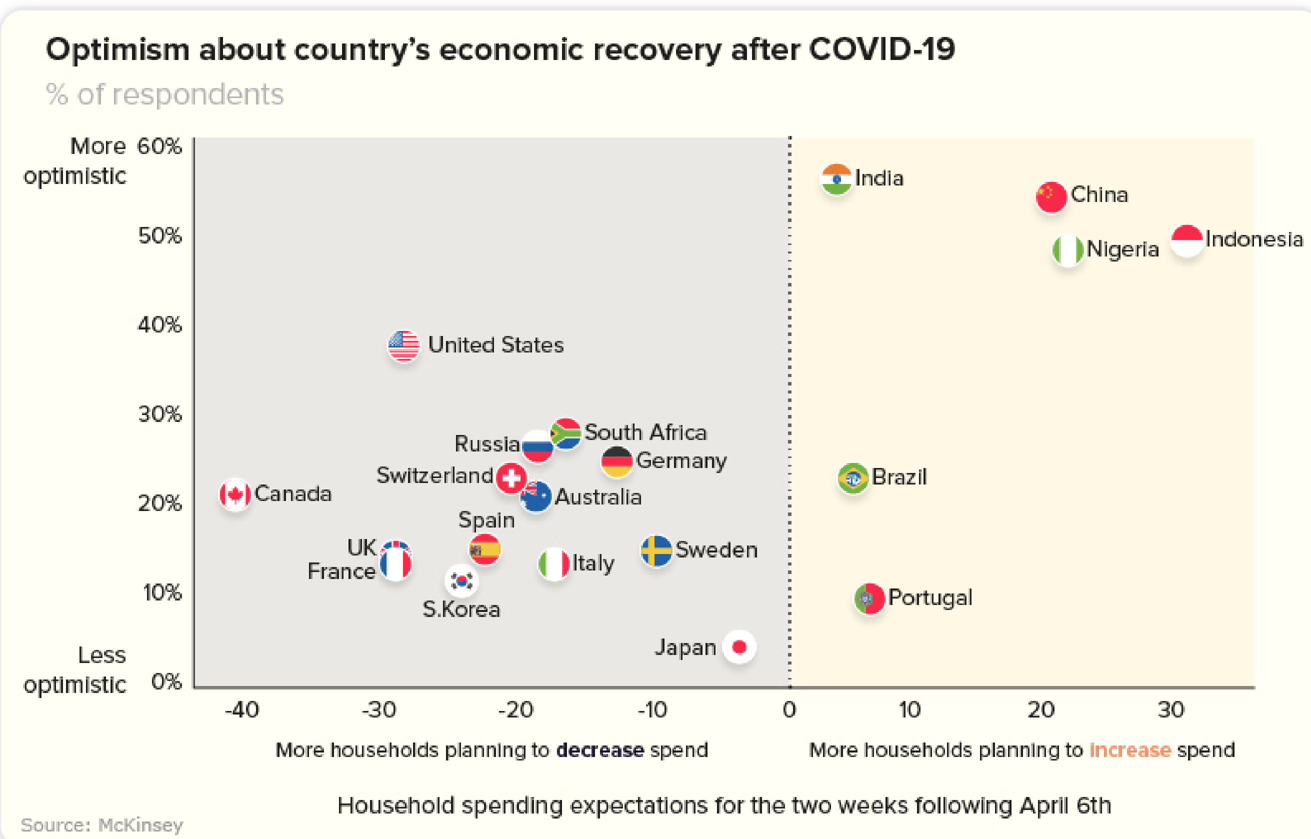
Consumer spending is one of the most important driving forces for global economic growth.

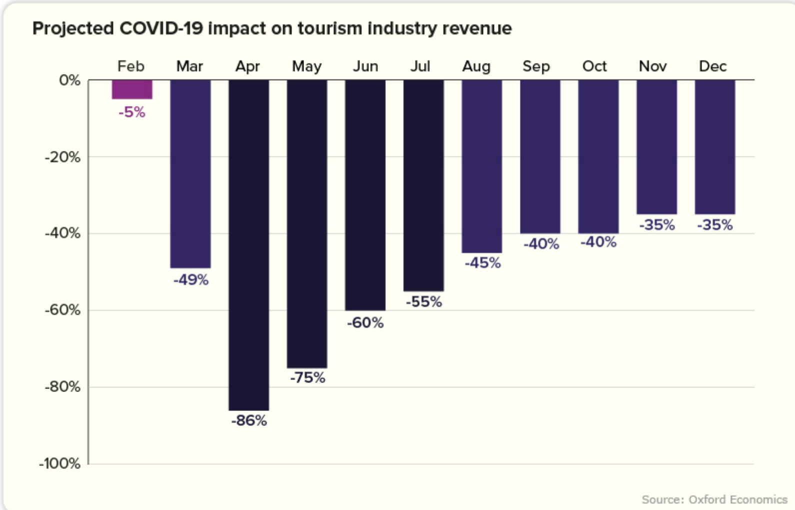
Beyond impacting some of the factors that determine consumer spend—such as consumer confidence, unemployment levels, or the cost of living—the COVID-19 pandemic has also drastically altered how and where consumers choose to spend their hard-earned cash.

Today's graphic pulls data from a global survey by McKinsey & Company that analyzes how consumers are reining in their spending, causing upheaval across every industry imaginable.

While some industries are in a better position to weather the impact of this storm, others could struggle to survive.

The Link Between Sentiment and Intent to Spend





As consumers grapple with uncertainty, their buying behavior becomes more erratic. What is clear however, is that they have reduced spending on all non-essential products and services.

But as each country moves along the COVID-19 curve, we can see a glimmer of increasing optimism levels, which in turn is linked to higher spending.

India's consumers, for example, are displaying higher levels of optimism, with more households planning to increase spend—a trend that is also evident in China, Indonesia, and Nigeria.

Meanwhile, American consumers are still more optimistic about the future than Europeans. 37% of Americans believe the country will recover in 2 or 3 months—albeit with optimism levels at the highest for people who earn over $100K.

Strategic Consumer Spending

Globally, consumers continue to spend—and in some cases, spend more compared to pre-pandemic levels—on some necessities such as groceries and household supplies.

Due to changes in media consumption habits, consumers in almost all countries surveyed say they will increase their spend on at-home entertainment. This is especially true for Korea, a country that already boasts a massive gaming culture.

As restrictions in China lift, many categories such as gasoline, wellness, and pet-care services appear to be bouncing back, which could be a positive sign for other countries following a similar trajectory. But while consumers amp up their spending on the things they need, they also anticipate spending less in other categories.

The Industries in the Red

Categories showing an alarming decline include restaurants and out-of-home entertainment.

However, there are two particularly hard-hit industries worth noting that are showing declines across every category and country:

Travel and Transport

The inevitable decline in the travel and transportation industry is a reflection of mass social isolation levels and tightening travel restrictions.

In fact, the U.S. travel industry can expect to see an average decline in revenue of 81% for April and May. Throughout 2020, losses will equate to roughly $519 billion—translating to a broader $1.2 trillion contraction in total economic impact.

According to the World Travel and Tourism Council, a staggering 50 million jobs are at risk in the industry, with 30 million of those jobs belonging to employees in Asia.

Considering the travel and tourism industry accounts for 10.4% of global GDP, a slow recovery could have serious ramifications.

Apparel

Apparel is experiencing a similarly worrying slowdown, with consumption 40-50% lower in China compared to pre-pandemic levels. Both online and offline sales for businesses the world over are also taking a major hit.

As consumers hold back on their spending, clothing brands of all shapes and sizes are forced to scale back production, and reimagine how they position themselves.

Towards an Uncertain Future
Clearly the force majeure that is COVID-19 has not impacted every industry equally.

For some, rebuilding their customer experience by appealing to changing values could result in a profitable, and perhaps much-needed revival. For other companies, there is no other choice but to play the waiting game.

Regardless, every industry faces one universal truth: life after the pandemic will look significantly different.

Source: Visual Capitalist

HOW COVID-19 CONSUMER BEHAVIOR

is Impacting Industries

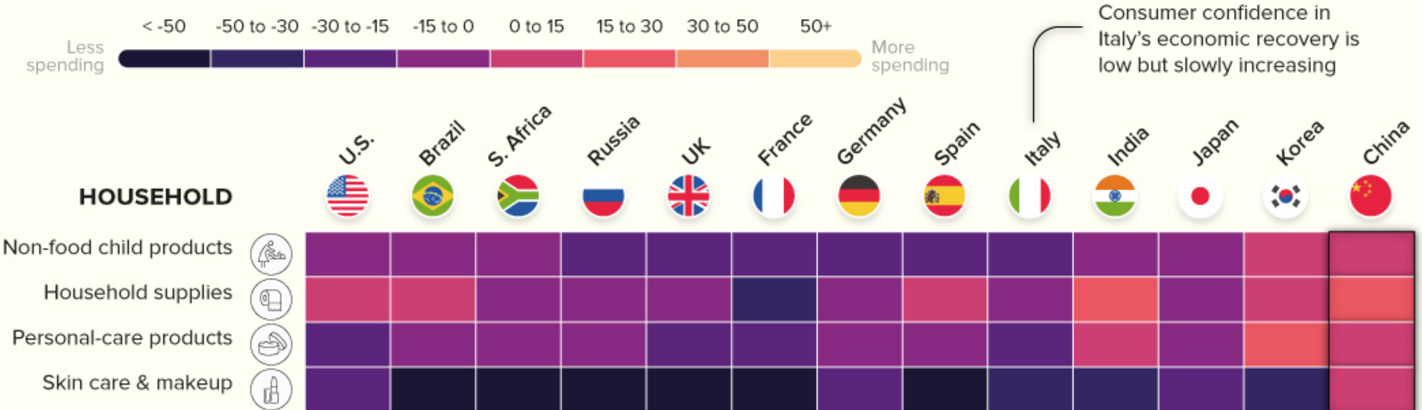
COVID-19 is weaving a web of disruption across the globe, and consumers are feeling the effects.

As consumers pinch pennies, their reduced spending could decimate many industries. On the other hand, a lucky few will benefit from increased spending in certain categories.

30-50% of consumers expect their household income to continue to fall in April

Expected spending per category over the next two weeks compared to usual

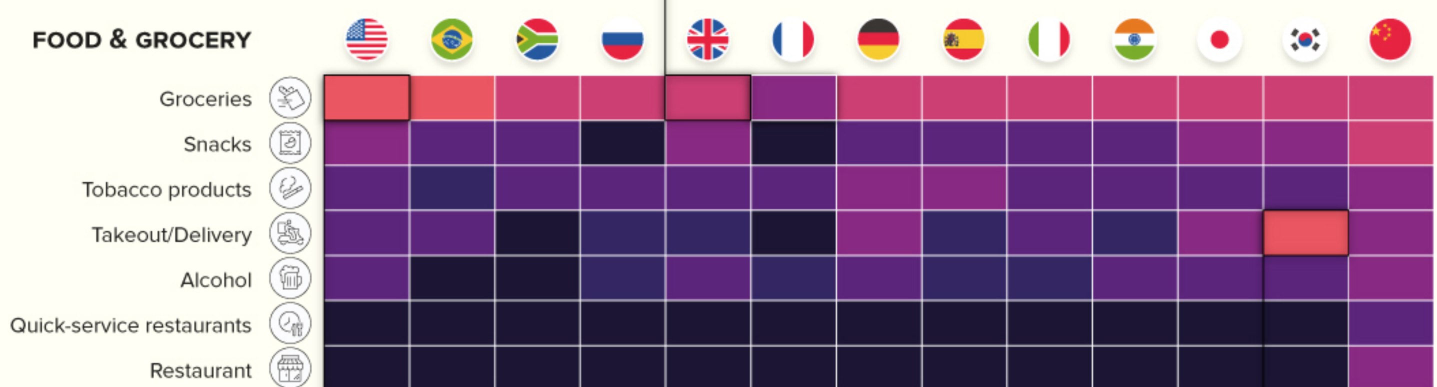
Net Intent (%)



Consumer confidence in Italy's economic recovery is low but slowly increasing

Chinese consumers believe that household income, spending, and savings will improve in April

Almost half of all UK consumers are cutting spending across most categories, but will increase their spending for groceries and at-home entertainment



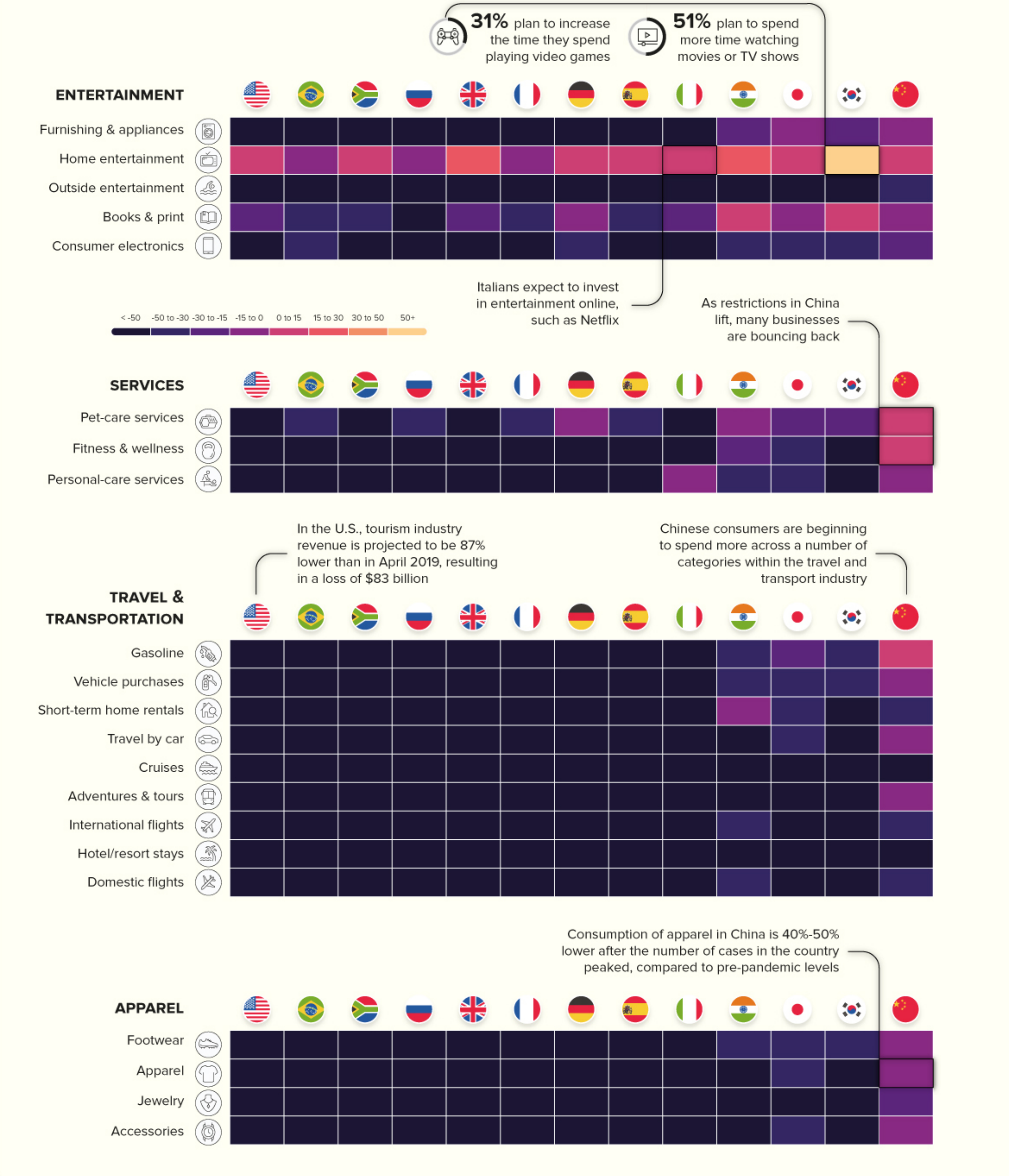
U.S. consumers are cutting back their spending across most categories excluding groceries, household supplies, and home entertainment

France is the only country that shows a decline across every category, which reflects the country's low levels of optimism

South Korean consumers will spend more on takeout over the coming weeks

31% plan to increase the time they spend playing video games

51% plan to spend more time watching movies or TV shows



Note: The McKinsey & Company Consumer Pulse surveys were conducted globally between March 15th and April 6th 2020. The graphic above focuses on 13 core countries, selected due to their economic significance and the impact that COVID-19 has had on their populations.

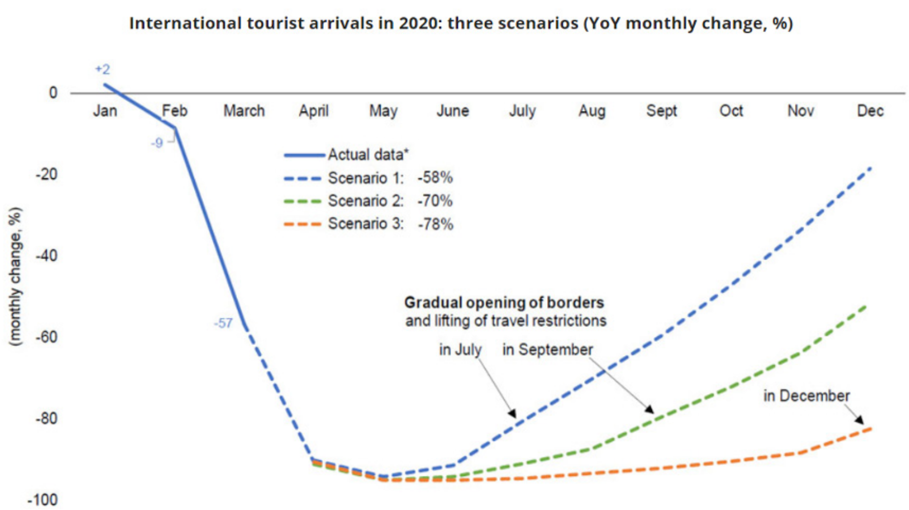
Sources: McKinsey, Statista, Oxford Economics

COVID 19 -
Impact on International Tourism

Millions affected

The coronavirus pandemic is "the worst crisis that international tourism has faced since records began (1950)," according to the UNWTO.

Globally, tourist arrivals were down by 22% in the first three months of the year, collapsing by 57% in March as lockdowns spread. That's some 67 million lost passengers. The bill for disruption in these first three months is estimated to be around $80 billion in lost tourist receipts – valuable exports which are a much-needed source of income for many nations.



Asia and the Pacific region has been hit hardest, with 33 million fewer arrivals, followed by Europe. The Middle East appears to have been least impacted so far.

The importance of timing

So how severe is that risk? The UNWTO outlines three scenarios – all with big impacts for the global travel and tourism industry.

The lightest impact is based on the gradual opening of international borders and easing of travel restrictions in early July. This would result in a 58% annual cut in visitor numbers.

Easing restrictions in early September will produce a bigger fall, at 70%. And if restrictions aren't loosened until early December, that could reach 78%.

The timing means the difference between the loss of $910 billion or $1.2 trillion in export revenues, and a loss of between 850 million to 1.1 billion international tourists.

What these figures make clear is that whenever restrictions are eased, large impacts are now unavoidable. The real cost to employment is already beginning to be felt, with airlines including British Airways and Virgin Atlantic announcing thousands of job losses.

Recovery scenarios

Despite the economic burden of COVID-19 restrictions, demand will return, says the UNWTO. The questions are when – and where.

The experts forecast the Middle East, Europe, Africa, and Asia and the Pacific are likely to experience some recovery this year – with the Americas most likely to take longer.

Bouncebacks could vary by sector: domestic demand is expected to recover faster than international demand, and leisure travel – especially visiting friends and relatives – should rebound sooner than business travel.

"I don't think that 'where shall we go in Europe for the weekend?' approach is going to come back in the same casual manner," Tony Wheeler, co-founder of the travel publisher Lonely Planet, tells British newspaper the Financial Times. Others are more cautious in their predictions.

"If there is an opportunity for the industry to redirect itself and change the face of future holiday products, it is now," says tourism market researcher Ulf Sonntag in German media outlet Deutsche Welle.

Source: World Economic Forum

COVID 19 -
Travel Industry – Refunds to Customers for Cancelled Holidays and Flights

One particularly thorny issue is how they approach refunds to customers for cancelled holidays and flights and whether they can offer alternatives such as vouchers. This is further complicated by the many different parties often involved in a typical booking made by payment card (as most are these days), be it travel agent, airline, card issuer or acquirer, travel insurance company or package travel security provider.

The situation is supposed to be harmonised across the EU but variations in implementation of the Package Travel Directive and, more recently, changes to such legislation or enforcement practice in light of COVID-19 mean that it is anything but a level playing field. Our team of aviation and payments subject matter experts discuss where the refund liability lies in the ordinary course of a travel company's business, and also take a look at how this liability changes if a travel company becomes insolvent, providing clear guidance for businesses looking to navigate this complicated landscape.

Watch Refunds and a travel company insolvency video here

The right to **cash reimbursement** within 7 days

EU Regulation 261/2004 grants consumers the right to reimbursement in cash within seven days of a flight cancellation. Airlines may only reimburse by way of vouchers, instead of cash, "with the signed agreement of the passenger". Despite this unambiguous right, however, airlines are now, almost without exception, engaging in a unsophisticated but nevertheless effective strategy of "computer says no".

Consumers visiting Ryanair's website, for example, are met with the excuse that "Refunds are taking far longer than normal as we are processing over 1,000 times the normal volume of cancellations. We also have 75% fewer staff available to process refunds due to social distancing regulations." In contrast to labour-intensive cash refunds, the website states that "Ryanair is offering vouchers and free moves as these are automated and give customers an immediate alternative. Unfortunately, cash refunds cannot be automated". Other airlines are also making it extremely difficult to obtain cash compensation.

There is no explanation as to why the offer of vouchers can be automated whilst cash refunds, ordinarily by bank transfer, cannot be automated. It appears likely that airlines are simply playing for time, on the credit of consumers. Michael O'Leary has built Europe's most successful airline on the back of its unorthodox treatment of consumers, and it appears that other airlines are starting to learn from the master in this regard.

Whilst there can be no doubting the clear breach of consumer rights involved in these airlines' strategies, the airlines rightly calculate that most consumers will be put off by the cost and effort of issuing small claims proceedings for flights costing (on average) a few hundred pounds.

S.75 of the Consumer Credit Act 1974: holidays purchased on credit cards

In the context of this airline recalcitrance, consumers are therefore looking at less obstinate sources of cash reimbursement. One such source might be the credit card provider where the holiday was purchased by credit card: by virtue of s.75 of the Consumer Credit Act 1974, a creditor is jointly and severally liable for breaches of contract of the supplier in 'debtor-creditor-supplier' agreements. In layman's terms, in cases of cancelled flights paid for with a credit card a consumer may be able to claim against their card provider rather than their airline/travel company. To be eligible for this route, the purchase value must fall between £100 and £30,000.

There are certain advantages to claiming under s.75 over, for instance, asking for a chargeback (in relation to which, see below):

- A claim under s.75 allows a consumer to claim for the full value of the flights/holiday even where only part of the payment (so long as above £100) was made on a credit card. This means that even if some of the purchase was covered by vouchers, cash, points, or air-miles the full value is recoverable. In contrast, under chargeback only the amount paid for using the card is recoverable.
- A claim can be brought up to six years (normal breach of contract limitation) after the card transaction. Under chargeback the limit for bringing a claim is typically 120 days after the payment, which is of little assistance to consumers who paid for their holidays more than four months in advance.
- A claim is made against a credit card provider, who then seeks indemnity from the supplier. This means that a consumer will still be able to recoup money even in the unfortunate scenario that the airline or travel company has gone into administration or been liquidated as a result of the coronavirus crisis.
- The liability of the credit card provider is the law. As a consequence, in the event that the provider disputes or rejects the s.75 claim, the consumer can pursue their claim before the courts. Chargeback, on the other hand, is a discretionary scheme, and a consumer's only avenue of redress is via the Financial Ombudsman and not the court system.

Save in cases of airline insolvency, there may be little advantage in commencing litigation under s.75 rather than bringing a direct claim against the relevant airline, but consumers may reasonably hope that credit card companies' customer service departments will prove more responsive to pre-action correspondence.

About the authors

Called in 2011, prior to pupillage Conor Kennedy spent two years working with a leading insurance law firm, gaining experience across regulatory, employment, leisure, travel and public sector teams. He has a varied civil practice and is accredited for Direct Access instruction, but has a particular interest and expertise in claims involving fundamental dishonesty.

Tom Yarrow is chambers' latest acquisition, having been called in 2018. Before joining chambers Tom was a civil servant working in various government departments, including as a policy advisor on the UK-EU Withdrawal Agreement at the Department for Exiting the European Union. During pupillage he worked with the Government Legal Department, practising in public law in the fields of public international law, justice and security, human rights and immigration. He has regularly appeared in judicial review proceedings for the Secretary of State for the Home Department, and as a member of the Attorney General's 'junior junior' scheme, he is able to take instructions directly from government clients. He now practises in all of chambers' practice areas and is an enthusiastic and valued member of the travel team.

Holiday Refunds: Chargeback Claims

Much has been written about holiday companies that looked "too big to fail" – but with the demise of Thomas Cook, and seeing Norwegian Air now in bailout talks, one cannot be too careful. So far not much attention has been paid to an under-used weapon in the consumer's arsenal: the "chargeback", which unlike a claim under s.75 can be used where the goods or services in question were purchased with either a debit card or a credit card. Essentially, the chargeback is a mechanism for the card issuer to claim a refund from the retailer on behalf of the consumer, in circumstances in which either there has been a total failure of consideration (as in the case of a cancelled holiday) or the goods or services provided are defective.

The chargeback is not a legal right, but a mechanism governed by rules set out by American Express, MasterCard or Visa. It is, effectively, a service provided by the card issuer, which essentially steps into the shoes of the consumer in order to make a claim against the retailer, which may or may not respond.

This isn't as straightforward or simple as it might appear – the card issuer can decide not to process the chargeback, and there's no legal obligation on them to do so. So if the consumer is met with stony silence, there doesn't seem to be a way to enforce his or her rights, and of course, even if the claim is processed, the retailer could ignore it or object to it, but there have been successes in the past, and it may be that tour operators and airlines will be more prepared to deal with card issuers than individual consumers. If as a consumer you are stuck with an online travel agent that isn't taking your call, a chargeback is worth trying.

Source: Lexology

The Fastest Growing and Declining Retail Brands, from 2019-2020

The COVID-19 outbreak has led to the savage disruption of retail the world over.

Almost overnight, foot traffic in physical stores disappeared, and supply chains were left scrambled. Now at a major fork in the road, many retailers are forced to make tough decisions that were completely unforeseen.

While some global retail giants are laying down their weapons and filing for bankruptcy, others are innovating to save themselves, serving their customers in new and unexpected ways.

Today's graphic uses data from Kantar's Brand Z™ report to illustrate the retailers that are growing through adversity, and those that may struggle to survive.

Editor's note: The report compares brand value of the top 75 retailers globally between 2020 and 2019, using mid-April as a cut-off date for incorporating latest financial information. Some early effects of the pandemic are incorporated in these calculations, but the pandemic's impact on retail going forward is uncertain.

Retailers Rising to the Top

The calculation of brand value refers to the total amount that a brand contributes to the overall business value of the parent company.

In this case, it is measured by taking the financial value of a brand (latest data as of mid-April), and multiplying it by the brand's contribution, or the ability of the brand to deliver value to the company by predisposing consumers to choose the brand over others or pay more for it, based purely on perceptions.

Based on these metrics, activewear brand lululemon is the world's fastest growing retail brand for the second year running. Famous for its culture of accountability and global community events, the brand has struck the perfect balance between a seamless online and offline experience.

Explore the 10 fastest growing retail brands of 2020 below:

Brand	Brand Value 2020	Brand Value % Change 2020 Vs. 2019	Category	Country
lululemon	$9.7B	40%	Apparel	Canada
Costco	$28.7B	35%	Retail	United States
Amazon	$415.9B	32%	Retail	United States
Target	$10.6B	32%	Retail	United States
Walmart	$45.8B	24%	Retail	United States
JD.com	$25.5B	24%	Retail	China
Sam's Club	$6.8B	19%	Retail	United States
Alibaba	$152.5B	16%	Retail	China
Tanishq	$2.8B	15%	Retail	India
Flipkart	$4.7B	14%	Retail	India

Interestingly, Walmart holds three spots in the ranking as it also owns Flipkart and Sam's Club. Moreover, the American retail giant purchased a stake in Chinese e-commerce platform JD.com, which has grown from 5%

to 12%.

The two brands entered the strategic partnership together with the goal of dominating the Chinese market and surpassing Alibaba.

mastered this winning combination, and the ruthless pandemic economy has only emphasized their struggles.

Here are the 10 fastest declining retail brands of 2020:

Brand	Brand Value 2020	Brand Value % Change 2020 Vs. 2019	Category	Country
Under Armour	$2.6B	-34%	Apparel	United States
H&M	$4.7B	-27%	Apparel	Sweden
Walgreens	$6.8B	-26%	Retail	United States
Tim Hortons	$5.4B	-20%	Fast Food	Canada
Subway	$13.8B	-20%	Fast Food	United States
Burberry	$3.8B	-18%	Luxury	United Kingdom
M&S	$2.5B	-18%	Retail	United Kingdom
Uniqlo	$8.2B	-16%	Apparel	Japan
Dunkin'	$2.4B	-15%	Fast Food	United States
The North Face	$2.4B	-14%	Apparel	United States

The Recipe for Retail Success

While every retailer has a unique growth strategy, according to the authors of the report, there are three factors that are undeniably crucial for success.

Value: Offering value for money through fair pricing for all products or services.
Uniqueness: Having a clear purpose and standing for something that consumers find meaningful.
Premium: Being perceived as being worth more than the price consumers pay.
Further, research also suggests that successful brands dominate their respective category when it comes to brand awareness and consistently provide experiences that enrich their customers' lives, as demonstrated by lululemon.

As retailers continue to shift their focus towards digital transformation, consumers are still finding great value in having the best of both worlds when it comes to combining e-commerce and brick-and-mortar, otherwise known as "brick and click".

Retailers Struggling to Stay Relevant

Unfortunately, there are several brands that haven't yet

Under Armour's distribution relies heavily on third party retailers and department stores, so the brand has understandably been negatively impacted by the mass store closures.

While the brand focuses on expanding its personalized and connected fitness product offerings, it faces huge pressure from powerful competitors such as Nike and Adidas who already dominate this space.

A Rising Tide Lifts All Shipments

2020 has instigated a retail renaissance of epic proportions through accelerated digitization and changing consumer values. Ultimately, some brands will be better positioned than others to benefit from these changes.

As retailers begin reopening for business, they are presented with an opportunity to recalibrate the current retail landscape by setting new standards for the industry.

Source: [Visual Capitalist]

THE FASTEST GROWING AND DECLINING
RETAIL BRANDS

The global retail industry has experienced a catastrophic start to 2020 due to the ongoing pandemic, and no retailer has been immune to its effects.

However, several brands have experienced an increase in brand value when compared to 2019.

The following data comes from Kantar's BrandZ 2020 report, and incorporates financial data up until mid-April 2020.

KANTAR calculates the value of a brand by using global data from:

3.7M consumers · 165K brands · 50 markets

BRAND VALUE % CHANGE 2020 VS 2019

5% · 10% · 15% · 20% · 25% · 30% · 35% · 40%

Size of tag represents brand value.

BIGGEST WINS

10 FASTEST GROWING BRANDS

1 lululemon +40% — $9.7B

The Canadian athletic apparel brand invests heavily in its online shopping experience. It is also renowned for its global community events and culture of self-improvement.

2 Costco Wholesale +35% — $28.7B

3 amazon +32% — $415.9B

More people are relying on online shopping and at-home entertainment to get through social isolation, fueling the growth of Amazon Prime and Amazon Web Services (AWS).

4 TARGET +27% — $10.6B

Target's success can be attributed to its growing list of in-house brands, its same-day click and collect service, and growing network of physical branches.

5 Walmart +24% — $45.8B

6 JD.COM 京东 +24% — $25.5B

7 sam's club +19% — $6.8B

8 Alibaba.com +16% — $152.5B

China's largest e-commerce platform will invest roughly $28 billion in its cloud operations to accelerate digitization.

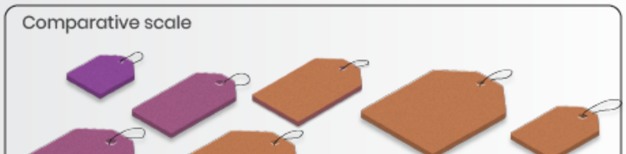
9 TANISHQ +15% — $2.8B

10 Flipkart +14% — $4.7B

Walmart-owned e-commerce platform Flipkart is India's largest

10 FASTEST DECLINING BRANDS

Comparative scale

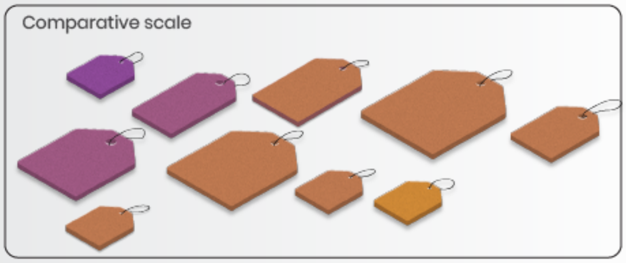


9 TANISHQ +15%

10 Flipkart +14%

Walmart-owned e-commerce platform Flipkart is India's largest online retailer and still growing, with its number of monthly active users rising by 45% in 2019.

10 FASTEST DECLINING BRANDS



BIGGEST LOSSES

10 FASTEST DECLINING BRANDS

Scaled 200% for illustrative purposes.

BRAND VALUE % CHANGE 2020 VS 2019

-40% -35% -30% -25% -20% -15% -10% -5%

Size of tag represents brand value.

1 UNDER ARMOUR -34%

Athletic apparel company Under Armour is having difficulty competing against the likes of Nike and Adidas. The brand's founder also stepped down as CEO earlier this year.

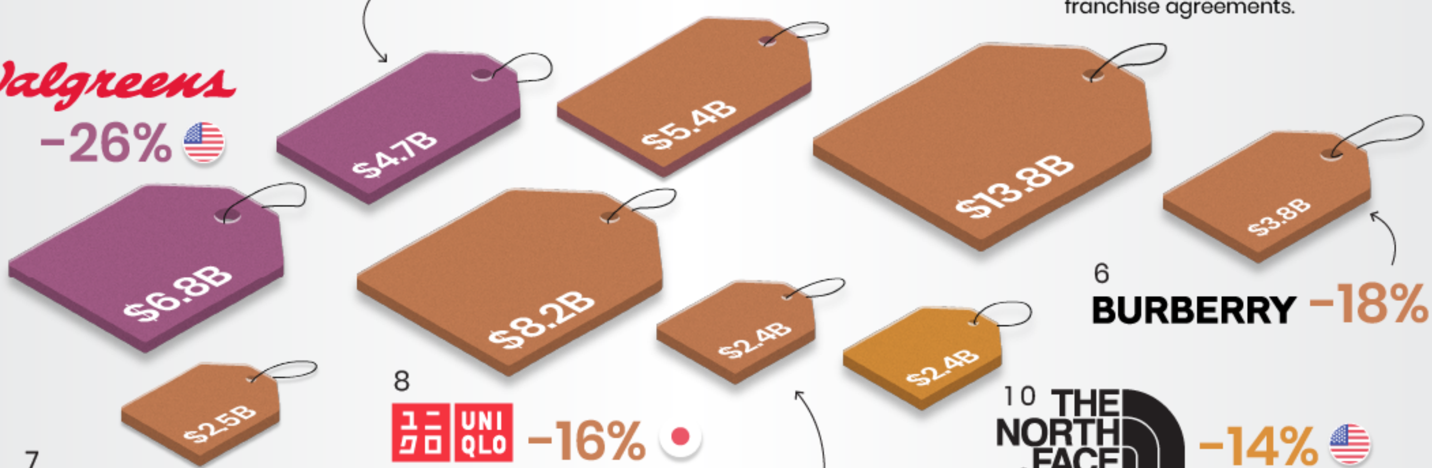
2 H&M -27%

3 Walgreens -26%

4 Tim Hortons -20%

5 SUBWAY -20%

As the world's largest restaurant chain by number of stores, Subway is introducing new measures to limit the number of closures, such as 20 year franchise agreements.



6 BURBERRY -18%

7 M&S EST. 1884 -18%

8 UNIQLO -16%

Japanese retail chain Uniqlo has been severely impacted by the recent drop in consumer footfall following a global expansion of its stores.

9 DUNKIN' -15%

10 THE NORTH FACE -14%

Even as the economy begins to open up again post-COVID-19, the future of retail is very uncertain. How these brands react in the coming months will determine their value in the next edition of these rankings.

Note: The report uses financial data as of mid-April, and may include the early effects of the pandemic. However, they are not a reflection of future valuations. Source: Brand Z™ / Kantar

COLLABORATORS RESEARCH + WRITING Katie Jones | DESIGN Amy Kuo | ART DIRECTION Melissa Haavisto | EDITING Katie Jones

COVID 19 - Increase in Fraud

Sift Launches **Weekly COVID-19 and E-Commerce Fraud Tracker** to Enable Trust and Safety Teams to Stay Ahead of Cybercriminals During Pandemic

Analysis of 35 billion events per month shows significant overall event and purchase volume increases—along with surging fraud rates.

SAN FRANCISCO, April 24, 2020 (GLOBE NEWSWIRE) -- Sift, the leader in Digital Trust & Safety, today announced the release of its COVID-19 and E-Commerce Fraud Tracker, a weekly updating digest of changes in e-commerce and fraud amid the COVID-19 pandemic. As businesses in nearly every industry across the world have been impacted by the changes in consumer shopping behavior since the spread of the novel coronavirus, Sift has observed pertinent—and sometimes counter-intuitive trends—in activity and payment fraud rates across its network of over 34,000 sites and apps from around the world.

Some of Sift's initial findings include:

- Fraudsters are following the money: While online businesses have seen sharp increases in activity across their platforms, the rate of attempted payment fraud (the percentage of fraudulent payments out of total transactions) has increased roughly 50 percent since early January.
- Consumers are flocking to digital goods: After observing a steady increase in activity across digital e-commerce sites through the beginning of 2020, event volume shot up 23 percent in this vertical starting in March, when many state and local governments implemented stay-at-home orders. Fraud rates have not caught up with the increased activity, however, Sift has seen a marked increase in total instances of fraud in that vertical.
- Struggling industries deal with insult to injury: Both Ticketing & Events and Travel & Transportation companies have seen plunging transactions on their websites and applications. However, attempted fraud instances have largely remained stable, thus creating sky-high fraud rates. This is particularly troubling as companies whose fraud rates get too high are subject to fines from payment providers, adding additional costs on top of already catastrophic losses.
- In physical e-commerce, fraudsters hope to blend in: Not surprisingly, physical e-commerce, such as when a customer orders groceries online and picks them up in-store, has seen an aggressive 29 percent increase in event volume—an expected byproduct of social distancing and stay-at-home mandates. Unfortunately, fraud rates in this vertical have also exploded 68 percent, which could possibly be due to fraudsters' ability to hide more effectively within higher volumes.

Source: [Globe News Wire]

Spanish authorities approve offer from SIX

CNMV authorises SIX's all-cash tender offer for BME for €33.40 per share.

The combined company will create a top-3 European financial markets infrastructure group.

- SIX believes that the proposed transaction represents an attractive financial proposition for the current shareholders of BME
- SIX's intention is to preserve and strengthen BME's position in Spain by maintaining its brands, current business activities, headquarters and office locations, and by investing in new technologies and growth opportunities

SIX Group AG ("SIX"), the Swiss financial markets infrastructure operator, today received authorisation from the CNMV for its all-cash voluntary tender offer for Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. ("BME"), operator of the Spanish stock exchanges and cornerstone of the Spanish capital markets. The offer acceptance period will be 43 calendar days from the trading business day following the publication of the first announcement. During this period, shareholders may tender their shares to receive €33.40 per share, all in cash.

SIX believes that the proposed transaction represents an attractive financial proposition for the current shareholders of BME and encourages them to tender their shares in the voluntary tender offer.

Source: Six Group

Calibra, Facebook's **digital wallet subsidiary**, has rebranded as Novi

Facebook's wallet subsidiary is getting a rebrand, according to an announcement from the company.

Once Calibra, the wallet built for the Facebook-created stablecoin network Libra will now be called Novi. When it launches, users will be able to access the wallet via a standalone app in addition to Facebook Messenger and WhatsApp integrations.

The parent of the Novi wallet, called Novi Financial, is a subsidiary of Facebook that operates separately from the tech giant — just like Calibra was. Its forthcoming Libra-compatible wallet, which the firm said it hopes to launch along with the Libra Network, will feature a government-issued ID verification system and other fraud protections. "We'll roll it out in an initial set of countries, with features that will make cross-border money transfers instant, secure, and with no hidden fees," the announcement stated.

Though the name and look have changed, the mission hasn't, according to the announcement: "While we've changed our name from Calibra, we haven't changed our long-term commitment to helping people around the world access affordable financial services."

However, the rebrand is meant to clarify the messaging around the Facebook-backed stablecoin, according to Libra co-creator and head of Novi David Marcus.

"After announcing Libra last summer, it became clear that there was more confusion than we wanted," he tweeted.

The rebrand of Calibra follows a wave of hiring by both Libra and the wallet subsidiary, which as of late April had planned to hire 50 people in Ireland. It also comes after the project revamped its plans for the Libra Network in April. Now, the plan is to issue a variety of stablecoins based on different individual national currencies in addition to the originally-planned Libra token, which will be pegged to a basket of different currencies.

Source: The Block Crypto

EVO Payments and cleverbridge continue partnership

Cologne, May 2020

Since 2005, cleverbridge has relied on EVO Payments as a reliable acquirer.
EVO Payments supports the e-commerce experts in all areas of cashless payment processing. Now both Cologne-based companies have extended their cooperation once again.

"EVO has proven to be very service-oriented and reliable in handling our global transactions. However, a real benefit is the very close cooperation that has been established over the years," said Robin Blume, Managing Director of cleverbridge Financial Services GmbH.

EVO Payments, who won the "Best Acquirer of the Year Award" at the Merchant Payments Ecosystem (MPE 2020) conference in Berlin earlier this year, is not resting on its laurels.
Anna Bejaoui, General Manager of EVO Payments Germany explains: "We are very pleased to extend our 15-year trusted partnership with cleverbridge. It is also a very motivating sign for us that we have the right understanding of service. We are working on this every day anew".

EVO Payments International GmbH

EVO Payments is a European subsidiary of EVO Payments, Inc. (NASDAQ: EVOP) and a payment institution licensed in Germany. As a payment institution and Principal Member of Visa and Mastercard, EVO Payments is the exclusive provider of card acceptance solutions for Global Transaction Banking (GTB) for Deutsche Bank in Europe and Postbank, and has repeatedly been awarded as the best provider for international merchants. www.evopayments.eu #evopayments

EVO Payments, Inc.

EVO Payments, Inc. (NASDAQ: EVOP) is a leading provider of payment technology and services. EVO Payments offers a range of innovative, reliable and secure payment solutions for merchants − from small- and medium-sized businesses to multinational corporations and organizations across the globe. As a fully integrated card acquiring and payment processing provider in over 50 markets and 150 currencies worldwide, EVO Payments offers competitive solutions that drive business growth, increase customer loyalty and enhance data security in the markets it serves.

cleverbridge AG

cleverbridge provides e-commerce and subscription management solutions for monetizing digital assets, online services, and SaaS solutions. The cloud-based e-commerce platform simplifies recurring billing, streamlines customer experiences, and provides comprehensive global compliance and payment capabilities. With cleverbridge, customers can attract more end customers, improve customer retention, and increase revenue in international markets. www.cleverbridge.com

Bango Expands Presence in Three Continents With New Google Play Launches

Bango (AIM: BGO), the mobile commerce company, has successfully launched carrier billing routes in the Google Play store for new operators in Asia, Latin America and Africa. Millions of customers in Peru, Hong Kong and South Africa can now pay for the massive array of content and services in Google Play, charging the cost to their phone bill, all powered by the Bango Platform.

In the space of six weeks, Direct Carrier Billing in the Google Play store has been enabled through the Bango Platform for subscribers of Entel in Peru, Sun Mobile in Hong Kong and MTN in South Africa. Pre and post-paid subscribers can now simply click-to-buy using carrier billing for instant access to their favorite games, music, movies and more.

"Ever more operators across the world standardize on the Bango platform to bring mobile commerce experiences to their customers," said Paul Larbey, CEO at Bango. "In addition to activating payments in Google Play and other app stores, Bango technology enables operators to offer third-party products bundled with their customer plans or marketed directly to their customers through Facebook and other platforms."

To ensure continuous revenue growth from carrier billing across these new routes, Bango technology will be applied to increase payment success, user acquisition and engagement. Mobile operators relying on Bango Boost data typically increase revenue by 20-40 percent, with some achieving growth of more than 70 percent.

Source: [PR News Wire]

Introducing WooCommerce Payments, a New Solution to Help Merchants Conveniently Manage Payments

WooCommerce, the popular eCommerce platform developed and supported by Automattic, is announcing public U.S. availability of WooCommerce Payments, a payments management system designed exclusively for WooCommerce stores.

Payments are a central part of eCommerce for merchants and shoppers. Seamless checkout experiences and simple payments management interfaces are essential for success in selling online. Since its inception, WooCommerce has allowed merchants to choose from a variety of third-party payment gateways, including Stripe and PayPal.

To improve the merchant experience in managing payments, WooCommerce began designing and building its native solution in 2019. After a successful beta period earlier this year, the WooCommerce team is now making WooCommerce Payments widely available to all new and current U.S.-based store owners.

WooCommerce Payments offers unique features to store owners, including an integrated payments dashboard to manage charges, deposits, and disputes from the comfort of their store. "No more logging in to a separate payment processor's website to track payouts or manage chargebacks. WooCommerce merchants can now manage their payments from their WooCommerce dashboard," says Paul Maiorana, General Manager of WooCommerce.

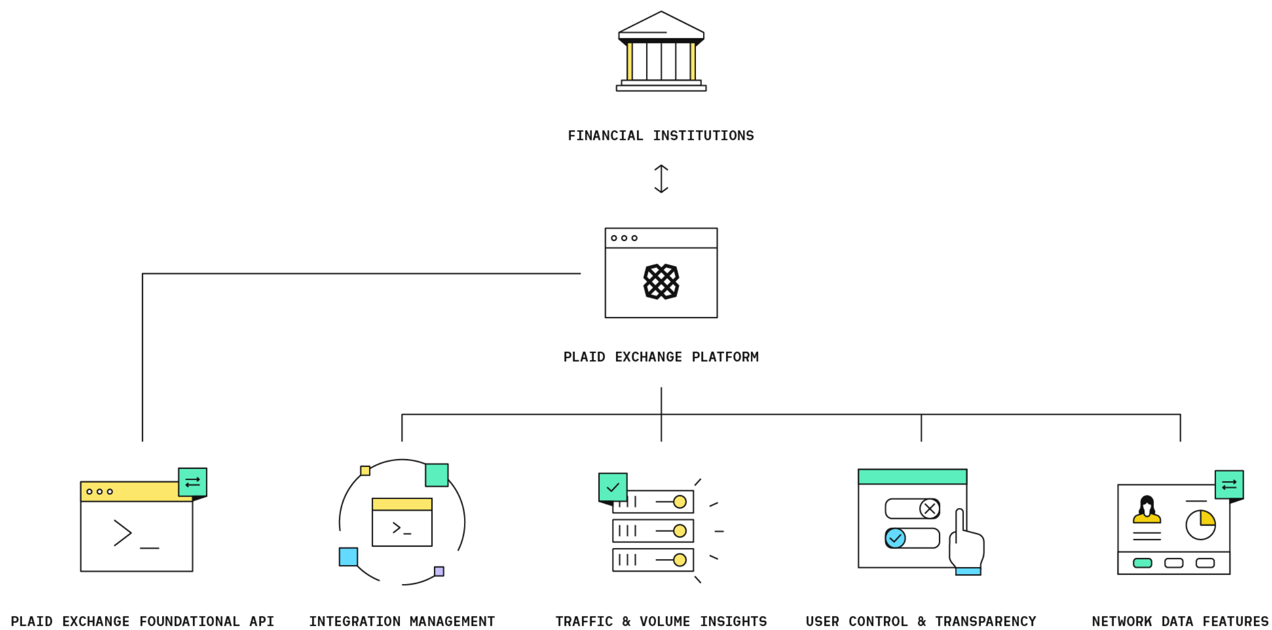
The convenience of WooCommerce Payments is echoed by merchant R. Nick Walker, Owner of Cool Face Life: "I was always a fan of managing everything from one place, so when WooCommerce Payments came about, it was an easy switch. I like the seamless integration, the flow, the dashboard, and the ease of downloading info and fixing disputes."

WooCommerce Payments also helps store owners reduce cart abandonment by enabling shoppers to pay directly using major cards without having to leave the store. The service is free to add, with no set-up fees or monthly fees, and is competitively priced, starting from 2.9% + $0.30 per transaction for U.S.-issued cards.

Forthcoming releases will include support for subscriptions, saved cards, wallets, instant deposits, and in-person payments. As the native payment method of a global eCommerce platform, WooCommerce Payments plans include expansion to new countries in the future.

Source: [PR News Wire]

Introducing **Plaid Exchange**



The financial ecosystem is undergoing an unprecedented digital transformation due to new realities brought on by COVID-19. Consumers and businesses have turned to fintech to manage their finances in record numbers. Digital transformation that was expected to take years is now predicted to take place over a matter of months. Now, financial institutions everywhere must be prepared to meet their customers' rising demand for digital connectivity.

Today, Plaid is launching Plaid Exchange to accelerate consumer-permissioned data access strategies for financial institutions. As fintech adoption has grown, so have the needs of financial institutions that must now manage unprecedented customer connections across thousands of fintech apps. Plaid Exchange gives financial institutions, from banks to wealth management firms, an open finance platform that includes critical tools required to manage the secure and reliable data connectivity their customers' financial lives demand, today and for years to come. At the heart of this platform is the ability for consumers to maintain control and transparency into where and how their financial information is permissioned and shared, increasingly important as more people rely on a variety of digital financial tools to manage their financial lives.

Over the past year, we communicated with over a hundred financial institutions to understand their evolving priorities and deliver a solution that fully encompasses what a financial institution needs to implement scalable API-led data access rooted in user transparency and control. With Plaid Exchange, financial institutions can bring an API solution to market in as little as 12 weeks. Implementing Plaid Exchange also means saving on the costs associated with standing up an API, such as building tools and programs to manage developer testing, implementation, and risk management.

Developed with shared security, transparency and reliability needs across the ecosystem in mind, Plaid Exchange is an API platform for financial institutions that provides the connectivity to:

- Establish token-based API connectivity. Financial institutions can leverage tokenization to maintain connectivity, and help ensure even more reliable integrations with the 2,600+ apps on the Plaid network today.
- Optimize infrastructure load. With a bi-directional Plaid Exchange integration, financial institutions benefit from smarter scheduling and load management for data updates.
- Build one integration for open finance needs. Plaid Exchange is a solution for the digital financial ecosystem stakeholders; it's open finance in a box, so financial institutions can integrate with multiple data partners through the Plaid Exchange integration.
- Align with key connectivity standards and principles in the industry. As an active member of FDX and multiple industry standards bodies, we've designed Plaid Exchange to reflect key principles around access, consumer control, transparency, and security.
- Enable new control tools for consumers. Plaid Exchange includes the ability for financial institutions to easily build a consumer control center that gives their customers more visibility and enhanced control over how their financial information is shared and where their accounts are connected.

In the coming months we will announce more products, tools and services for financial institutions to monitor and manage integrations, and additional ways to accelerate digital strategies with the Plaid infrastructure. For the fintechs we support, Plaid Exchange will continue to strengthen data connectivity across the Plaid network without requiring changes to integrations.

We understand integrating new technology with legacy systems can be a key challenge - 44% of executives called this the top obstacle to digital banking transformation. To help, we're working closely with integration partners, including core banking providers and development companies like Kunai and Core10, that aim to make it easier for banks to plug into Plaid Exchange. We believe APIs are the future of open finance, and we want to make it as easy as possible for all financial institutions to incorporate APIs into their broader digital transformation agendas regardless of budget size and resources.

Institutions are already up and running on Plaid Exchange today, with many more in the implementation process. Given data access and financial management will only become more intertwined, Plaid Exchange aims to enable financial institutions, from Wall Street to Main Street, to meet the needs of their customers today and in the future.

Source: [Plaid]

PayPal rolled out QR code payments as contactless options become more popular amid the pandemic

The company announced that it's enabling QR code payments through its app in 28 markets, covering most major markets such as the UK and US, allowing merchants to conduct contactless transactions without purchasing additional hardware. Customers can make purchases with the feature by scanning a QR code that has been printed out or is presented on another screen. PayPal removed in-store payment capabilities from its app in 2018, but CEO Dan Schulman indicated in late 2019 that the company was set to build out its in-store capabilities.

PayPal likely launched the QR feature now because of the coronavirus pandemic, which has made contactless options like QR codes particularly appealing to consumers and merchants.

Consumers are interested in using mobile apps to make payments and avoid contracting the virus, so they may be ready to adopt PayPal's new offering. Two-thirds of global consumers surveyed by Capgemini prefer to use mobile devices to avoid interacting with humans and touchscreens at shops and other locations during the pandemic, so PayPal's QR code payments could attract consumers.

And with 62% of respondents expecting to prefer using mobile devices for the same reason after the pandemic, PayPal's feature could attract consumers and volume for the foreseeable future. The feature will be competing with other contactless payment methods like contactless cards and NFC-enabled devices, but PayPal does have the opportunity to recruit its millions of existing users.

Because of this interest, merchants need to be able to accept contactless payments from mobile apps, and they may turn to PayPal's solution given its simplicity. Sellers just need a standard mobile device to generate QR codes to accept in-person payments via PayPal, potentially making the option more attractive than acquiring new point-of-sale (POS) technology to accept NFC payments.

PayPal called out farmer's markets and people selling secondhand goods as merchants that might be particularly interested in using its QR code payments, suggesting it may be targeting small sellers with little-to-no payment acceptance technologies for the time being. But if the QR codes prove popular among consumers, larger merchants could elect to start accepting QR code payments via PayPal as well, especially since PayPal already has 25 million merchants using its platform.

Rolling out QR code payments will enable PayPal to tap into brick-and-mortar payments, which still bring in the bulk of US retail sales. In Q1 2020, when the pandemic started to take hold in the US and push consumers to shop online, e-commerce sales still only made up 11.5% of US retail sales, per estimates from the US Census Bureau.

E-commerce's share of US retail will likely rise in future quarters as the pandemic continues, but in-store sales remain a lucrative opportunity and QR codes give PayPal an avenue to compete for them. And if PayPal can popularize its QR codes during the pandemic — especially as some merchants are reopening — when there's a greater interest in avoiding contact with people and shared surfaces, it could rack up in-store sales when the pandemic subsides and retail's focus shifts back toward brick-and-mortar.

Source: Business Insider

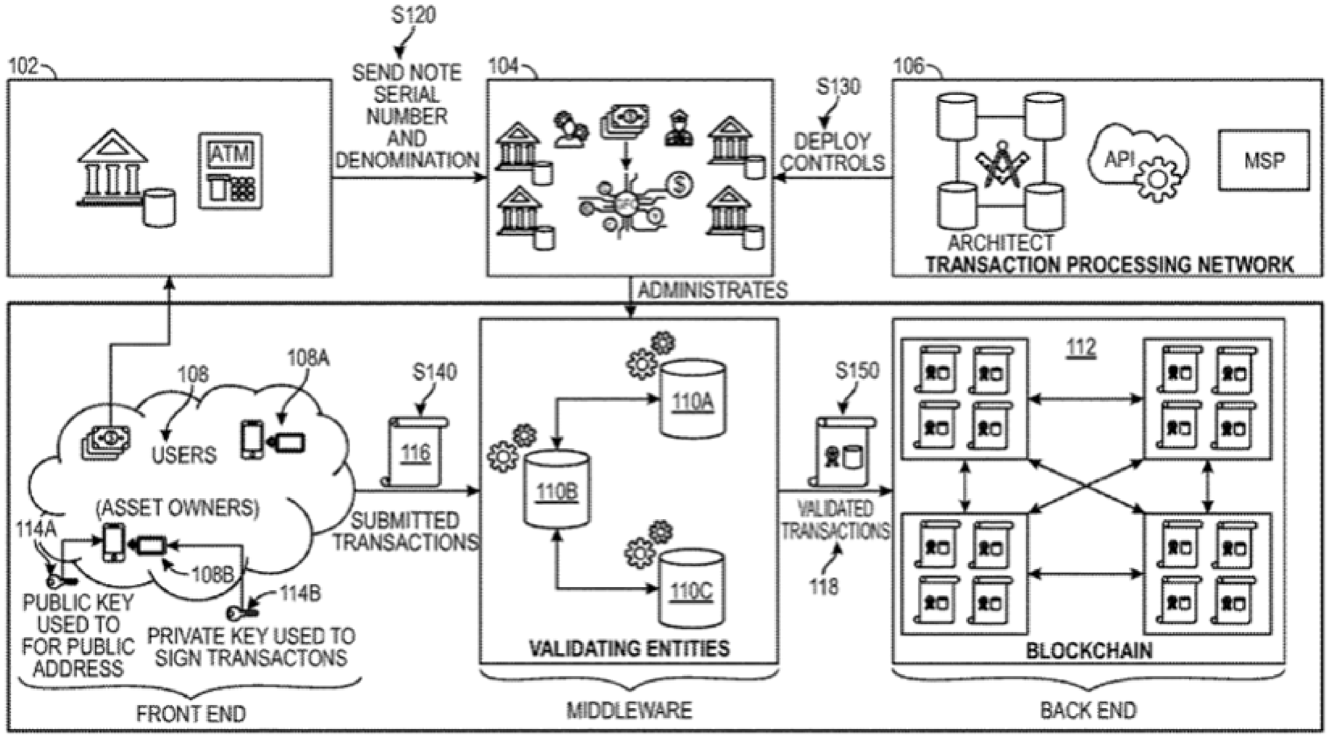
Visa Applies For **Digital Dollar Blockchain Patent**

The U.S. Patent and Trademark Office (USPTO) published today that Visa V has filed a patent application to create digital currency on a centralized computer using blockchain technology. This patent applies to digital dollars as well as other central bank digital currencies such as pounds, yen, and euros and so the physical currency of a central bank anywhere in the world could be digitized.

Described as 'Digital Fiat Currency' the patent was initially filed by Visa on November 8, 2019, with the USPTO commenting today, "It takes quite a while..." to publish the filing of a patent. Visa's patent is described as a central entity computer that receives requests that include the serial number and denomination of a physical currency. The creation of the digital currency and the removal of the physical currency from circulation in a fiat currency system is recorded on a blockchain.

"Visa has a vast global team of inventors and innovators working on cutting edge payment technologies. Each year we seek patents for hundreds of new ideas," says a Visa spokesperson. "While not all patents will result in new products or features, Visa respects intellectual property and we are actively working to protect our ecosystem, our innovations and the Visa brand."

J. Christopher Giancarlo, Senior Counsel at Willkie Farr and Gallagher and former Chairman of the U.S. Commodity Futures Trading Commission, commented on Visa's patent filed with



the USPTO: 'This confirms when the U.S. does big things like the space program and the Internet, there are partnerships between the private and public sector. This patent filing is evidence the private sector is very much at work on the future of money." Giancarlo has been very active at the virtual 'Consensus Distributed' conference this week hosted by Coindesk.

Congress considered the idea of a digital dollar when debating the CARES Act, the third COVID-19 relief package. Although the digital dollar was not included in the final legislation, separate bills have been introduced in both the House and the Senate that looks to legally create a digital dollar at the Federal Reserve and also a digital dollar wallet at the U.S. Treasury. The digital dollar was suggested to provide economic stimulus benefits and possibly universal basic income to Americans.

The full abstract of the patent filed by Visa is described as, "Techniques are disclosed which include receiving, by a central entity computer, a request for digital currency. The request includes a serial number and a denomination of a physical currency. The central entity computer generates the digital currency for the denomination and linked to the serial number." Visa's patent goes on to state, "The generating includes recording the digital currency on a blockchain. The central entity computer transmits a notification of the generation of the digital currency. The central entity computer causes removal of the physical currency from circulation in a fiat currency system." An image of the patent filing is listed below.

The patent lists the applicant as the "Visa International Service Association," in San Francisco, CA and notes the inventors as Simon J. Hurry and Alexander Pierre. The patent further describes the workings of a digital wallet and a blockchain. The digital wallet includes a public and private key pair, while the blockchain is described as including a "...plurality of blocks, [with] at least one block, of the plurality of blocks, storing data for a plurality of transactions...including a first record indicating that the digital currency for an amount associated with the denomination has been created [as well as] ... a public key associated with a digital wallet".

The second record in the blockchain describes "... recording the removal of the physical currency from circulation." A schematic including the front end, middleware, and back end of the invention is below.

Visa's Crypto and Blockchain Ventures

Visa has made previous major announcements, keeping a close eye on the cryptocurrency and blockchain ecosystem. Last year, Visa was originally announced as a member of the new Libra Association established by Facebook until it withdrew in October, along with a number of other companies. Also, in June of last year, Visa announced it was entering the $125 trillion cross-border, business-to-business (B2B) transactions market using distributed ledger technology to make payments faster, cheaper, and more transparent. The Society for Worldwide Interbank Financial Telecommunication, or SWIFT, a Belgian organization started in 1973 with 11,000 financial institutions, currently serves 11,000 financial institutions conducting B2B transactions, however, SWIFT has been criticized for its legacy systems and inefficiencies.

Additionally, in February of this year, Visa announced it had granted permission to Coinbase, a cryptocurrency exchange, permitting them to issue a debit card where individuals could spend their crypto through the card.

Source: Forbes

Retailers and wholesalers call for urgent amendment of card fees regulation

EuroCommerce Director-General Christian Verschueren today pressed the European Commission to act on the growing problems facing retailers and wholesalers resulting from the limited scope of the Interchange Fee Regulation (IFR). He asked for firm proposals to amend the legislation as a follow-up to the Commission report into the application of the IFR, due to be published in the coming weeks:

"We have consistently supported the Commission in its action over the years on interchange fees for credit and debit cards, and in producing the Regulation adopted 5 years ago. This has worked well in reducing consumer interchange fees. But its limitations are beginning to show – other fees have substantially increased, as have fees for unregulated cards, which most merchants have no choice but to accept. With strong evidence of fees rising steeply, we are today asking for the Regulation to be amended to allow the Commission to address actions which directly undermine its objectives."

In March, we published an economic study reflecting a substantial input from our members' experience of dealing with card fees. Card schemes have been steadily increasing the unregulated fees imposed on retailers, thereby substantially reducing the intended benefits to merchants and consumers, of the IFR. For example, data provided by the global payments consultancy CMSPi, shows that in the 3 years since 2018, i.e. outside the IFR review period, average fees imposed by one card scheme increased by 150% and inter-regional fees by over 35%: increases across both card schemes are estimated to cost EEA merchants an additional €794 million every year, representing a 47.5% increase on total scheme fee costs since the beginning of 2018.

We have now provided the Commission with a legal opinion by a distinguished academic expert in this area, which analyses how the rise in non-regulated fees directly undermines the stated objectives of the regulation, and points to ways in which these abuses can be readily addressed by amending the IFR.

Ahead of the Commission's report on the functioning of the IFR, expected next month, we are asking the Commission to amend the Regulation to include:

- Regulation of the total fees charged to payment card acquirers;
- Removal of all substantive exemptions in the Regulation so as to cover commercial cards, three-party card schemes, cash withdrawals at ATMs, inter-regional cards, and virtual card transactions;
- Independent acquiring of three-party card schemes;
- Mandatory minimum interchange fees for cash withdrawals and deposits at ATMs in order maintain consumer choice and cash alternatives and
- Strong and dissuasive penalties for non-compliance with the regulation.

Source: Euro Commerce

Rwanda sets new bank regulations in light of Covid-19; positive for sector

Similar to Kenya's policy changes, the National Bank of Rwanda has issued new regulations to cushion the banking sector in response to the Covid-19 pandemic. We expect these moves to help stabilise the sector over the next six months, although we still anticipate increased non-performing loans (NPLs) and lower loan growth.

Key changes:

1. Banks have been allowed to temporarily ease loan repayment terms for borrowers. The central bank has not disclosed the period over which this will be applicable. However, we see it as positive for Rwanda banks as it will soften the for-

mation of NPLs, especially in Q2-Q3.

2. Mobile wallet charges have been revised for the next three months to encourage digital transactions, including: 1) no charges on all transfers between bank accounts and mobile wallets; 2) no charges on all mobile transfers; 3) no merchant fees on payments for all contactless point-of-sale transactions; 4) the limit on individual transfers using mobile wallets has been increased to RWF1.5mn from RWF0.5m for Tier 1 customers and RWF4.0m from RWF1.0mn for Tier 2 customers.

For Bank of Kigali, however, we expect the impact of this specific change to be negative, albeit temporarily so. As of 2018, the contribution of fees to its total income was 16%, the largest sub-segment being payment facilities, which accounted for 6% of total income.

Although a positive outcome for Bank of Kigali would be increased usage of alternative channels, which it has been targeting, non-interest revenue growth is likely to be flat in Q2 20 and Q3 20. Thereafter, though, if fees revert to normal rates after the worst of Covid-19 is over, we expect the new adoption of alternative transaction modes to boost non-interest revenue growth.

3. An extended lending facility for banks. The National Bank of Rwanda has put aside an additional RWF50bn (US$52.5mn) for banks that could face liquidity challenges. The tenor will be 3-12 months and will only be available for the next six months. We believe this is important, especially for the smaller banks, which will need this support. Compared with Kenya banks, Rwanda banks have a lot less liquidity. Bank of Kigali had a liquidity ratio of 35.9% at end-Q3 19 (Kenya banks had an overall ratio of 51.1%). It had a net loan/customer deposits ratio of 109.8%, and we believe the bank will need to scale back on lending to enhance liquidity.

4. Treasury re-discounting window regulations revised. The regulator has offered to buy back bonds at the prevailing market rate and the waiting period if one fails to sell the bonds in the secondary has been reduced to 15 days from 30 days. This will offer banks the opportunity to boost their cash positions should the need arise within the next six months.

5. Cash reserve ratio reduced to 4% from 5% from 1 April. This will help banks keep more usable liquidity, which they can use to cushion customers.

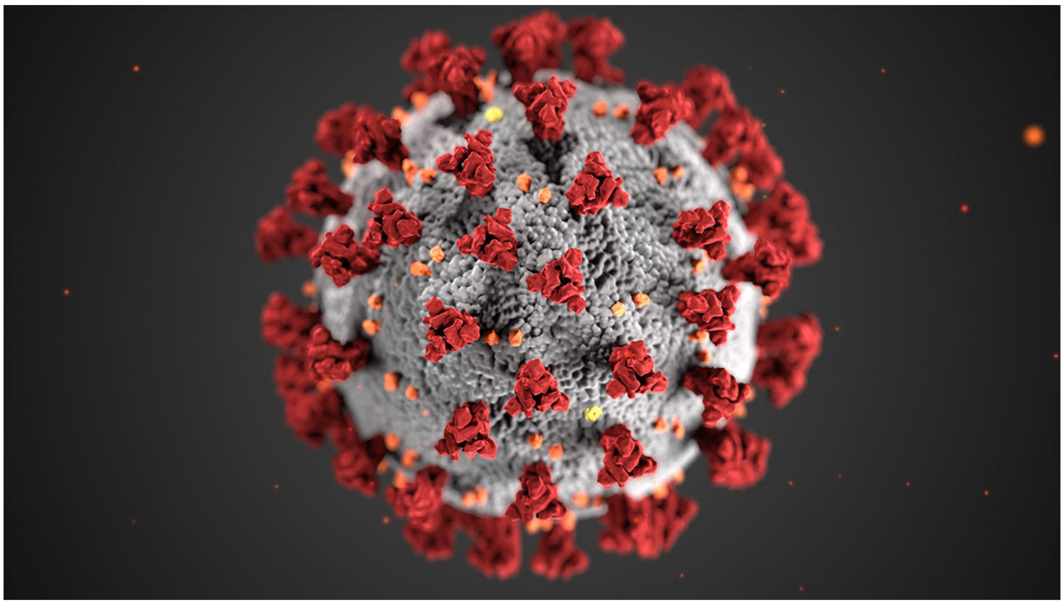
Unlike Kenya, Rwanda has enacted a full lockdown in the country following confirmation of 17 Covid-19 cases. All unnecessary movements outside the home have been banned for an initial two weeks, except for essential trips, such as for health-care purposes and shopping for groceries. Public and private workers have also been ordered to work from home to help prevent the spread of the virus.

Rwanda also closed its borders completely, except for goods and cargo and returning citizens (although Rwandans coming home face two weeks of quarantine before they are allowed to re-integrate). These measures should slow the spread of the virus, but will also hit economic growth significantly.

Source: Tellimer

COVID-19 accelerates the move to digital payments across Canada

According to new data released by Interac Corp., payment transaction records show that today, more than ever, Canadian consumers and businesses are adopting digital methods to spend, send and receive money. A record-setting 61.3 million Interac e-Transfer® transactions took place in April.



Interac data shows that since COVID-19 was declared a pandemic1, Canadians have increasingly opted for digital solutions over cash and cheques – and many for the first time. Since mid-March, first-time Interac e-Transfer users increased by 43 per cent and the average number of transactions increased by 9 per cent compared to the same time last year. While Canadians were using these methods regularly pre-pandemic, a surge in growth of new users on the Interac e-Transfer platform suggests that the shift to digital will last beyond pandemic measures.

The shift away from cash and cheques is also reflected in the double-digit growth of Interac® Debit for In-App and In-Browser Payments since mid-March and the 5 per cent increase in contactless Interac Flash® transactions since the initial spending dip in mid-March.

"This digital shift isn't unexpected, but crisis situations compress timelines and Canadians are quickly seeking out secure and convenient digital payment options adhering to physical distancing recommendations," said William Keliehor, Chief Commercial Officer, Interac Corp. "COVID-19 is accelerating a new era in payments driven by the changing needs of Canadians and Canadian businesses, and for many, these convenient ways to pay will have a stickiness factor that will influence a long-term shift in behaviour."

Canadian businesses are also adapting to pandemic restrictions using digital payment solutions. Since mid-March, businesses have been receiving 35 per cent more Interac e-Transfer transactions than expected. Canadian businesses are shifting to digital payment solutions for everyday transactions like paying suppliers, or small businesses using the platform to accept payments in place of cash or cheques. Offering Interac Flash, Interac Debit for In-App and In-Browser Payments and Interac e-Transfer as payment methods allows some businesses with physical distancing restrictions to continue to serve customers.

"Businesses and consumers are discovering new ways to transact and manage their finances: from sending money to a neighbour for grocery sharing, to the small food establishments accepting Interac e-Transfer transactions and selling baked goods from the kitchen. When it comes to small businesses, these behaviour changes are helping those that, now more than ever, need efficiencies and cost-savings to power operations, serve customers, and compete in a digital economy," added Keliehor.

Source: News Wire

Industry reports

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MPE 2020: Creating Value Through Payments Innovation

APRIL 2020

Ron van Wezel

Download the report here

Payments in a time of social distancing

How a global pandemic affected the payments landscape and how e-commerce can emerge even stronger

June 18th, 3pm CEST

Sponsored by:

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Local payments. Worldwide.

The effects of COVID-19 on the economy are complicated, but this is mostly positive news for e-commerce. In just one week at the beginning of April 2020, US e-commerce merchants saw orders rise by 54% compared to the same week in 2019, and revenue rise 37%. In the UK, Germany and France — according to a study by Kantar — up to 80% of shoppers are now making at least half of their purchases online.

Speakers & Panelists

Alan Moss
(Moderator)
Head of Fintech & Payments
BlueSpecs

James Booth
VP, Head of Partnerships EMEA
PPRO Group

Jennifer Archangeli
Product Marketing Manager
PPRO Group

Register for the webinar here

PSD2 Acquirer Exemptions and Delegated Authentication

June 22nd, 12:00 CEST

Sponsored by:
netcetera

Strong Customer Authentication (SCA) is a mandate coming from PSD2 that requires two factors to authenticate the cardholder. At the same time, PSD2 states that not all transactions need to be strongly authenticated if a PSD2 exemption can be used. Most of the PSD2 exemptions apply to card issuers. However, some of them can also be applied by acquirers.

In this session we will explain how Acquirers and Payment Service Providers should use the PSD2 exemptions to decide, whether an online transaction can be sent directly to authorization or requires 3-D Secure authentication to achieve optimal balance between transaction security and economic interests.

Join us and find out how PSD2 SCA Acquiring exemptions and Delegated authentication can be used right at the start of the transaction flow for a smoother and more trusted, seamless user experience.

Speakers & Panelists

Alan Moss
(Moderator)
Head of Fintech & Payments
BlueSpecs

Roger Burkhardt
Senior Product Manager Secure Digital Payments
Netcetera

Kurt Schmid
Marketing & Innovation Director Secure Digital Payments
Netcetera

Register for the webinar here

Success stories of start-ups that originated at MPE conference

In this episode, we cover the story of ID-Pal, an innovative Start-up that won the category: Best Start-Up at MPE 2018 Awards. ID-Pal is a SaaS solution for KYC enabling businesses to verify the identity of their customers. Using advanced mobile technologies, ID-Pal reduces the cost and risk associated with customer onboarding, whilst removing any friction from the user experience.

The ID-Pal attended MPE 2018 in order to explore and validate the Payments Industry as a possible market opportunity. ID-Pal showcased its solution on the main stage in front of over 1000 C-level industry participants in the Innovation Corner Competition. The company was voted by the event participants and awarded as the most innovative Start-up at the MPE 2018 Awards. According to James, the event proved to be invaluable for the business, providing crucial exposure to industry leaders, access to a broad client network and instant feed-back on the ID-Pal product.

By listening to this podcast you will also learn:
- What has changed with ID-Pal since winning the Awdard?
- What are ID-Pal key achievements so far and how winning the MPE Awards helped the business grow?
- And how does James see the future trends in verifying customer's identity?

Melisande Mual (Host)
Publisher and MD
The Paypers

James O'Toole
Co-Founder & Chief Business Officer
ID-Pal

Listen to podcast here

Data Driven Innovation in Merchant Payments

In this episode, we cover the story of two innovative payments Start-ups that presented their solutions at MPE 2020 in Berlin.

Melisande Mual, the host of this episode, spoke to Sebastian Weyer & Julian Lee at the MPE2020 conference in Berlin, Feb 18-20 about how they are helping their customers with data driven innovation in payments and how can merchants use data to be super relevant to customers.

With a multitude of new companies entering the payment market every day, it's hard to make a startup stand out. Sebastian and Julian shared the tips that helped them differentiate their brand from the rest in the crowd.

By listening to this podcast you will also learn:
- How they took their companies from a concept to reality.
- What advice would they give to young European entrepreneurs who are just starting out.

Statice is a start-up company offering a unique data anonymization solution. Sebastian explains how his company enables businesses to stay innovative with smart synthetic data, in a privacy-compliant manner. Data-driven innovation of tomorrow starts with protecting data today.

Cellfie's unique solution turns all e-commerce transactions into card-present transactions, addressing the long-standing issues with online card not present transactions such as consumers' friction at checkout page, CNP false declines, CNP chargebacks, etc. With Cellfie, consumers benefit from the highest level of security and reduce their potential for e-commerce fraud since no credit card data is stored on their device or in the cloud.

Melisande Mual (Host)
Publisher and MD
The Paypers

Sebastian Weyer
Co-Founder & CEO
Statice

Julian Lee
CEO & Co-Founder
Cellfie

Listen to podcast here

Global Map of mPOS Providers

The most comprehensive industry overview of mPOS providers. The interactive map monitors the increasing complexity of mPOS ecosystem listing players coming in from different sectors around the Globe.

www.merchantpaymentsecosystem.com

2010 Jan

Square

Provider to merchants: ✓
(Core Service & Wallet)

Vendor to providers: ✗

Accepted Card Brands: VISA, MC, AMEX, DISCOVER

Countries Serving:
United States, Canada, Australia, Japan

Product Names: Square Register
Connection Type: Audio jack card reader
Features: Free secure card reader available after sign up, secure encryption, easy setup, free Square Register app, no setup fees or long-term contracts, funds from swiped payments are deposited directly into bank account within 1-2 business days, includes checkout customization, management tools, data analytics
Verification Method: Signature
Compatibility: iOS, Android

Website: www.squareup.com

2010 Mar

Lightspeed

Provider to merchants: ✓
(Core & Front Office & Back Office & Open API)

Vendor to providers: ✗

Accepted Card Brands: VISA, AMEX, DISCOVER, MC, JCB

Countries Serving:
United States, Australia

Product Name: LightSpeed Mobile
Connection Type: Mobile payments sled, serial port & audio jack card readers
Features: Create new invoices, perform inventory lookups, add or create a customer, scan products with linea-pro hardware, process credit card payments, accept signatures on-screen, email receipts. LightSpeed is the complete retail solution
Verification Method: Signature
Compatibility: iOS

Website: www.lightspeed.com

2010 Apr

Shopkeep

Provider to merchants: ✓

Product Name: Shopkeep