



*Merchant Digital Onboarding:  
The European Playbook*

## Your hosts today



Daniel Belda, Payments Strategy Director  
Ekata, a Mastercard Company

Daniel has been working in payments companies (Ingenico, Worldpay, etc.) in Europe for over a decade, delivering and bringing to market key strategic products. In addition, setting up a Brazilian acquirer from the ground up and establishing a digital bank has exposed him to multiple facets of the industry, allowing him to bring a unique perspective to discussions.



Tony Solomon, Director  
Solomon Ltd.

Over 20 years' experience in the payments industry holding senior positions at schemes and companies in Europe, North America, Asia and Africa. Founder member of the management team and shareholder in ClearBank – the first new clearing bank in the UK for over 250 years.

# The digital imperative for merchant onboarding



## COMPETITION

Acquirers, lending banks, and eCommerce marketplaces are competing for the growing small merchant business segment.



## CONSUMER EXPECTATIONS

Instant gratification is quickly becoming the lowest common denominator in the digital space.



## COMPLIANCE REGULATIONS

Market forces are compounded in Europe by the high number of compliance regulations, many of which have country-by-country applicability.

## CONSUMER EXPECTATIONS & COMPETITION

# The business case for digital merchant onboarding



If your marketing team attracted 100 customers to your online application form, but only 20 made it through to the end of your process — *where did the other 80 go?*

63%

of Europeans have abandoned financial apps last year\*

69%

consider mobile-first providers to be better than traditional

26%

argue that the onboarding process is “difficult”

## ABANDONMENT RATES

# Tracking “negative” business metrics reveals opportunities



EKATA CUSTOMER

Irish Bank

22%

of the merchants submitting loan applications fail passive KYC/KYB checks for name-to-address & are sent document requests

20%

of merchants challenged for additional information will complete the document request & complete onboarding.

## MANUAL INVESTIGATORS

# Manual reviewers - a core component of digital onboarding



- Core part of KYC/KYB and AML processes
- Challenged to keep up with the volume of small merchants
- Need access to better technology tools to increase efficiency

## REGULATIONS

# Just checking the compliance box is not enough



Increased & increasingly enforced regulations

- MiFID2
- GDPR
- KYC/KYB
- AMLD 4-6
- PSD2
- eIDAS

- 
- ~> Fraud still exists and finds a way through
  - ~> Business is impacted / more friction to your customer

# Key trends



Compliance is becoming strategic



Automation & digital transformation



Rising costs & regulatory technology



Data's role as enabler



Digital experiences are converging across Europe



# Adjust existing workflows to reach 100% digital



Identity Verification



Document Collection &  
Validation



Electronic  
Signature



Secure Login &  
Document Upload

- Collect only the necessary information
- Build different customer experiences based on risk
- Automate identity information lookups
- Streamline paperwork and manual reviews
- Use electronic IDs wherever possible

# Ideal Automated B2B Digital Onboarding



# Assess your program maturity

Maturity	Geography	Description
Digital onboarding leaders	Nordic countries (Norway, Sweden, and Finland)	Digital is present in everyday life and there's generally a very high penetration of eIDs. They are used to digital onboarding, and are less patient when it comes to lengthy, overcomplicated or poor user experiences.
Midpoint in digital onboarding maturity & sophistication	The Benelux region (Belgium, The Netherlands, and Luxembourg)	Strong practises when it comes to electronic signatures, but have some way to go toward improving digital onboarding.
Just starting in digital onboarding	Rest of mainland Europe & U.K.	There has been some steady improvements, but general public distrust of banks, governments, and other big organisations is a hurdle — as is an outdated digital identity framework.



# EKATA

## Global Data Provider

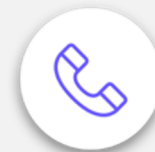
Identity verification & insights



Name



Email



Phone



IP



Address

# Meet Ekata: Global provider of identity verification data



200 global employees  
2,000+ global customers



Offices in Seattle, Amsterdam,  
Budapest and Singapore



Acquired by Mastercard in 2021



20+ integration &  
business partners



- 7B entities in our database
- 50M entities added to our network every day

# Trusted By Global Enterprise Organizations

Digital Finance

**Marcus:**  
BY GOLDMAN SACHS™

**Klarna:**

**affirm**

**Square**

**afterpay**

Global Payments

**stripe**

**VISA**

**mastercard.**

**PayPal**

**checkout.com**

Marketplaces/Tech

**facebook.**

**airbnb**

**match**

**lyft**

**gofundme**

Travel/Hospitality

**Expedia**

**priceline.com**

**Alaska**

**Southwest**

**getaroom**

eCommerce

**a**  
amazon

**Apple**

**AT&T**

**Walmart**

**NIKE**

Partnerships

**Kount**

**CyberSource**

**adyen**

**simility**

**ENOVA DECISIONS**  
Data to Analytics to Action

**Accertify**  
an American Express company

**experian**

**twilio**

**riskified**

**GDS LINK**

**EKOTO**

# Automating B2B Digital Onboarding with Ekata



# EKATA

Ekata leverages the digital and traditional attributes of **name, phone, address, email, and IP** to provide best-in-class identity verification solutions that **reduce customer friction** and **prevent fraud globally**

## Automation

Build & optimize your automated workflows

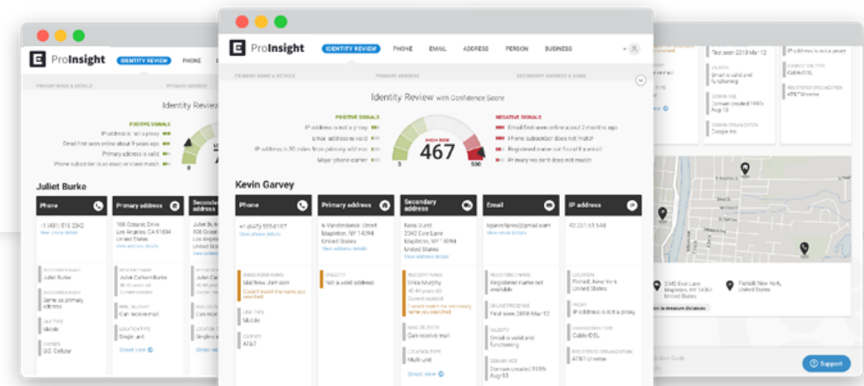
## Ekata APIs

```
{
  "results": [
    {
      "id": {
        "key": "Phone.Id.Durable",
        "type": "Phone"
      },
      "reputation": {
        "level": 1
      },
      "details": {
        "score": 95,
        "type": "risk",
        "category": "unknown"
      },
      "volume_score": 1,
      "report_count": 2,
      "messages": []
    },
    {
      "id": "Location.88e44955-805c-455a-99da-d7444ca5c484",
      "is_valid": true,
      "street_line_1": "1301 5th Ave Ste 1600",
      "street_line_2": null,
      "city": "Seattle",
      "postal_code": "98101",
      "zip4": null,
      "state_code": "WA",
      "country_code": "US",
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        "longitude": -122.334442,
        "accuracy": "Rooftop"
      },
      "warnings": [],
      "input_completeness": "Complete",
      "error": null
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      "type": "Phone",
      "number": "6464896649",
      "on": null,
      "d": true,
      "calling_code": "1",
      "pe": "NonFixedVOIP",
      "tw_telecom": true,
      "aid": false
    }
  ]
}
```

## Manual Review

Improve accuracy and efficiency of investigations

## Ekata Pro Insight





# How Ekata helps: manual review solution

The screenshot displays the Ekata ProInsight interface, which is divided into two main sections: INDIVIDUAL and BUSINESS. The INDIVIDUAL section is for Hai Lin, showing a risk score of 74 (LOW RISK). The BUSINESS section is for Starbucks. Both sections have tabs for Phone, Address, and Email. The Phone tab for the individual shows a number +1 206-916-5088 and subscriber details. The Address tab shows a residential address in Bellevue, WA. The Email tab shows an email address and domain information. The BUSINESS section shows a phone number +1 205 264 8921 and a commercial address in Seattle, WA. A 'Cross Checks' section below the profiles shows that the business phone and address match the individual's name. At the bottom, a map shows the locations of the individual and business, with a 'Locations & Distances' panel indicating the phone is 3 miles away and the address is 12 miles away from the individual's location.

Reduce time spent in manual review

- Visually identify key identity risk signals
- Cross-linked data between the individual & merchant entities cuts down on research time through disparate sources



# Key takeaways

- ✓ Digital onboarding IS possible
- ✓ European countries are converging on some key onboarding basics
- ✓ If it's not 100% digital, it's not digital
- ✓ Win with smart, data-powered triage of merchant applications
- ✓ Compliance leaders are strategic enablers of business revenue

# The path forward

## PEOPLE

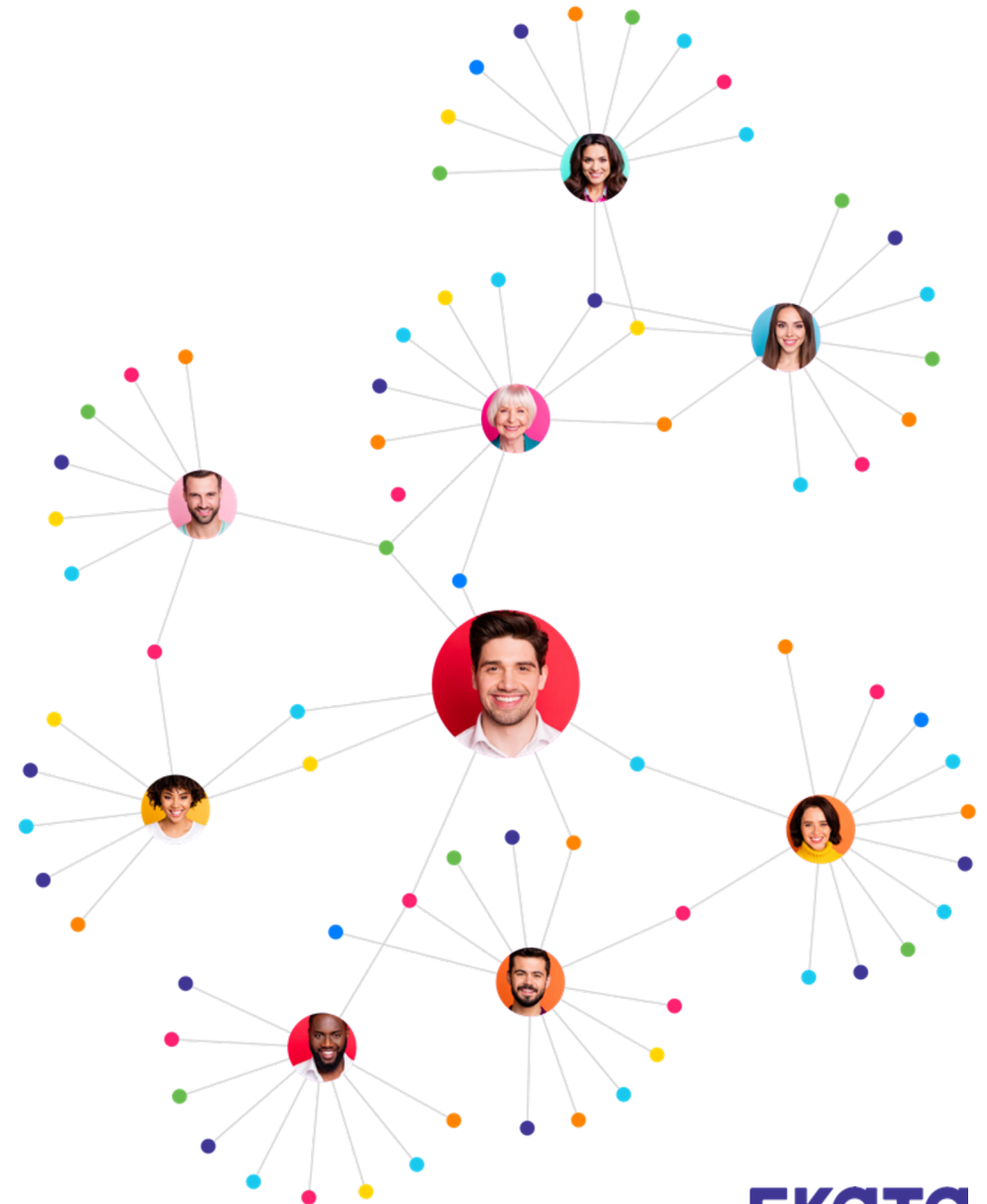
The right internal compliance leaders will team up across the organisation to build automated, digital and fully compliant workflows

## DATA & TECHNOLOGY

Use new reg-tech & third-party data to sort merchants into risk categories, then customise experiences for each based on their risk level

## CUSTOMER EXPERIENCE

Between fraud & friction, decisions need to be made with the bigger competitive landscape in mind



*Thank you!*

