

Emerging Payments

AIME

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EPA Lead
Benefactor

Visa Europe
Collab

EPA Benefactors



Emerging Payments

- What is 'Emerging Payments' and who cares?
- What are the main drivers of change?
- What role does the EPA play?

What is emerging payments?

- ‘Anything to do with moving money that’s new’
- ‘Payments other than credit, cheque or cash’
- ‘A frame of mind’
- ‘Marketing spin’

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Glossary

We've provided this extensive glossary of terms used in the payments industry as a useful resource to help you understand the jargon we all hear. If there's one missing you'd like to see added, please email it to amy.donnelly@emergingpayments.com

0-9 A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

0-

9

3-D SECURE

3-D Secure is an XML-based protocol designed to be an additional layer of security for online credit and debit transactions. It was developed by VISA, under the name 'Verified by Visa' with the intention of improving the security of eCommerce. Services based upon the protocol have also been adopted by MasterCard as MasterCard SecureCode, JCB International as J/Secure and American Express as American Express SafeKey.

ACCEPTANCE MARK

A graphic symbol, typically that of a card brand (i.e. American Express, Discover,

ELECTRONIC BENEFITS TRANSFER (EBT)

The electronic delivery of government benefits using payment cards including Prepaid Cards and/or mobile phones. For example in the US, the Food Stamp Programme (now called SNAP) has been delivered exclusively by Prepaid Cards since the late 1990s. (The cards were introduced to replace paper vouchers in part to address \$2 billion in Food Stamp fraud.). The card is positioned as an option, in place of receiving a cheque, for unbanked recipients; it is not positioned as an alternative to Direct Deposit to a recipient

ELECTRONIC STATEMENT (E-STATEMENT)

Also referred to as an E-Statement, this is a functional alternative to a traditional paper statement because it provides current information and may be accessed easily at any time by the Cardholder. It acts as a record of transaction activity and other information, such as balances and fees charged and is available online.

EMBEDDED ANTENNAS

Antennas directly integrated into a system such as a Terminal, mobile phone or a tablet. In most cases, this antenna is matched to the system and cannot be used in other applications. In the case of an NFC enabled device, the antenna works as a security element for the exchange of sensitive data.

EMBOSSSED

The data on the face of the card is raised above its surface. It is used to print the card number, start and expiry date on the card and the Cardholder name.

E-MONEY - EU ONLY

The type of prepaid products that are regulated by the E-money regulations in the EU and have to conform to a number of strictly defined controls.

E-MONEY LICENSED ISSUER (EMLI)

Provider of payment solutions that is registered with relevant local financial services authority.



What is emerging payments?

‘New and innovative payment methods that enable more effective movement of value between people and organisations including digital, mobile, electronic, prepaid, and virtual payments’



Why do 'emerging payments' matter

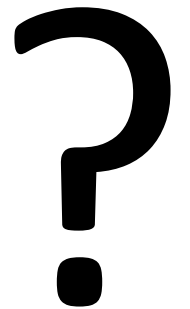
- Over to you

Emerging Payments

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What are the drivers of change?

1. Regulation is a competitive advantage
2. Fintech is 'so yesterday'
3. From back to front (office)
4. Sector boundaries are blurring
5. Collective security is enabling individual security
6. Open payments is becoming the norm
7. New users, new uses
8. Mobile is just a channel
9. Government is supporting us at a strategic level
10. It's not about when, it's about why



The real drivers of innovation?

Ideas for the greatest innovations come from . . .
somewhere else

Example from nature



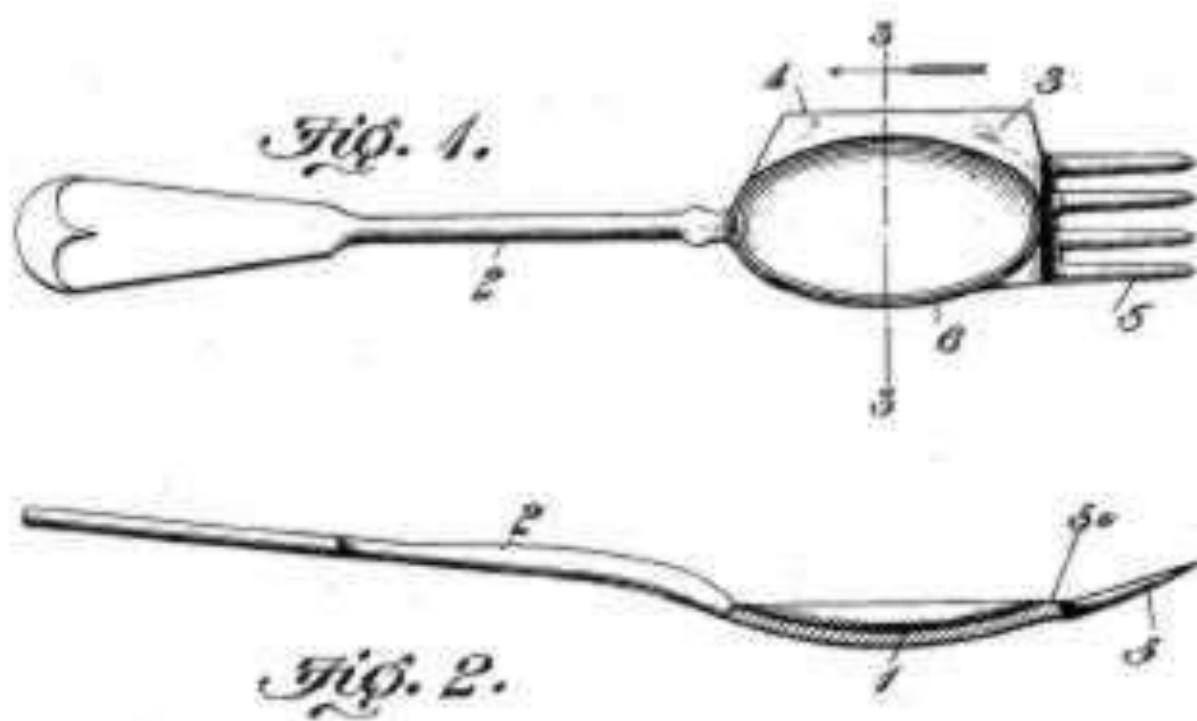
Donkey

Horse

Example from history

The Spork

- Samuel W. Francis, 1874
- Issued US Patent 147,119



Example from today

What happens if you combine technology with a German folk festival?



- *Cutting edge demos from some of the hottest startups, a plethora of craft beers, traditional Oktoberfest cuisine and live entertainment all night*

1512_{km}

JOHN O'GROATS
LANDS END 874mi
NEW YORK 3200mi
ORKNEY 5mi SHETLAND 152mi



An example from cycling

The Fly6

- Features
 - Replaces existing tail-light
 - Records what happens behind you
 - Shines brightly
- Benefits
 - You can ride on worry free
 - And prosecute people who drive dangerously behind you



An example from payments

Payments and logistics



collect+

37% growth

18,000,000



Payments and fashion

Visa Europe Collab and House of Holland

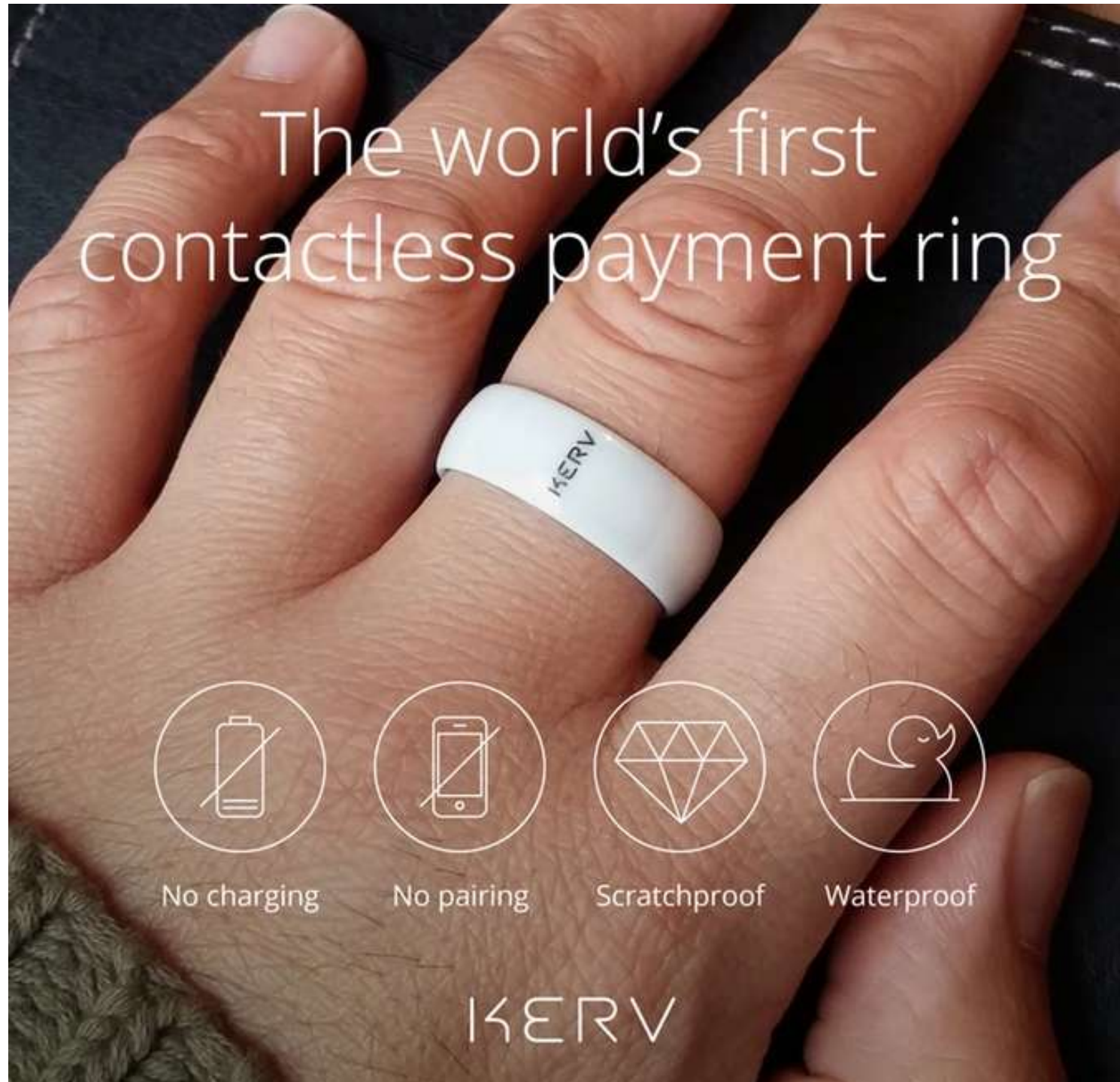
Visa Europe
Collab



It's here and now

Kerv - launched 20/9/2015

- www.kickstarter.com
- Pay with a single gesture - anywhere in the world that accepts contactless payments
- No card, PIN, bank account or smartphone required
- 'Over half of online shoppers would use wearables for purchases if they had one' ([Tech City News](#))





Apple Pay

Example from textiles

Project Jacquard: fashion, wearables and IoT



Google

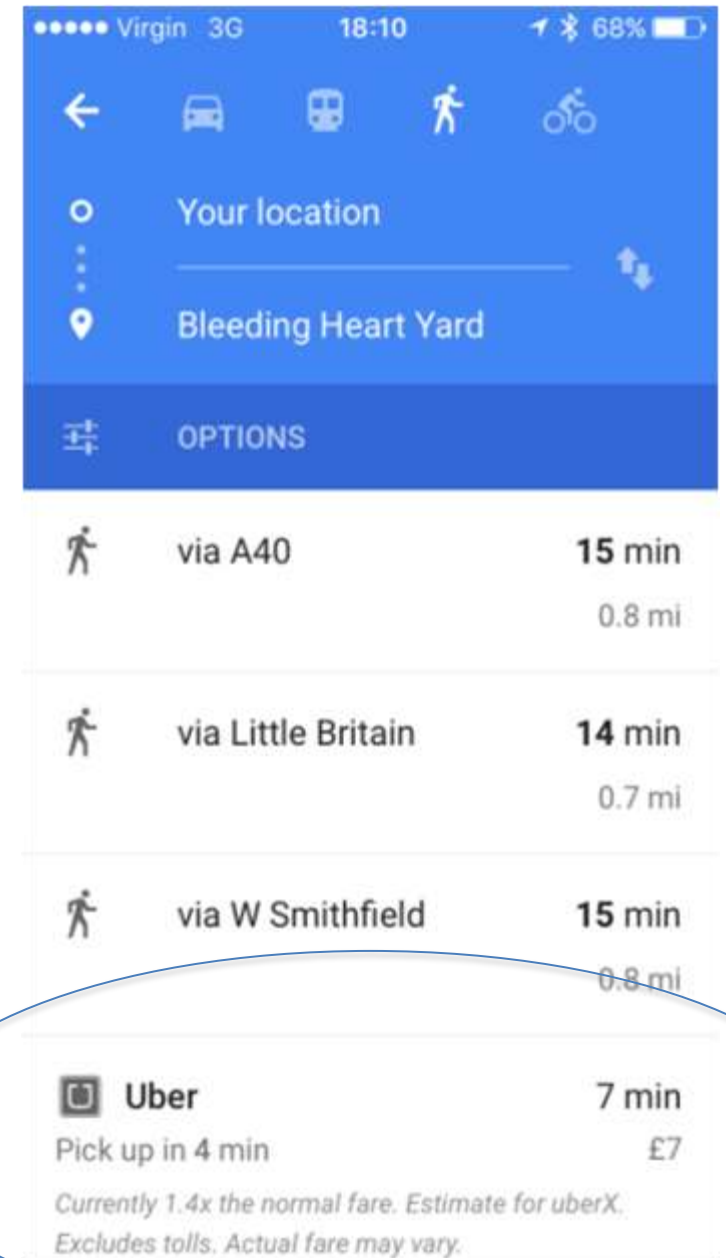
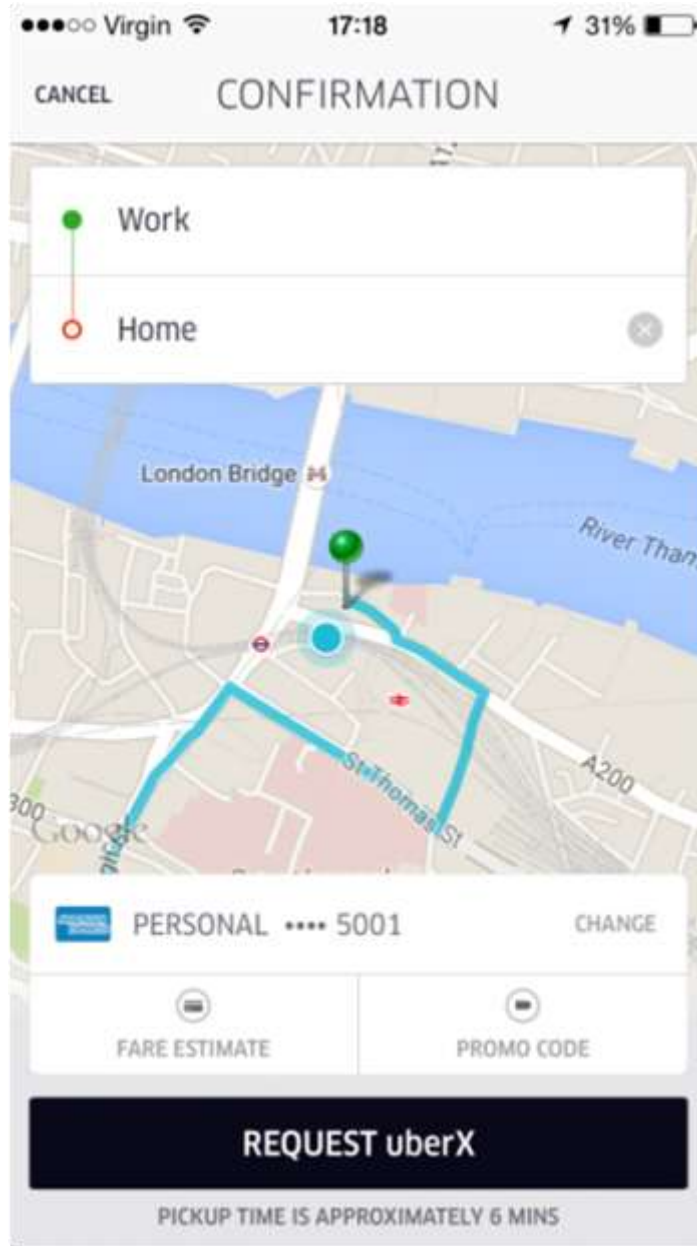
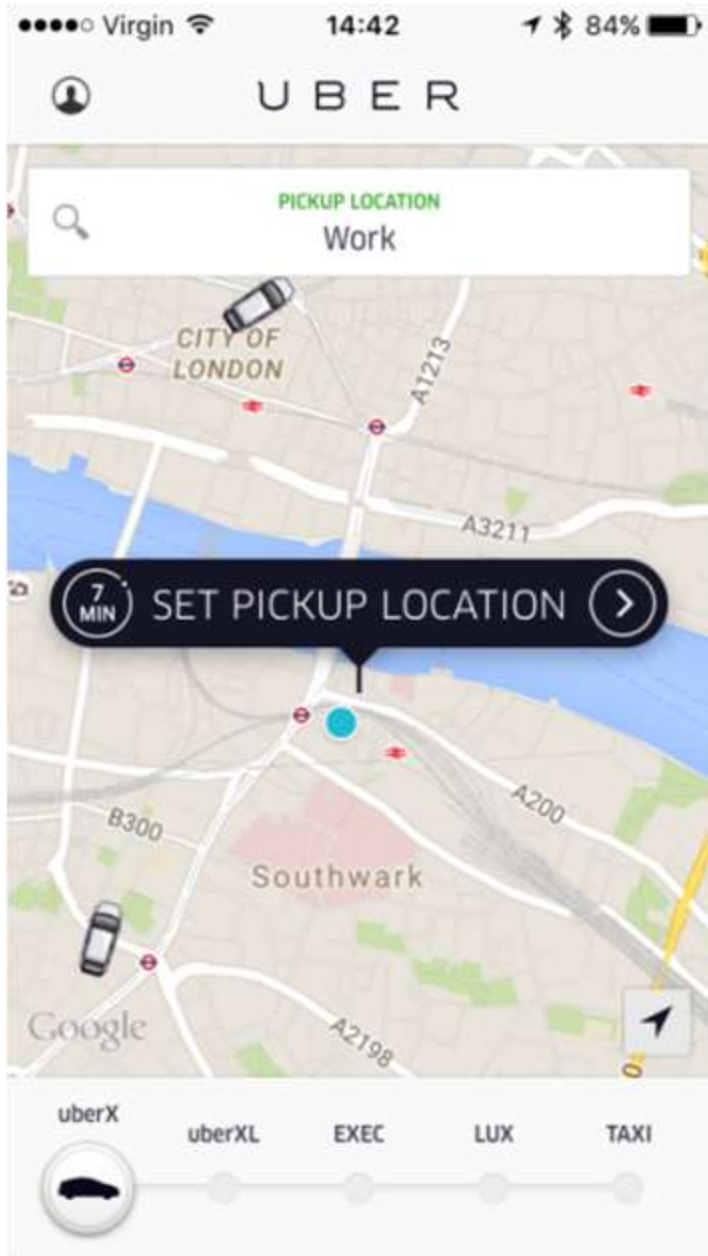
Levi's

Example from transportation

Payments, Global Positioning Systems and Communications



U B E R



Example from hospitality

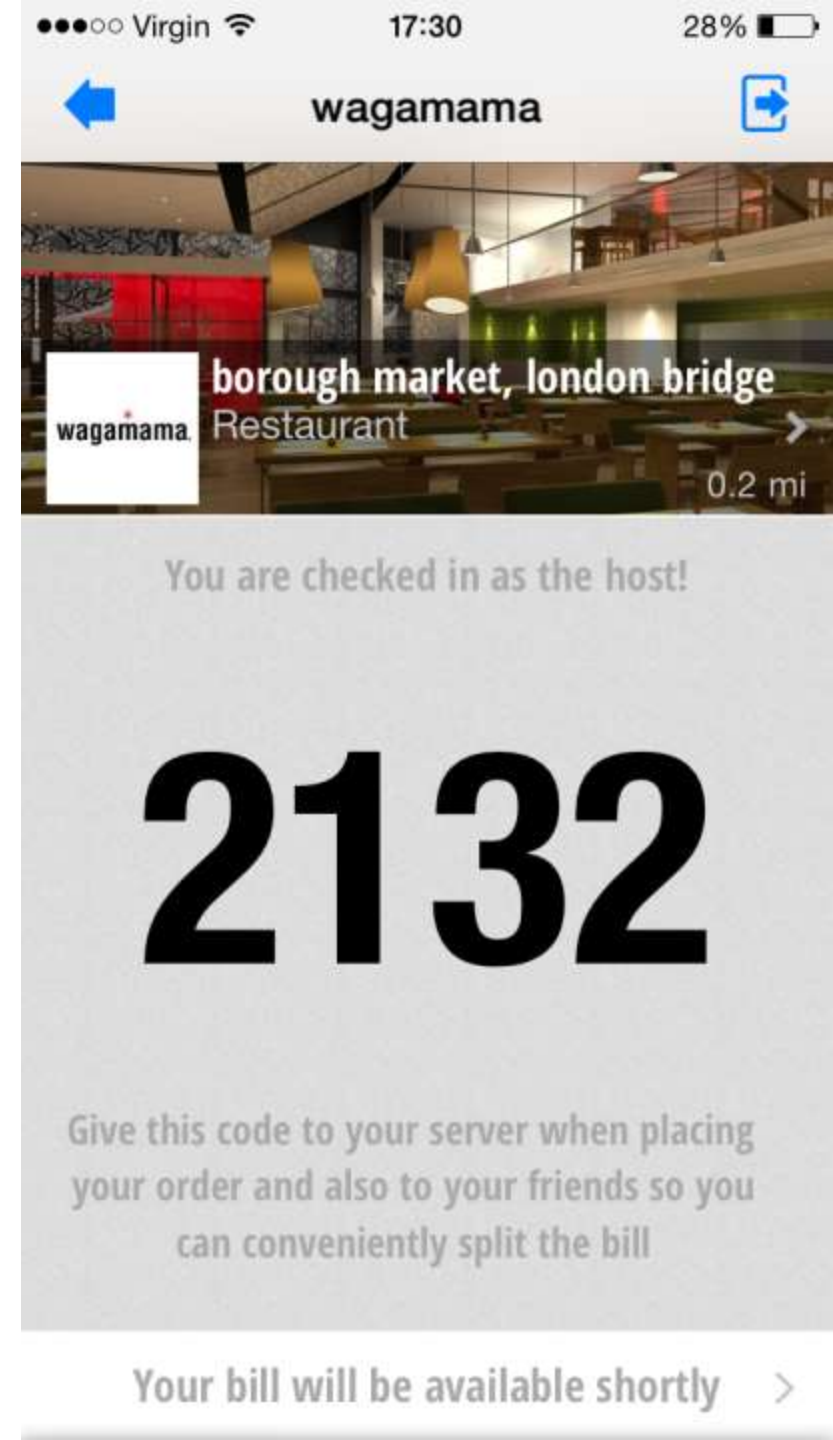
Payment, mobile and loyalty

Qkr!™



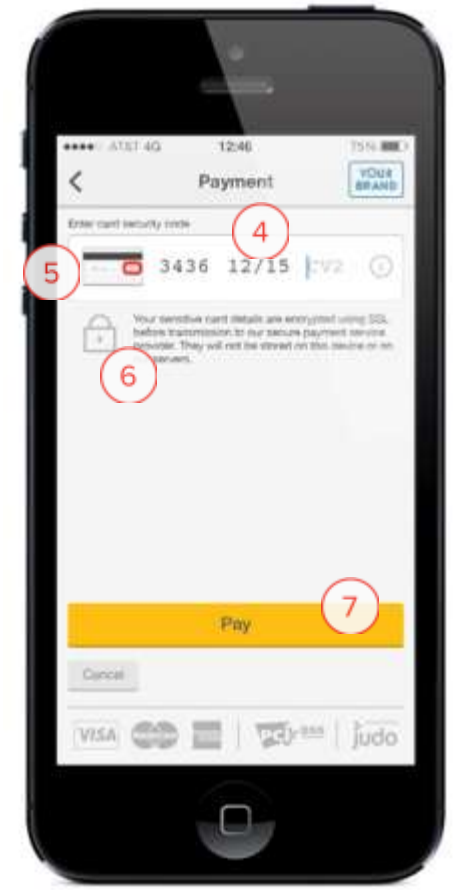
judo

Reviews



Examples from EPA members

judo
Apple Pay



And retailers love it

Judo

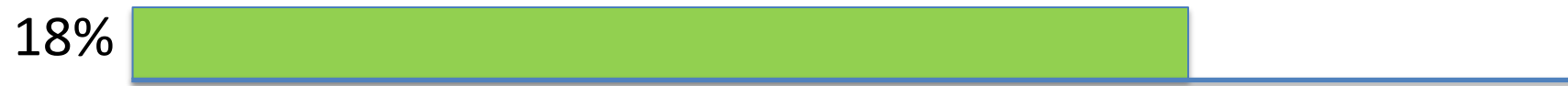
- Most businesses have done little to optimize for smartphones



- Solution: shrink the screen



- And pay in app:



And Givvit

Combines social media, and gifting

- Easy to use, intuitive smart phone application
- Enables sending of tangible, every day, low cost treats
- Treats include:
 - Coffees, cakes, snacks, drinks, meals, flowers, cinema tickets, & chocolates
- Treats are redeemed in-store at well-known brands (Treat Partners)



Make someone happy

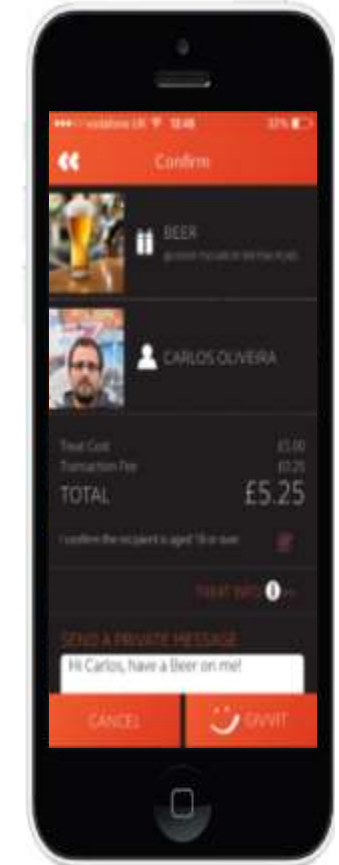
What's not to like?

Consumer

- Expands gifting to a wider group of friends or “Treating Circles”
- Treats as a social currency
- Social media provides continuous reasons to treat

Corporate

- To create rewards and loyalty programmes
- Low cost segment of products to reward employees, thank customers and much more



Our conclusion

What is driving innovation in emerging payments?

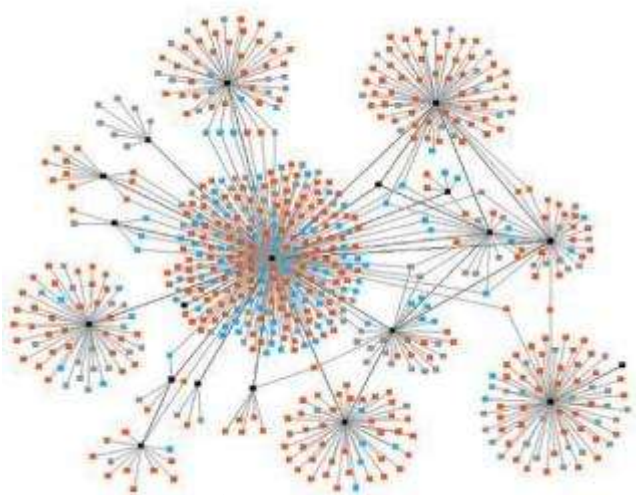
Ideas for the greatest innovations come from . . .
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What's happening in payments?

Networked decision-making makes selling unpredictable

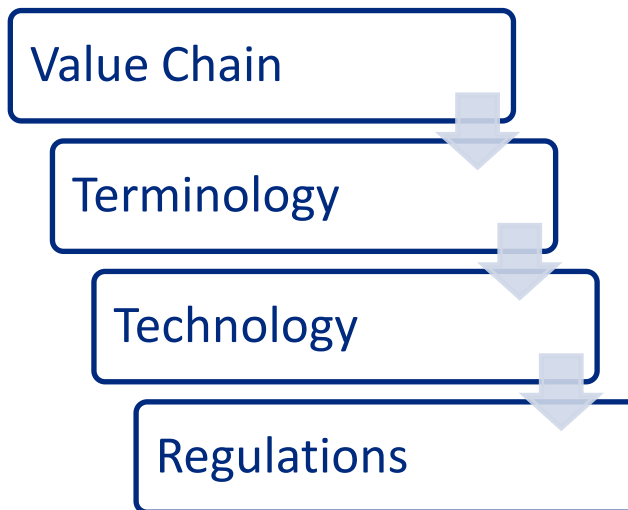


We need to

Facilitate connections

= faster growth

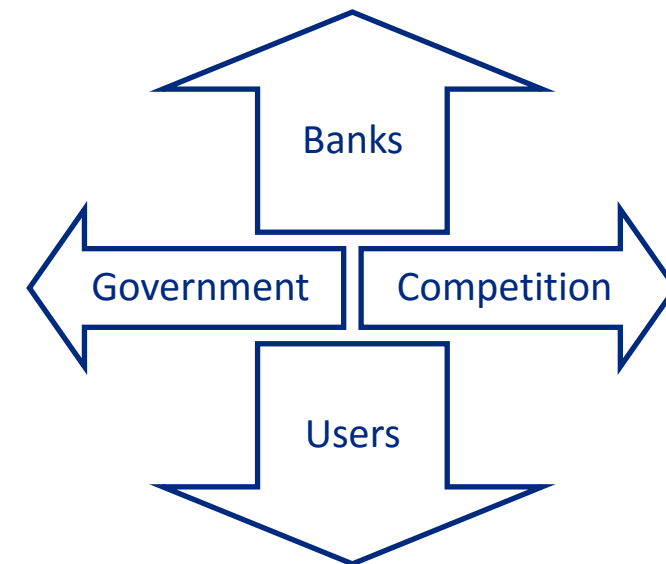
Adoption of innovation is being prevented



Remove the barriers

= more innovation

Opposing forces prevent market growth



Speak with a common voice

= a bigger pie

How does the EPA address these issues?

The EPA influences you and your industry

Events

To give you access to the right people

- We run events to help members connect with prospects, partners, educators and suppliers

Projects

To remove barriers to innovation

- We run projects to remove barriers to innovation and encourage the adoption of innovations

Advocacy

To raises profiles

- We promote our members, emerging payments and the EPA by publishing news and white papers, providing an online research library, responding to consultations and lobbying institutions

EPA helps advance payments innovation

Members:

- Progressive, collaborative companies in payments

Vision

- For the UK to be the global hotspot for payments innovation

Mission

- To be the most influential trade body in payments

Values

- Innovative
- Passionate
- Together
- Powerful
- Open



EPA Members

Companies use membership of the EPA to grow their businesses faster, at lower cost and risk

Advancing Payments Innovation

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The Emerging Payments Association is run by Your Gx Ltd