



positivity magazine

THE OFFICIAL MAGAZINE OF MERCHANT PAYMENTS ECOSYSTEM • ISSUE 96 / AUGUST 2022



MPE 2022 JULY 5-7, 2022

KEY MOMENTS FROM CONFERENCE

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Dear POSitivity readers!

Welcome to the new Issue of POSitivity Magazine - July/August 2022 bi-monthly roundup!

What a week we had this July (5-7) at 15th annual MPE 2022 conference in Berlin!

It felt good to be together again. Our BIG Thank you goes to everyone who participated at it, for making the MPE 2022 conference such a great success!

We truly hope you left Berlin full of inspiration, knowledge, and new experience.

If you have missed a jam-packed three days of exciting Program, though-provoking discussions, and exciting conversations with over 1200 Global Merchants & Payments companies, we are excited to bring you THE KEY CONFERENCE MOMENTS & THEMES in this Issue of POSitivity Magazine:

- Summary of MPE 2022 conference Key moments by the conference moderators, speakers & sponsors
- WHAT OUR PARTICIPANTS SAID about the MPE2022?
- PR releases and Video Interviews with MPE 2022 Awards Winner

We are looking forward to seeing you all at MPE 2023 next year!

Until then, stay tuned, we will be back shortly with insightful Video and Audio content featuring the Industry Leaders and Innovators, recorded at MPE2022

Have a great Summer-:)

Your MPE team (the publisher of the POSitivity magazine)

PS: If you would like to become an active contributor to POSitivity magazine let us know at mpe@merchantpaymentsecosystem.com

MPE 2022 Conference Key Figures, Moments & Themes

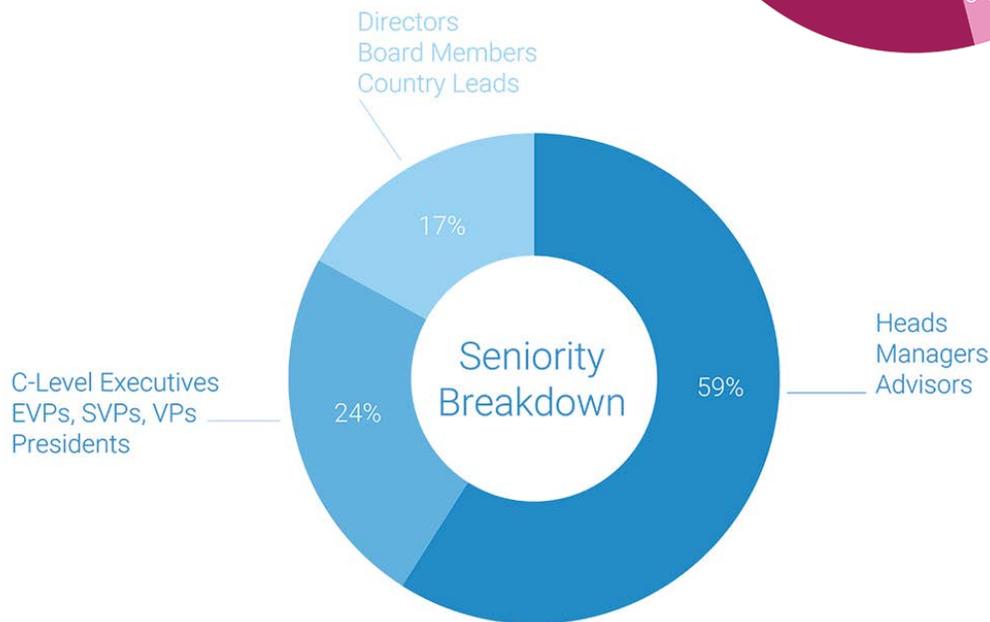
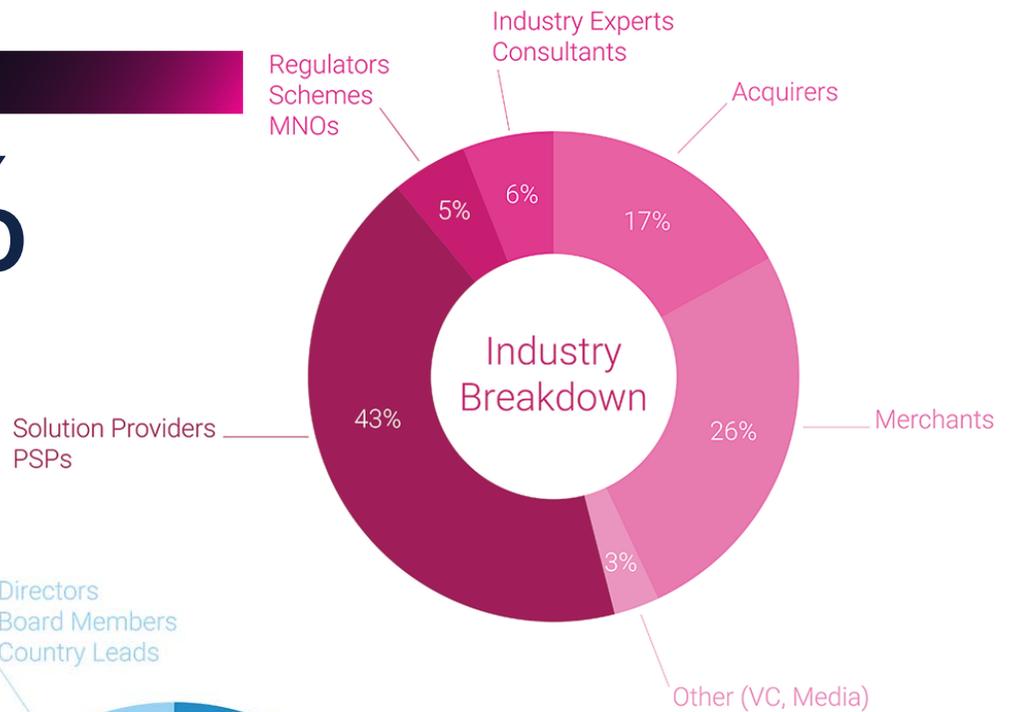


MPE CONFERENCE PARTICIPANTS PROFILE



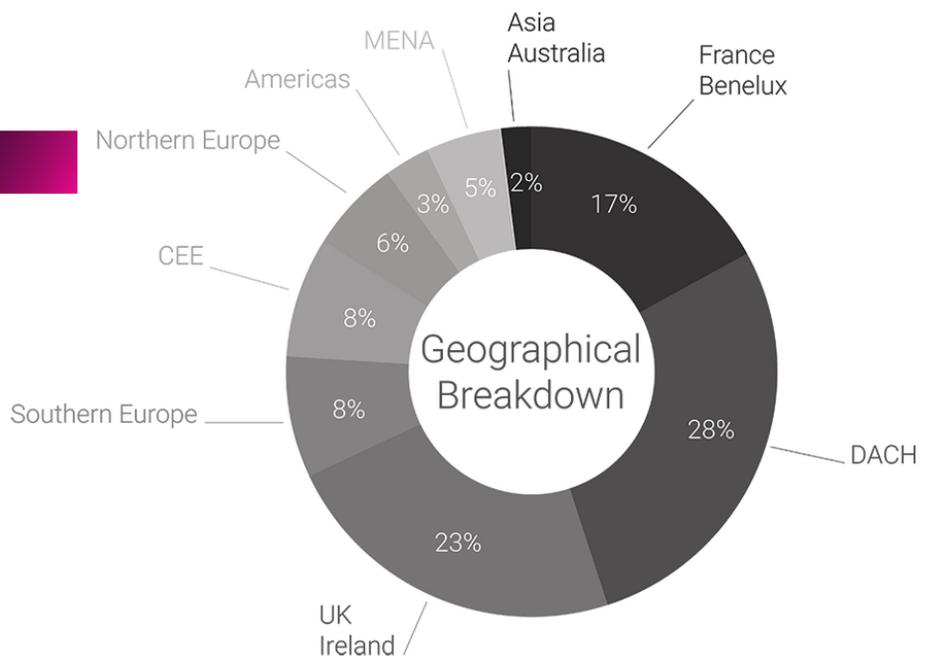
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PAYMENT ACCEPTANCE FOCUS



83%

EUROPEAN FOCUS





1200 Senior-level participants

300 BIG MERCHANTS & BRANDS
attended MPE 2022!



150 speakers

73 sponsors & exhibitors



What were the MPE 2022 highlights? **GREAT AGENDA & 5* SENIOR-LEVEL NETWORKING**

150 speakers shared inspiring thoughts & ideas in keynote presentations
and panels during 3 conference days in 4 tracks.

Watch FROM THE MPE 2022 CONFERENCE VIDEOS:

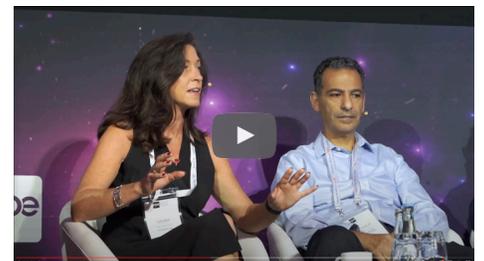
Day 1 Summary



Day 2 Summary



Day 3 Summary



MPE 2022 Chairs' Summaries



Francesco Burelli Partner Arkwright Consulting (Day 1, Session 3, Moderator)

As part of the first day's programme of the Merchant Payments Ecosystem conference, the Merchant Stream included a panel session on Travel Payments. The discussion, moderated by Francesco Burelli, Partner at Arkwright, consisted of a panel of eminent speakers: Candice Pressinger, Director of Consumer Data Security and Fraud, Elavon, Jeremy King VP Regional Head of EU at PCI Security Standards Council and Dennis Phúc McNulty, Director of Payments at GetYourGuide.

The travel industry has been deeply affected by the pandemic with number of travellers are still significantly below the end of 2019 numbers. The industry has not been affected in terms of number of travellers but also its mix with business travellers, with 52% of business travellers currently not be willing to travel during 2022.

Within this context the travel industry is liaising with a number of challenges, ranging for the impact of SCA regulation, the ever-increasing challenge of fraud with increasing levels of first party fraud, cash flow and operational issues, Cancellations, delays and cash flow uncertainties, from a pandemic that is far from over and staffing challenges. This is on top of the potential choices regarding the toll out of new technologies and a proliferation of payment methods used by travellers to book their journeys, stays and ancillary services and experiences.

The panel discussed the challenges induced by the PSD2 and key issues around SCA affecting airlines and travel operators and the value of payment services providers to the industry in supporting the industry in addressing them while minimizing operational cost impact. This was debated in parallel to the value of standards and regulation in view of an increased threat of fraud.

Standards have also the ability to create efficiencies within the booking and customer data management by initiatives such as the International Air Transport Association (IATA)'s NDC and One Order recently introduced standards that consolidate passenger record information (Passenger Name Record - PNR), electronic ticket (Electronic Ticket - ETKT) and ancillary services bought by the customer (Electronic Miscellaneous Document - EMD) records into one. The discussion highlighted the potential value of a unified standard being extended to the wider travel and entertainment industry.

Reopening, all of the sudden post pandemic, has cased significant operational challenged after two years of business suspension and underinvestment. New technologies have the potential of supporting the industry to address key challenges but the overall economic climate is still deterring travel and hospitality operators from resuming the previous levels of investment. Increasing cost of energy, inflation and decreasing purchasing power of travellers are compounding the challenge with the need of ever-more-important friction-less customer experience needing to be balanced within the business imperative of managing and preventing fraud and safekeeping customer data. From the discussion this is a particular challenge that is made more critical by the data integrity assurance need to maintained across operators, agents and interfaces within travellers' integrated experiences. The panel participants were unanimous in highlighting how payments are a key part of an overall travel operator's strategy across distribution, conversion, cost control, treasury optimization, cash flow challenges and risk management with the industry needing to collaborate so to address its pressing challenges.



Volker Schloenvoigt

Director

Edgar, Dunn & Company

(Day 2, Session 2, Moderator)

BNPL – A generational shift from credit cards?

Following a very insightful presentation from Ekata, the panel started discussing the reasons behind the global success of Buy-No-Pay-Later. On the one hand an argument was presented that BNPL is really filling a gap in the market and meets the needs for both consumers and merchants. A large part of BNPL users either have thin credit files or limited access to credit and, thanks to some strong marketing messages from certain providers, BNPL becomes a 'trendy way to pay'. Merchants benefit from more loyal customers, increased sales and increased average ticket sizes. Jupiter Research has put a figure of 30% to the increase in sales. On the other hand panellist were stating that BNPL isn't really anything new and that delayed invoicing or attaching specific repayment terms to transactions is nothing new at all. In fact, mytoys has offered this for the last 20 years to its customers. The difference now being that new technologies are enabling a more seamless process and a far better user experience. You then give it a cool name (BNPL) and the success will come. It is important to recognise local payment preferences and attitudes as well as local regulation, but the success to date has been universal.

On the topic of regulation, there was a genuine recognition that BNPL currently creates a lot of bad publicity and whilst some providers might push the boat as far as possible and sail close to what is possible, many responsible providers work proactively with regulators or aim to be ahead of any upcoming regulation. This is especially relevant in the context of transparency and customer communication and education. Customers perceive BNPL as a payment product whereas in fact it is a line of credit. It is assumed that as BNPL becomes a mainstream proposition, further regulation will come with Australia and the UK being regarded as two trend-

setting markets. There was some interesting debate whether regulation will be restricted to providers or whether it extends to merchants too, but the initial conclusion was that merchants, despite not having a specific license for it, manage it at their own risk for their own customers only and are unlikely to be impacted by most regulatory developments.

The final part of the discussion was about the future of BNPL. Four trends stood out:

- New business models such as ACI's BNPL marketplace or BNPL-as-a-Service
- Leveraging data insights to develop alternative (risk) scoring models
- The increasing relevance of banks in the BNPL space – banks are good at regulation and compliance as well as risk management but not good at technology so short-term consolidation in the market will be driven by banks buying BNPL providers
- And finally, the role of Big Tech, exemplified by the entry of Apple into the BNPL space

Everybody agreed that this is a highly dynamic industry which will create many more interesting discussions at MPE 2023.



Gary Munro

CTO, Technical Director

Consult Hyperion

(Day 2, Session 2
Day 2, Session 3
Day 3, Session 1 Moderator)

Day 2 Session 2: Deep-dive into the Software POS experience

It was standing room only in a packed room for a fascinating session on Software POS acceptance. With expert panellists providing insight from acquirer, standards body and vendor perspectives, this session focused more on the merchant / consumer experience than the technology that makes it all possible, though questions from the audience did take us towards the underlying technology and the difference between SoftPOS and traditional POS. Indeed this is a blurry line and likely to be the next challenge as the standards adopt we begin to roll out these solutions at scale. This is key, SoftPOS / Software acceptance has been around for 4 or 5 years, allowing us to develop enough understanding to build certification programs to enable the industry to move from pilot to mass market.

We learned how a payment acceptance solution which was initially intended for the “new to cards”, or low transaction volume end of the market, was being taken up by major Tier 1 retailers. The panellists explored the freedoms that SoftPOS brings to merchants all across the spectrum, enabling new ways for the merchant to interact with their clients, how SDKs allow the merchants to tailor the user experience to meet their needs.

Apple enabling an apple version of SoftPOS to some of the larger payment processors adds credibility to the sector, and it was noted that an acquirer / PSP will need SoftPOS solutions for both their Android and iOS merchants.

There were great questions from the audience, considering different use cases, the panel informed the audience about how the past few years of pilots have allowed, through the involvement of focus groups, dis-

ability groups, security groups to look deep into SoftPOS and develop it to where it is now. The key message was how SoftPOS changes the merchant consumer interaction, meaning increased sales through queue busting, or enabling payment at the purchase decision point.

Does SoftPOS mean the end of the traditional POS terminal, the panel doesn't think so, SoftPOS enables the merchant to deploy different payment solutions in different use cases, quick deployment options, so SoftPOS and traditional POS can compliment each other in enabling the merchant to better serve their customers.

Day 2 Session 3: The future of the terminal

One of the themes emerging from MPE 2022 was that how we pay in retail is changing. The POS is the merchant access point to the payment options and services they offer to their consumers.

With presentations from Bart Willems from Discover Global Network and Nitzan Tal from Klarna setting the scene for an intriguing panel session where the presenters were joined by Mahaveer Shah from Feitian Technologies, Federico Gambi from Mastercard and Kai Lindstrom from SOK.

The demise of the terminal has been wrongly predicted by many over the years, we have more terminals than ever, and with the demise of cash they are becoming a utility in much the same way that electricity is a utility. Without electricity you close the store, without the terminal, you close the store. If anything the terminal is becoming more important than ever.

However the POS is changing, almost all terminals are now Android based, making them more or less a commodity, with the potential of apps being developed and

deployed across different devices.

This ability to develop and change the role of the terminal with apps allows the Merchant to differentiate. The digitization of payments allows the merchants to provide the acceptance solutions that meet the needs of their customer demographics.

As outlined in the presentations from Bart & Nitzan, the key to bringing consumers back to stores is about providing them with the experiences they expect. Merging the online and in-store experiences, providing loyalty.

Gen Z are becoming an important group for the merchants to attract, but they are notoriously less loyal than previous generations and they are mobile first! They use their mobile to plan their shopping, they will use their mobile whilst in the store, and expect to pay how they want to pay, whether it is debit; Buy Now Pay Later; or one of the many alternative payment mechanisms. However they go to stores for the human experience, the merchant and the merchant terminal need to adapt to provide and aid this shopping experience.

The merchant needs to use their data smarter, not just for fraud prevention, but in understanding their customers and providing the targeted / bespoke experience they expect.

Tap on Phone and pay in app are just a couple of ways the ordering and payment experience is changing, expanding the range of acceptance options open to the merchant.

The terminal providers are no longer competing on the features of the hardware they provide, but rather the integration of services that work for both the merchant and the consumer.

Day 3 Session 1: Crypto Currency Workshop

The first session on the morning after the MPE Awards Dinner can be a tricky one, but in this case the audience turned up to understand cryptocurrencies and what it means to them.

Following a discussion setting out the base terminology to ensure everyone was at the same starting point, the workshop began to explore the nature of digital currencies and what they actually mean.

It was generally agreed that there is unlikely to be one digital currency to “rule them all”, indeed the programmable element of digital currencies are likely to be attractive to tribes to make the currencies work for them.

Focusing more on Central Bank Digital Currencies and Corporate Currencies (e.g. Diem / Libra / Apple / Volkswagen etc) it became apparent that we were talking about multiple currencies used for different experiences. The currency used in the metaverse is unlikely to be the currency used in the real world, but smart wallets would emerge to enable consumers to use the right currency at the right merchant / experience.

The characteristics of crypto currencies provided the backdrop for the 2nd half of the workshop. With so many levers / characteristics available, e.g. is the currency online only or can it be used offline? Does it work for 8 and 80 year olds? Is it truly inclusive? How does anyone participating in the ecosystem make money? Does the crypto currency have a business plan being it direct or indirect. The workshop though it inevitable that a CBDC in one country will differ from the CBDC in another as will Corporate currencies.

It was interesting that these currencies face the same issues that other Alternative Payment Methods face, how do they gain access to the acceptance points, and how do they gain traction such that people use them?

If governments want their CBDCs to be successful, they could issue their benefits and outgoing payments in them, but will this be acceptable to the public? The likes of Apple / Facebook / Tesco / Carefour etc could ease and incentivise the use of their crypto currency, but solving the issues of adoption are key.



Janusz Diemko Payment Consultant / Angel Investor JD Payments Consulting

(Day 2, Session 3
Day 3, Session 1 Moderator)

Day 2 Session 3: GOING CROSS BORDER WITH DIGITAL PAYMENTS

The 3 year effects of Covid have led digitalisation of processes and payments speeding up, and fuelled the growth of Ecommerce especially of Local Payment Methods (LPM) (panelists resisted the acronym APM as they are no longer alternative, there are 500+ globally and constitute the majority of Ecommerce payments in certain markets such as Japan / China with usage forecasts to grow to 65% of global volume by 2024. These must be made available by merchants where the consumers wants to use them to minimise cart abandonment.

As for a move from a local to global play by local methods the panelists saw this mainly as an acceptance play where in for example acquirers in Europe accept Alipay as opposed to Alipay issuing wallets to European consumers. A platform for interoperability between local European payment methods was seen as a possible solution to European local methods (also more for acceptance than issuance). The next iteration of a European payment initiative was seen as a top down model not driven by local consumer needs as local payment methods were which solved a critical local needs whilst giving consumers a much improved experience. It is interesting that previously physical payment methods were move online (starting with cards) whilst now the local ecommerce methods are moving to physical acceptance whether via QR codes, or NFC or potentially open banking.

As GEN Z is becoming the most populous segment with 1,35 bln Gen Z's (spending over \$1 trn) always on mobiles (36% digital), mostly without bank accounts so heavy users of non card based mobile wallets and

heavy users of BNPL, so it is clear that the payments market must build products and solutions that cater to this segment.

Open banking is becoming more important (users 25 mln 2020 forecast to increase to 132mln 2024) though more in ecommerce than the physical space where it is not clear how the UX will work, even though the lines are blurring between ecommerce online and in store. Banks are still pushing back from fully embracing open banking due to worries around loss of consumers and revenues related to card interchange and fees.

To navigate all this complexity and to ensure merchants offer the appropriate payment methods, requires the knowledge, experience and support that companies such as Thunes, Payu and PPRO can provide.

Day 3 Session 1: The Next generation of WALLETS & MOBILE payment

The key attributes for success is ensuring the wallet makes the correct trade off between security and convenience for the consumers, enabling simple safe and secure transactions, whilst minimising friction in the payments process . Partnerships are key for the wallet providers, regardless if they are bank or non bank to be able to offer a comprehensive set of solutions for the consumers other than payment with more focus on virtualised cards in the future (BNPL, transport, parking ticketing,boarding passes, P2P etc), and in the future tokenised key cards for hotels, or car keyless entry.

Non bank / QR code driven superapps are unlikely to become as ubiquitous in Europe as in Chine for reasons that Europe came from a different place of bank accounts, cards, both legacy infrastructure but also the

mass rollout of NFC cards and terminals.

Gen Z are becoming the largest consumer segment with growing purchasing power and whilst 50% of Gen Z do not have a bank account the 50% that do, provide a large opportunity for Banks. This segment wants

BLIK's huge success in Poland (with 70% share in ecomm) is driven by a superior UX, fast simple secure transactions, partnerships with acquirers and PSPs, and underpinned by the shareholder structure of 6 banks and Mastercard which enabled growth from start in 2015 to 2022 to virtually 100% acceptance in ecomm, POS and ATMs; with additional functionality including P2P and BNPL, with the introduction of NFC BLIK payments recently. The cooperation of banks provid-

ed a critical mass of consumers and 100% coverage in the mobile banking apps users. BLIK can go overseas more easily on the acceptance side to multiple markets through their current partnerships with banks and PSPs. It is more difficult to move overseas as a scheme due to local regulatory requirements, consumer habit, and need for banks cooperation.

Wallets at the physical locations in terms of enablement is currently and likely to be tap (NFC), QR codes or e-commerce payments in store; the omnichannel buying experiences is key to ensure the consumer can browse, buy and collect however he wants via all the channels.

Above all omnichannel experience is key and to ensure a seamless secure frictionless user experience.



Marco Conte Payments and Risk Consultant & Co-Founder Payment Universe

(Day 2, Session 4
Day 2, Session 5 Moderator)

Session 4: "The PSD2/ SCA is more relevant than ever"

The session showed that PSD2 SCA is a topic that still raises many questions on very different aspects. During the panel discussion we had more than 20 questions coming up from the audience! Keynote presentations from Ravelin and Barclaycard payments covered in detail the optimization and exemption strategies that merchants need to have in place, as many today don't fully get the best out of it.

The results from the poll made to the audience was very interesting, with half of the people agreeing that PSD2 SCA increased security, despite bringing some additional complexity, while half of the audience thought that the changes were not worth as too much complex-

ity and friction has been now introduced. This gives the general message that many merchants "felt the pain" about this topic but surveys provided during the presentations showed as well how this was an opportunity for many merchants to look at their checkouts and improve the payment flow experiences for customers.

Many inputs from the panel discussion brought the attention to the fact that PSD2 is now a journey part of any payment strategy, looking forward at the new version and the feedbacks coming from the current open consultation on PSD3, probably touching several aspects of the existing regulation. Surely merchants will need to follow the upcoming developments very closely.

Session 5: Monitoring and assessing SCA performance

In this session we had true experts about 3D Secure and merchant optimization strategies. Several insights from Nectera, ACI worldwide and AIB merchant services, brought a unique mixture of experiences and opinions between the ACS/3D Server, PSP and Acquiring perspectives about PSD2 SCA, optimization and performance monitoring.

It was a general agreement that merchants sometimes need to move in understanding their 3DS performances, looking more deeply at the data that they receive and how failures or declines are being monitored. This is one of the first steps to truly understand the topic and take actions for optimizations. As well, there are still some 3DS1 transactions coming from merchants and we all need to keep in mind that from October 2022



we will have the sunset of the old 3DS 1 version. Here issuers need to do more as well, making sure that cardholders are correctly informed and enrolled with the 3DS2 authentication possibilities.

We have seen how the audience has been very engaged to learn more about FIDO and Secure payment confirmation, topic excellently and clearly explained by Nectera experts. We all agree that it is just the start of a journey that has a lot of potential, as showed by the first testing programs such as the one from Stripe. But the regulatory decisions play a fundamental role, as we have seen from the comments coming from the audience about how the German issuers have been discussing programs such as Delegated Authentication and their compatibility with the current PSD2 RTS requirements.

Claire Maslen
Chief Marketing
Officer
Consult Hyperion
(Day 2, Session 4 Moderator)

Pay by phone, pay by watch, pay by car ... even pay by hand. On Wednesday afternoon, I had the pleasure of hosting a session that explored the future of IoT and wearables. How far have we come and how far are we prepared to push the boundaries in our world of hyperconnected devices? As companies keep churning out a myriad of interconnected devices, there is a real concern of how secure these are and what vulnerabilities these end points, bring to the networks they are connected to. Do we really need more methods of payments? What other use cases can we explore that will drive us to the tipping point? There's no question we've seen huge progress in awareness of wearables – the wonderful Terrie Smith from Digiseq spoke of key fobs, and bracelets but also false nails with payment chips. Fun or freaky? This got even more interesting when Wojtek Paprota from Walletmor made some of our audi-

ence squirm when he moved the payment implant into the human body!! He saved my blushes by not following through with an on stage demo but the questions from the audience ranged from 'does it have to be in my hand?' to 'what happens if it goes wrong'.

The curiosity from the audience continued when we explored connected cars and the potential for creating a new economy – micro payments and data exchange could support the efficiencies in smart cities and even reignite the insurance industry – pay for what you need and when you need it, all enhanced and more personalised based on the weather, the demographic of drivers around you and indeed your driving preferences.

We can't forget when payments go wrong, it's an inconvenience but when connected vehicles go wrong it's a

public safety issue. Let's hope the industries continue to work together to share learnings and really bring some

of the futuristic ideals to bear, but in a safe and privacy enhancing manner.



Mark Beresford Director Edgar, Dunn & Company

(Day 2, Session 5,
Day 3, Session 1,
Day 3, Session 3 Moderator)

Day 2 Session 5: Omnichannel the new normal

The panel debated the impact of the pandemic but first there was a definition of omnichannel. There was no doubt there were different definitions around amongst the panellists and different definitions amongst the merchants. What may be omnichannel for a grocery store is not omnichannel for a fashion retailer. It was discussed that omnichannel was the ability to identify the customer across the different touch points with the merchant. Omnichannel must also include convenience for the customer and security as well as frictionless payments. Omnichannel must be on the customer's terms.

Following the global COVID-19 pandemic there is a debate whether we will see a 'new normal' with significant changes to consumer behaviour, or we will see consumers returning to their usual shopping habits. At Edgar, Dunn & Company, we believe there is something in between. The impact of COVID-19 has resulted in a big shift in the customers' expectations, and their shopping experiences with merchants have changed. Interactions that were not online pre-COVID have moved online. Post-COVID, there will be some consumers preferring to return to pre-COVID shopping patterns, but there will be a meaningful segment of consumers, more than half of them, based on research, who will not return to their pre-COVID shopping behaviour.

It was agreed that there will be an impact because of the pandemic – there will be greater focus on ecommerce / remote payments/contactless payments. The customer journey will be varied and more complex, new customer journeys through the different touch points of a transaction covering the happy outcomes as well as the unhappy outcomes in the customer's journey. Such as the need to better deal with returns, refunds, and exceptions to the normal customer journey.

Tokenisation and network tokens were discussed, and it was acknowledged these would help to get merchants somehow in their own development roadmaps to be fully omnichannel or at least closer to supporting the omnichannel behaviours that customers are pursuing. One of the questions from the audience was related to the M&A of payment service providers and how this can interrupt the service for merchants.

Another question was related to open banking and who it relates to omnichannel. Open banking will be able to enable omnichannel world – open finance and open banking will be right in the right use case. QR codes was another example, where the payment could be initiated at the table in a restaurant or in different situations which results in an open banking transaction.

The panel's closing question was "how does the panel envisage omnichannel in five years' time?". The answers

varied but the common theme was around the use of consumer data, to help customers through the journey, identify of customers and including customer preferences. The concept of channels will gradually disappear, and we are starting to see this today with the blurring of the line between online and offline commerce.

Day 3 Session 1: Marketplaces and Platforms

Marketplaces and platform economies as the key payment trends for 2022 and not customer for business to consumer commerce but especially for business-to-business commerce where we are seeing the greatest digitalisation of the financial services ecosystem. Modular platforms for the management of all payment challenges, buyer/seller onboarding, pay-in/pay-outs, regulatory constraints, payments acceptance, financial reconciliation, fraud, and optimisation of internal processes were some of the topics that panel wanted to cover.

A best practice of marketplaces and platforms was discussed amongst the panel, and it was stated that payment is the first thing to get right. The business-to-business marketplaces will allow a more efficient ecosystem for commerce and building greater sticky customer proposition is key best practice to get right. Also, how marketplaces evolve, from merchant to marketplace will also influence how it drives the business. The value proposition is a key best practice that must be defined and articulated to build on the network effect.

Super apps and super wallets were discussed, and how they developed in the East - such as WeChatPay and Alipay – and how they will be developed in the West will be different. In the West it is more likely to start with the wallet. Regulatory challenges of a marketplace and platform were also discussed and the need to protect consumer and merchant funds – so that buyers and sellers are ensured their funds are processed appropriately within a compliant framework.

Technology providers of marketplaces and platforms will be key and there is a long way to go, and growth is expected to be significant, but then there will be consolidation in the platforms. Who will be the winners and losers has yet to be seen. In an open payments world, the opportunity exists to create a whole new way of serving merchants, agents, and end-customers. The future of marketplaces and ecommerce platforms will be of great interest for MPE.

Day 3 Session 3: PSP vs Payment Orchestration

It was the last panel discussion of the last day of the event and to be honest, we were expecting less people

in the audience than on the stage. Nevertheless, the room was full – payment orchestration may be new terminology, or it could be something old with a new name – there was abundant interest from the audience to learn more about payment orchestration. The topics the panel covered were wide and first started with a definition. We discussed the relationship with other solution providers – such as fraud prevention, customer authentication and how payment orchestration was a new technology that acted as a layer between the merchant and the payment gateways, acquirers, and alternative payment methods (APMs). It was agreed that Payment Orchestration Platform (POP) must be the merchant champion and be independent from the providers it aims to integrate. Payment processing is confusing for most merchants as it involves many different players that make it a complex ecosystem to understand and implement.

The panel discussed whether a merchant could build their own POP or work with a specialist POP company. This debate could go on. The answer to this question was – “it depends”. It depends on the merchant’s situation, such as the size of the merchant, the geographic coverage, the number of transactions, number of different interconnections, etc.

Cost of implementation of a POP – whether to build, buy or outsource was debated. The return on investment for the merchant – must have positive benefits – better conversation, reduced cost, greater access to consumer segments and their payment preferences. Management of the transaction routing – reporting KPIs – how do you know it is better with or without a POP were some of the key questions the panel dealt with. Reconciliation reporting, chargeback management, access to more APMs – including BNPL (direct vs indirect) were also important considerations.

The panel ended with answer the classic interview question – not “how do you see yourself in five years’ time?”, but “how do you see payment orchestration in five years’ time?”. The panellists all agreed that payment orchestration was here to stay. The concept had some way to go in providing a positive return on investment within a reasonable timeframe. Where it initially effort was on least cost routing, conversion boosting features, or reducing the number of declined transaction authorisations. The future will be improved merchant reconciliation. Consolidation in the market of the number of POPs was also predicted.

The only way to find out the future of payment orchestration in five years’ time is to come back to MPE in 2027 and we will see whether these predictions were accurate.

What happened at MPE does not stay at MPE!

WHAT OUR PARTICIPANTS SAID about the MPE 2022? Don't get left behind!

PEOPLE SAID ABOUT THE MPE 2022...

"Thank you for inviting me to be part of this wonderful event. By far the friendliest and most professional one I have attended."

Gihan A.M. Hyde, Founder & CEO, CommUnique

"Very well organized conference. In fact, I think MPE is the best European payments event around."

Ron van Wezel, Senior analyst, Aite-Novartica Group

"It has been my first MPE. The organization was perfect and I had very interesting contacts. Conferences were very interesting although I could see as much because I was in very fruitful 121 meetings."

Jerome Dutel, Director Business Development Europe Omni Channel, ACI Worldwide



Anda Kania · 1st
Lead Editor - Payments and commerce | Storyteller
3w · Edited · 🗨️

About last week...MPE Berlin was a fantastic event! You know, the one you don't want to end. 😊

Here are some reasons why [#ilovempe](#):

✅ The content is 90% educational, sessions are lively and engaging, no elevator pitches, only topics of high interest discussed by seasoned experts. A 3-day 'crash course' in all things payments and [#fintech](#). I will keep an eye on three things: 1) [#openbanking](#) in commerce – curious to see how things will develop here with new use cases, maybe. 2) [#superapps](#) are also popular outside Asia, and e-wallets will most likely soon be synonymous with them considering the multifunctional features added. 3) cool tech: [#SoftPOS](#), [#taponphone](#), the great digitalization of in-store payments.

✅ The networking area is so cozy, in a friendly environment that somehow enhances conversations quality. And from each discussion, you have something to learn, because the attendees are all knowledgeable and curious. It's either new stuff you learn or something you explore together with your peers.

✅ And the food, oh, the fooood. Simply delicious! It makes you forget you are on a diet. 😊



Marc Fischer 🚀 · 1st
Director Sales Development | DACH bei Experian
1d · 🗨️

The [Merchant Payments Ecosystem](#), the European payments event, is back at the [InterContinental Hotels & Resorts Berlin!](#)

Yesterday I already got a lot of interesting impulses in talks, panels & personal conversations. [Nina Kristin Puetz \(Pütz\)](#), [Ralf Gladis](#), [Ralph Piater-Frankenfeld](#) among others shared essential content & trends in the European payment market.

Today I am looking forward to the "[BNPL - A generational shift from credit cards?](#)" session with [Ellen Kuder von Arvato Financial Solutions](#) & other industry experts.

! One key insight - not new - but well summed up. Each player in the payment chain (merchant, gateway/PSP, acquirer, network, issues) decides the approval rate of a transaction based on the available data. In total, the the approval rate of a merchant may then drop from 97% (orders that the merchant would like to serve) to 86%. 🤖

P.S.: I am very grateful tha [Experian](#) gives me the chance to further expand my network at such high-class event. Thanks to the company, the organisers of the [#MPE](#) and the great people here at the congress.

[#payments](#) [#data](#) [#network](#) [#grateful](#)

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 **payment gateway services**

MPE 2022 WAS ABOUT DOING A REAL BUSINESS & ENTERING A NEW PARTNERSHIP

 **Cihan Duezguen** · 1st
Strategic Sales Director @ Worldpay from FIS | B2B Payment | Acquir...
6d · Edited · 🗨

I remember as we meet us in Berlin at **Merchant Payments Ecosystem**.....
few weeks laterthis is the beginning of a great relationship 🤝👏

Worldpay from **FIS X Signifyd** in Frankfurt

Gus Taleb Davide Antonelli Ti Osnat Fredrik Neumann Deniz Erbasli Nick Bond Mariam Kareli - მარიამ ქარელი Alexander Bösenberg Filippo Gioanina Ivan Petrovski Robert Piliar

Stay tuned we are preparing for September

#GuaranteedPayments

Learn more regarding Guaranteed payment click here
https://lnkd.in/eUpGDu_T

 **Yann Noireaud** · 2nd
Omnichannel Payment & Fraud - IT Manager
4d · Edited · 🗨

It has been a real delight to attend the **#mpe2022** in Berlin. 😊
👏👏👏

A great opportunity to take a step back in our day to day operations and discuss what's next with our current and (potentially 😊) new partners, as well as other merchants.

Thank you **Merchant Payments Ecosystem** and see you all next year !

MPE 2022 WAS ABOUT MEETING OLD & NEW FRIENDS & HAVING FUN

"We had high expectations for the event upon our visit, and MPE definitely exceeded those expectations. ASEE is looking forward to seeing what the next year's MPE holds in store for us. We want to thank Berlin and Merchant Payments Ecosystem for a warm welcome, exceptional show, the opportunity to make valuable connections, and above all, a good time."

ASEE group



Netcetera - Software matters

13,860 followers

2h · Edited · 🌐

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📌 About last week ... [#mpe2022](#) was fantastic and we are proud of our active role over the past years. This year's edition was special: seeing everyone in person again, enjoying great networking opportunities, and the highly focused, lively sessions.

🌟 Cheers to the [Merchant Payments Ecosystem](#) crew: [Ondrej Debreceňi](#), [Filip Rasovsky](#), [Natalia Ivanis](#) and all partners and attendees who made this event a real and memorable experience.

🌟 A special thank you to our speakers and moderator- [Martin Zeisel](#), [Nakjo Shishkov](#), [Kurt Schmid](#), [Dietmar Maierhoefer](#), [Thomas Fromherz](#) and MPE warmup co-hosts [Visa](#) and [Spielfeld Digital Hub](#).

We can't wait for the next edition!



Meghan Lenaerts · 2nd

Co-Founder & CCO at Qori

3w · Edited · 🌐

+ Follow ...

🌟 Thank you to the [Merchant Payments Ecosystem](#) organisers for last week's event 🌟

It has been high in brainstorming around the payment ecosystem, rich in meetings either with existing partners and friends or with new businesses, insightful with great pitches and roundtables, and even productive with early morning runs!

Thank you to all and really looking forward to MPE 2023!

MPE 2022 WAS ABOUT SPORT & FUN @ 2nd day morning - 5K RUN



Thank you to everyone who joined us this July
5-7 in Berlin!

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exhibitors!



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		The Strawhecker Group (TSG)	Vendorcom	VIXIO		



Merchant Payments Ecosystem Awards 2022 Winners revealed!

13 winners, representing the most innovative merchant payment companies in Europe and beyond were announced at a glittering MPE Awards Ceremony on July 6.

The MPE 2022 Awards were a part of the MPE 2022 conference held at the InterContinental Hotel, in Berlin, Germany, (July 5-7), attended by 1200+ MPE2022 conference participants represented by Global merchants and senior level payment industry professionals.

The MPE Awards have, over the last 13 years, become an important benchmark of global excellence in card acquiring, POS and merchant payments.

What's new in 2022?

Neira Jones, the Chairman of MPE 2022 Awards Judging Panel, commented in her welcome speech: „We remain committed to our Guiding Hand concept, and acknowledging a challenging couple of years, our **Theme for this year**

is “Growing Faster”.

This year we merged some categories, removed some of them in line with market evolution, redefined some categories for clarity purpose and created new categories in line with market evolution.

„We would like to thank the MPE 2022 Awards Judges who selected the winners this year.

Our congratulations go to all of the winners & nominees of the MPE 2022 Awards and to WebShield, Freedompay, BR-DGE and AIB MS who sponsored the MPE Awards” said Andy Ivanis, Head of Sales & Customer Engagement at MPE.

CATEGORIES VOTED BY JUDGES:

- MERCHANT ACQUIRER OF THE YEAR 
- MOST INNOVATIVE FRAUD/ PREVENTION SOLUTION
- BEST USE OF DATA ANALYTICS & AI
- BEST CROSS-BORDER MERCHANT SOLUTION
- BEST IN-STORE PAYMENTS SOLUTION
- BEST MERCHANT PAYMENT ACCEPTANCE PROVIDER
- BEST PAYMENTS PARTNERSHIP
- BEST PLATFORM/ MARKETPLACE PROVIDER
- BEST USE OF CRYPTO/ BLOCKCHAIN IN THE MERCHANT PAYMENTS ECOSYSTEM
- BEST USE OF OPEN BANKING FOR PAYMENTS
- CHAIRMAN AWARD – BEST NON-PROFIT/ CHARITIES INITIATIVE

CATEGORY VOTED BY JUDGES & MPE DELEGATES

- BEST STARTUP INNOVATION

CATEGORY VOTED BY PUBLIC

- MPE INFLUENCER OF THE YEAR

MPE AWARDS 2022 STATUETTE

The Awards History & Concept

The MPE Awards' history started in 2010 as the 1st European awards to recognize the outstanding role of card acquirers, processors, PSP's, POS and payment solution providers and to honor companies and individuals who helped move the industry forward.

The MPE Awards Trophy was uniquely designed and manufactured for the MPE Awards by recognized young European artists at inception. The Awards statuette design concept - "Guiding Hand" - represents how MPE sees the acquirers, POS and payment solution providers.

The Awards Trophy & Artists

The MPE Awards do not reward its winners with laser-engraved glass or „wannabe Oscars“. Instead, MPE went the harder way of finding highly skilled artists and recognised artists whose task is to create unique Guiding Hand statuettes, using valuable materials with design changed from year to year, reflecting the current trends and important happenings in the payment industry.

From 2014 a Croatian artist Gordana Turuk created her new organic glass and gold plated statuette to please the eye of the winners.



MERCHANT ACQUIRER OF THE YEAR AWARD GOES TO...



The “Merchant Acquirer of the Year” Award goes to the merchant acquirer who has demonstrated success in their merchant relationships through the provision of excellent products and services.

“Fiserv won this Award for their new way of thinking about people, processes, and technology, resulting in the launch of the Carat system. Fiserv deserved the award for its new approach to the e-commerce journey, delivering global payment opportunities across all channels, devices, and payment methods.”

Marc Bongers, Chief Commercial Officer @ Webshield presented this award to the winner.



“This has been a pivotal year for Fiserv and our clients across Europe and the world, who are embracing omnichannel commerce as a new way of doing business, addressing the changing ways people want to pay while enhancing customer experience and increasing conversion,” said Peter O’Halloran, Head of Enterprise & Digital Commerce for Fiserv in EMEA.

“We’re proud to be named “Merchant Acquirer of the Year” for the success we’ve enabled our clients to achieve with the launch of Carat, which is helping merchants enable digital payments, optimize commerce, embed financial services, and scale during a time of increasingly pressing market and customer demands.”

MOST INNOVATIVE FRAUD/PREVENTION SOLUTION AWARD GOES TO...



The “Most Innovative Fraud/Prevention Solution” Award goes to the provider who launched an innovative solution in the last 18 months that can demonstrate tangible benefits to merchants regarding fraud prevention, identity, or authentication.

“ACI Worldwide won this Award for their field use of their patented Fraud Management Incremental Learning Technology, ACI Worldwide deserved the award for their multi-tiered approach to merchant fraud and the industry-first approach to machine learning.”

Kevin Carson, VP, Global Business Development @ FreedomPay presented this award to the winner.



“Fraud is evolving more rapidly than ever, so the tools used to detect and prevent it need to be highly adaptable and responsive to emerging threats,” said Richard Jolly, Head of eCommerce, Fraud & Omni-Commerce, Europe, ACI Worldwide.

“Recognition at this year’s MPE Award is proof that our approach - combining modern and market-oriented adaptive machine learning with a multi-tiered fraud strategy is helping payment providers and merchants to gain the upper hand in the fight against fraud. It also reflects the tireless efforts of our fraud analysts and experts, backed by innovations from our award-winning data science team, to deliver a best-in-class solution.”

BEST USE OF DATA ANALYTICS & AI AWARD GOES TO...

∞ PAIR Finance

The “Best Use of Data Analytics & AI” Award goes to the company that uses Data Analytics or AI to support merchants in any way that is NOT involved in Fraud prevention. To stress, this is not about Fraud Prevention using AI/Data analytics but covers areas such as loyalty, customer engagement, customer & merchant support/service, etc.

“PAIR Finance collected this Award for their unique, AI-based debt collection technology, which motivates overdue clients to pay their outstanding amounts without negatively affecting the customer relationship,”



“This recognition is another milestone achievement, proving our unique commitment to develop cutting-edge AI technology to help our 350 european enterprise customers transform their debt collection process and provide market leading technology,” said Stephan Stricker, Founder and CEO of PAIR Finance.

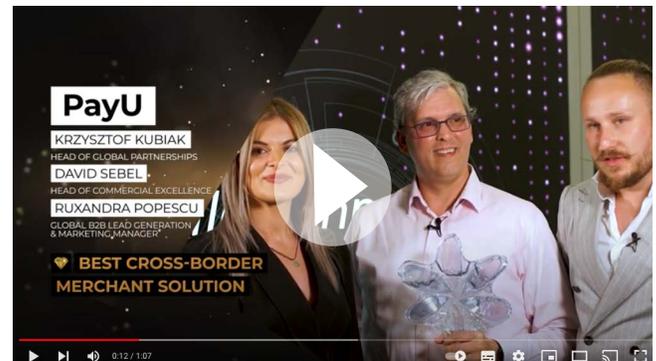
“Our AI-powered collections service delivers an immediate increase in recovery across all industries while enabling companies to safeguard their customer relationship and helping consumers to manage their finances in a personalized and self-determined way. I’m very proud to accept the prestigious MPE award on behalf of all my hard-working colleagues at PAIR Finance.”

BEST CROSS-BORDER MERCHANT SOLUTION GOES TO...

PayU

The “Best Cross-Border Merchant Solution” Award goes to the payments provider that supports cross-border e-commerce expansion (globally or in multiple high-growth markets) at scale while optimizing authorization rates and reducing fraud.

“PayU won this Award for the simplicity and user-friendliness of their PayU Hub solution. Their global payment platform allows merchants to accept payments in any country, with top expertise across 50+ emerging markets, while enabling a wide range of payment optimisation and security features via a single API.”



“We are proud to be recognized as the leading solution for cross-border payments by the MPE Awards. It confirms our commitment to adding value for global merchants who use our all-in-one payment platform to expand beyond national borders,” said David Sebel, Head of Commercial Excellence, PayU

“Our innovative global payments solutions are trusted daily by more than 450,000 merchants worldwide, enabling our customers to reduce cost, time to market, and increase approval rates. More than anything, our local expertise on the ground genuinely helps our global cross-border merchants understand and tap into the local potential and consumer segments, helping them grow their online business faster.”

BEST IN-STORE PAYMENTS SOLUTION AWARD GOES TO...



The “Best In-Store Payments Solution” Award goes to the organization that has developed the most innovative in-store payment acceptance solution that provides value and differentiation for merchants and a great payments experience for customers.

“Global Payments received this Award for their GP Tom app, a revolutionary application that allows merchants to accept cards and cryptos with a mobile phone,”



“Our recognition by the MPE Awards means that we are going in the right direction and changing the market for the better with our products,” said Radovan Bryx, Head of Innovation at Global Payments.

“Our extensive efforts and investments in new products & features and innovation during the COVID era are positively perceived by our customers and industry experts.”



BEST MERCHANT PAYMENT ACCEPTANCE PROVIDER AWARD GOES TO...



The “Best Merchant Payment Acceptance Provider” Award goes to the provider who can demonstrate real benefits to merchants either in terms of omnichannel or multi-rail payment acceptance service provision facilitation, open banking, payment orchestration, embedded finance, innovative commercial constructs, or other demonstrable and quantifiable merchant benefits (fraud reduction/chargebacks).

“Checkout.com deserved this Award for the quality of service delivered to their clients, thanks to their in-house built infrastructure and fully-owned and controlled technology stack,”



BEST PAYMENTS PARTNERSHIP AWARD GOES TO...

Payten

The “Best Payments Partnership” awards up to two organizations who have formed a business partnership and, by working closely together, have delivered outstanding value that goes far beyond a customer-supplier relationship.

“Paratika Payment Systems got this Award for their Turkey’s first ever equity-based crowdfunding project, working beyond the payment infrastructure and offered in both the local and global markets,”

Brian Coburn, CEO @ BR-DGE presented this award to the winner.



BEST PLATFORM / MARKETPLACE PROVIDER AWARD GOES TO...

Parkopedia

The “Best Platform / Marketplace Provider” Award goes the organization offering the best, most comprehensive, most useful platform or marketplace supporting merchants or other players in the merchant payments ecosystem such as banks, PSP, service providers, consumers with solutions in any area of the ecosystem.

“Parkopedia got this Award for their integrated in-car payment platform, aggregating multiple suppliers and payment providers into one API,”



“We are honored to have won the ‘Best Platform/ Marketplace Provider’ for our In-Car Payment Platform at the 2022 Merchant Payments Ecosystem Awards. This award embodies the team’s hard work and dedication that has gone into making the multi-domain Platform what it is today,” said Eugene Tsyryklevich, Founder and CEO of Parkopedia.

“We are truly committed to creating an effortless payment experience for drivers that compliments their journeys without adding any unnecessary layers of friction, and we look forward to the continued rollout of the Parkopedia Payment Platform into new vehicles around the world.”

BEST USE OF CRYPTO / BLOCKCHAIN IN MERCHANT PAYMENTS ECOSYSTEM AWARD GOES TO...

Orbital.

The “Best Use of Crypto / Blockchain in Merchant Payments Ecosystem” Award goes to the organization offering an exceptionally flexible, functional, and innovative CRYPTO/ BLOCKCHAIN- based solution for payments or other uses in the merchant payments ecosystem.

“Orbital received this Award for their multi-blockchain stablecoin support accompanied by a provision of FIAT multi-currency IBAN offered to all merchants,”



“We’re so proud to receive this award from the payment industry’s most respected event, the MPE. This just serves as such great validation that, what we’re building at Orbital, not only solves a real world problems for global merchants, but is innovative and leading in the crypto space,” said Luke Wingfield Digby, Orbital’s Co-founder & Chief Innovation Officer.

“We’re extremely proud of our team and what they’ve built. Orbital is excited to be enabling the next wave of global businesses to accept and handle crypto.”

Orbital, the Winner in the Category, received first ever NFT Art (Metaverse is here) specially created for MPE 2022 Awards by Zuzana Mokos, a Slovak artist creating NFT Arts.

BEST USE OF OPEN BANKING FOR PAYMENTS AWARD GOES TO...



The “Best Use of Open Banking For Payments” Award goes to the company that best uses open banking data or a payment initiation solution that drives end-user payments to or from merchants. Includes enabling loans at the point of sale and all account-to-account payments.

“Trustly collected this Award for their bank payment solution, offering multiple benefits to e-commerce merchants and PSPs, including seamless payment and authentication process, rapid settlement of payments, fast refunds, and a simplified collection of cross-border payments,”



“We are extremely proud that Trustly has won the award for Best Use of Open Banking Payments at Merchant Payments Ecosystem. This award is reflective of the hard work by every team at Trustly and we are honoured that this was recognised by the prestigious jury,” said Ciaran O’Malley, Vice President of Financial Services & Ecommerce at Trustly.

“We pride ourselves on building industry leading solutions and on enabling our merchants and partners in achieving their goals. Thank you MPE for the award- we are very excited about the future.”

BEST NON-PROFIT/CHARITIES INITIATIVE “CHAIRMAN’S” AWARD GOES TO...



The “Best Non-Profit / Charities Initiative” Award goes to the organization that, on its own or in partnership with others, has delivered the best merchant initiative in support of the 3rd sector.

“Pennies collected this Award for their success in enhancing the effectiveness of the charity sector and for encouraging and promoting the importance of charitable giving.”

Hubert O’Donoghue, General Manager @ AIB Merchant Services presented this award to the winner.



“From everyone at Pennies, we want to say an enormous “Thank you” to the judges for the Chairman’s award for Best Non-profit/Charities Initiative at this year’s Merchant Payments Ecosystem Awards. This award is recognition of the wonderful collective effort of our staff and many Pennies’ Partners, from payments technology companies to merchants and their customers, who have so generously donated,” said Peter Nugent, Director of Finance at Pennies.

“Micro-donations really can change the world, and as over 145 million individual donations testify, there is a huge demand and response from customers for this affordable way of giving, particularly suiting peoples’ lifestyles and desire to continue to help those less fortunate than themselves.”

BEST START-UP INNOVATION AWARD GOES TO...



the “Best Start-Up Innovation” Award goes to the winner of the Innovation Corner competition for the most innovative start-up company in Merchant Payments Ecosystem.

“Identiq collected this Award for their unique approach to collaboration between companies that works without any sensitive data sharing,”



“We’re excited and honored to have been chosen as the Best Startup Innovation in the MPE Awards. Between the shortlisting process, the thoughtful questions and input from the judges, and the open voting element, we know that this award truly reflects validation for our ground-breaking technology and product from industry experts and a wide audience of payments and fraud professionals,” said Itay Levy, CEO of Identiq.

“Identiq’s peer-to-peer identity validation is truly unique, empowering companies to work together to validate good customers by using one another’s databases and knowledge without sharing any sensitive information at all. It’s fantastic to see such enthusiasm for Identiq’s network and its exceptional positive impact on customer experience, fraud prevention and privacy.”

INFLUENCER OF THE YEAR AWARD GOES TO...

CANDICE PRESSINGER

the “MPE Influencer of the Year” Award is to be awarded to the individual (or team) who has provided a significant contribution to the development of the merchant payments ecosystem either on a domestic or international basis.

“Candice collected this Award for the leading role she takes in setting the direction for her organisation to deliver better outcomes for merchants. She is an inspiration to the payments industry professionals,”



“To receive the recognition of my peers and be named MPE Influencer of the Year is an absolute honour, and a high point in my career,” said Candice Pressinger, Director of Customer Data Security and Fraud at Elavon Merchant Services.

“I’m passionate about helping customers and bringing innovative solutions to the market, and I hope to inspire others to reach their goals by being passionate and active in the payments industry and giving and getting in equal measure. I also hope it shows others that women have a place in the payments industry, where they can have an amazing career and be part of a community that lifts each other, because we are an amazing network and industry.”

Do you want to learn more about the key conference topics that were discussed at the MPE 2022?

Watch the post-conference Video Interviews recorded with the MPE 2022 Speakers & Moderators

Paiak Vaid, Head of Global Product Partnerships @ TrueLayer



Igal Rotem, CEO @ Finaro



Sarel Tal, VP EMEA @ Rapyd



Thomas Ficht, Head of Payment, Risk and Customer Accounts @ MYTOYS GROUP



Ciaran O'Malley, Vice President of Financial Services & Ecommerce @ Trustly



Mike Goodenough, Global Head of e-Retail @ Worldline Global



Avishkar Sharma, Head of Crypto Partnerships - Global @ Checkout.com



Dorota Zimnoch, Global Industry Strategist @ Microsoft



Pierre Aurel, Head of Product @ Halo Dot



Candice Pressinger, Director of Customer Data Security and Fraud @ Elavon Merchant Services



Articles & Blog posts From the MPE 2022 speakers



Paul Adams
General Manager &
Executive Director
Barclaycard



David Jeffrey
Product Director -
Intelligent Payments &
Risk Solutions
Barclaycard

Have we come to the end of the road with SCA?

Every eCommerce business understands the necessity of having Strong Customer Authentication (SCA) in place to fight online fraud, but for some their SCA journey has been longer than expected. Fortunately, we are now at a turning point. Using learning from the first stage of the SCA rollout, there are opportunities to optimise the system and ensure robust security while smoothing eCommerce transactions.

How far have we come?

Phase 1 of the SCA journey was all about implementing the basics, such as the rollout of 3D Secure (3DS) to perform two-factor authentication, and laying the foundations as per the direction of the regulation. It hasn't caused the widespread disruption that many feared but there were still some bumps in the road along the way.

Some businesses have experienced unexpected implementation and ongoing running costs from all transactions routing through 3DS. In some cases, customer experience has been impacted due to phishing concerns and technical errors have led to abandoned checkouts. Those frustrations have often meant lost revenue for retailers, acquirers and issuers.

Opportunities to optimise

As we enter phase 2 of SCA, it is now important to reflect on the impact of phase 1, and use data and insights to optimise, adjust and improve. Reducing latency and providing a more seamless buying experience can help improve the cardholder experience when shopping online. In fact,



92% of online businesses that introduced new payments technology to their website agreed that it has improved the checkout experience for their customers. These early adopters can now leverage their position and even win over the customers of businesses that are yet to optimise their SCA.

It's crucial that businesses drive down costs and recover revenue lost through failed eCommerce transactions. To do so, market leaders are investing in smoother authentication protocols and intelligent processing – and even finding ways to reinvent authentication altogether.



Ralph Piater-Frankenfeld
Country Manager | VP
Sales DACH
Checkout.com

The risks of standing still

SCA is here to stay and will only grow and expand over time so it's important for businesses to adapt and become compliant whilst ensuring they provide a smooth payment experience.

So now is the time to introduce new technology, monitor the results and be ready to adjust. Standing still is not an option.

For more updates and business insights, head to [Barclay-card Payments](#).

Future-proof your payments strategy

Recognizing that payment optimization is never done is what sets the world's leading organizations apart from their peers.

These companies understand even the smallest improvements can significantly affect revenues, said Ralph Piater-Frankenfeld, Country Manager, Germany, at the recent MPE 2022 merchants payment conference in Berlin. Piater-Frankenfeld was a keynote speaker for the session: The road to successful digital transformation in payment acceptance.

In his presentation, he explained that false declines cost the UK, U.S., French and German businesses \$20.3 billion in lost sales in 2019, \$12.7 billion went to competitors, while \$7.6 billion was written off entirely. Unsurprisingly, more than a third of German merchants agreed that a lack of payments optimization is hindering their growth.

Given these numbers, it's clear payments is more critical than ever to the success of a business. And Implementing a robust future-facing payments strategy is the key to powering innovations and performance and ultimately helping businesses grow and succeed.

Here are four ways organizations can do that:

Mine payments data for insights

Organizations need visibility into why issuers reject payments. However, [65% of companies](#) don't receive detailed raw response codes on failed payments. This is partly because they're siloed in various business units, or they're consolidated and oversimplified by payments providers not really focused on their needs.

Checkout.com offers its merchants over [150 different re-](#)

[sponse codes](#), giving them complete visibility into why payments fail.

Use your payments partner's knowledge/expertise

To thrive and succeed in international markets, organizations must rely on their payments partners to help them understand their data as well as how they can use that data to boost payments performance. As such, businesses must ensure its payments partner has the knowledge, resources, and in-country expertise to help them unlock the insights in your data.

Optimize your Strong Customer Authentication strategy

[Strong Customer Authentication \(SCA\) requirements](#) in the UK and the European Economic Area are resulting in more transactions to be "soft declined." Businesses need to use all the tools at their disposal to provide issuers with

the information they need to make faster, more accurate decisions, which will result in more first-time approvals.

Apply the correct merchant category code to payments

Merchant category codes (MCCs) are four-digit numbers that describe a merchant's primary business within the card schemes. MCCs enables issuing banks to block certain transactions — like gambling transactions — to minimize risk exposure.

However, sometimes the issuers decline legitimate transactions. To avoid this, Checkout.com's issuer outreach tool automates this process and helps eliminate the problem for its merchants

By following these four tips, businesses can begin to future-proof their payments strategy and thrive in the digital economy.



Terrie Smith
CEO & Co-founder
DIGISEQ

The Next Generation of IoT and Wearables

Having created the concept of tokenisation used for ApplePay, GooglePay, Garmin, and more, Terrie Smith co-founded the award-winning wearable tech platform, DIGISEQ, in 2014. With contactless payments now comprising 50% of all face-to-face transactions globally, she offers a glimpse into the future convergence of wearables with the exploding Internet of Things.

Wearables offer a new, secure way to pay

As a contactless payments evangelist, I recently purchased goods at a store with the touch of a payment-enabled bracelet, and was surrounded by shoppers asking where they could get hold of one. But each person also asked: "What if I lose it?" And this question highlights that security is the key to gaining consumer trust in the coming convergence of digital payments, and the Internet of Things.

Security of payments is the key to gaining consumer trust.

In 2006, I worked on the first contactless payments in mobile, and back then a poll found security topped the list of consumer concerns. Only when users became familiar with the concept did the concern disappear.

While there is always a case for consumer education, consumers adopt new technologies quicker than we give them credit for. The same cannot be said of banks, with their traditional reluctance to embrace innovation limiting their customers' choice of services.

So, why aren't banks embracing wearables?

It takes time to reach the tipping point of mass adoption. Banks previously tried wearables, but mobile contactless payments once faced resistance, until tokenisation was implemented to ease friction for issuers. Unfortunately, this resulted in banks losing some of their identity to mobile wallets.

In addition, people today are no longer prepared to wait up to 10 days for a wearable to arrive with payment enabled in the same way they wait for a card and the propo-

sition therefore needs to be different.

So, what has changed? DIGISEQ has created the world's first network that enables ANY object embedded with the right chip to be turned into a payment object, with no need to worry about battery life. It could be a ring, bracelet, even a chip-enabled salon fingernail. In this way, tech truly meets fashion – the consumer can purchase a stylish wearable item, and using the DIGISEQ patented technology, Rcos™ and their own iPhone or Android mobile, link their own card details and start making payments instantly – true secure instant issuance in the hands of the consumer.

DIGISEQ's pioneering mobile personalisation technology is transforming the wearables arena without banks or issuers having to lift a finger. And the applications are endless, from brand loyalty to secure access for gyms, hotels, and item provenance.

In an age where we can connect the physical to the digital securely, safely and economically, the possibilities are truly endless.



Magdalena Kubisa
Business Development Director
Polski Standard
Płatności



Elżbieta Wróbel
Business Development Manager
Polski Standard
Płatności

The future of payments is mobile,
the future is now

At the beginning of July, we had the pleasure to participate in the Merchant Payments Ecosystem 2022 and present one of the most successful payment methods in Europe - BLIK.

Today users want to pay anywhere, anytime in a simple, fast, and safe way. This is how we all want to pay today. How we pay is changing, but we believe the future belongs to mobile payments and the future is already here and now.

What is BLIK and why do users love it?

BLIK at its core is a mobile payment method based on a banking application.

It utilizes a 6-digit code generated inside mobile banking apps, which expires after 2 minutes and a new one is generated. The code is used for payment initiation.

It should be underlined that BLIK is not a separate, stand-alone application. BLIK is embedded in banking applications and seamlessly integrated into each bank's user experience respectively. Extra BLIK enrolment is not needed. By default, BLIK payments can be made using the current account, so no top-up is needed.

It is universal and versatile because regardless of where you want to pay, be it an online store, a store in your neighbourhood, or when you are withdrawing money or making a deposit in the ATM, the experience is the same, i.e. you generate the code inside your banking application, enter it into a website or input it on the terminal, or ATM and then confirm the payment in the banking app. It is secure because you do not have to download any additional wallet, leave your data, or even register into any service. You only need a code to initiate the payment. Data stays in the bank.

It is instant – it takes a very short time to complete the payment with BLIK thanks to a very simple user experience.

Our success story

BLIK was launched in Poland in 2015 as a completely new payment method - with no users and limited acceptance network.

7 years after the commercial launch, BLIK is supported by every retail bank in Poland and has almost full coverage for all payment channels including POS, e-commerce, P2P and ATM:

- today BLIK has full coverage for POS transactions as BLIK contactless is already accepted worldwide.

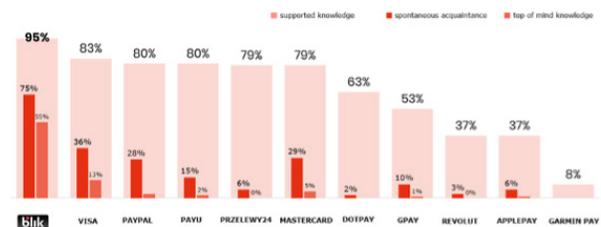
- Since 2018 BLIK covers 100% of Polish e-commerce. We have also reached even wider acceptance thanks to cooperation with global acquirers and offering BLIK for global players like Amazon, Uber, Wolt, AliExpress, Shopee, and others. Our global partners are PPRO, Adyen, Stripe and PayU.
- cash withdrawal via BLIK is widely available in Poland – at over 90% of ATMs.

Another success is that almost a third of the Polish population uses BLIK regularly (there are 38,2 million Poles and over 11,3 million active BLIK users as of Q2 2021) ¹.

User satisfaction and eagerness to recommend followed by strong educational and marketing campaigns helped us to take first place on a podium of payment brand recognition.

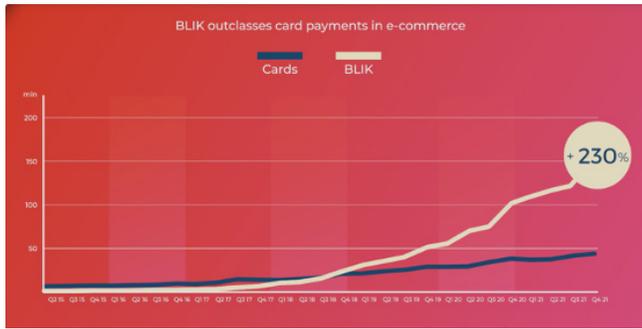
If you ask a Pole “what payment brand do you know?” 55% of our fellow countrymen would point out BLIK as their top-of-mind answer, which is ca. 40% more than any other brand. 95% confirm they know BLIK when asked if they know it. While for another brand with over 20-year history on the market we observe ca. 80%. ²

BLIK – a leader in awareness among payment brands



BLIK became the king of online payments in Poland

- 1. A number of transactions in Polish e-commerce:** comparing BLIK online payments with card payments in the Polish e-commerce – BLIK started from nowhere and in 2018 overtook cards. Since then, BLIK has continued to grow dynamically. Now the number of BLIK transactions is threefold as compared to those of Visa and Mastercard together in Q4 2021. ³
- 2. BLIK's market share in online payments:** it reaches up to 78 % depending on a merchant, BLIK implementation, mobile/desktop split, addressed user-base.
- 3. Nearly 60% of transactions in mobile banking apps in Poland are BLIK transactions** – BLIK facilitates a stronger relationship with users.
- 4. Today over 57% of BLIK transactions are e-commerce, with P2P as the fastest growing category.**



B breuninger	interia	
+21% conversion increase	+35% Increase in total number of transactions	+81% growth q2/q1 2021 number of BLIK transactions
-24% abandoned carts	+24% growth q2/q1 2021 number of paying users	93% users use BLIK again

To sum up, BLIK brings benefits to all parties in the payment process.

Case studies ⁴

Some interesting facts from merchants showing how BLIK positively impacted their performance:

- Breuninger, a merchant who implemented BLIK on entering the Polish market, observed a 21%-increase in its conversions rate.
- Interia (a very popular mailing service in Poland): 93% of users who were exposed to BLIK payment experience, decided to pay with BLIK again.

- For banks, we help them build a strong relationship with a customer, as banking application becomes the center of our everyday settlements.
- For merchants – easy and fast payment flow increases conversion rates up to 98% and contributes to the reduction of the share of the cash.
- Finally, for users – a universal, standardized payment solution with superior user experience.

Therefore, we believe that BLIK can become the next big thing in payments for everyone.

1. BLIK data
 2. The research by KANTAR POLAND, I-III 2022, CAWI N=1673, smartphone owners, mobile applications users on smartphone [including banking applications]
 3. Source: The National Bank of Poland
 4. Data shared by BLIK's cooperating merchants



Daria Berdnikova
 DACH & CEE Lead -
 Open Banking
 Klarna Kosma

Open Banking and Merchants - Forecasting a success story with Klarna Kosma

The new era for merchant and marketplace businesses is here to stay. The new reality, in which both e-commerce and brick-and-mortar shops have to operate, created a

highly competitive environment where trade-offs must be made, and balance must be maintained. Merchants and marketplaces have to walk a fine line and balance

UX with payment costs and conversion with adoption. It becomes crucial to have the proper focus at the right time, for example, focusing on the topline during peak seasons, while the bottom line has to be efficiently managed during low seasons.

While Open Banking technology is still evolving and providers are looking at ways to offer this to classic merchant businesses, the concern for the adoption remains the most critical blocker for the implementation. However, being part of Klarna and having insights into our partners' daily operations and payment concerns, Klarna Kosma has the experience and ability to test different Open Banking use cases with our partners and collect metrics showing improved conversions, reduced churn, and reduced fraud thanks to Open Banking. For example, merchants can minimize fraud rates by introducing name-checking before allowing the payment transaction to happen. However, today, fraud is just one of many challenges e-commerce faces.

There are many ways to tackle current challenges: offering express checkout solutions, ensuring the checkout covers the most comprehensive set of payment options in different regions, and partnering with the payment solution providers that understand your metrics. However, none of these measures can cover as many challenges as Open Banking.

While Open Banking may not be able to solve all the challenges the industry is currently facing, we firmly believe that it can offer significant value to both e-commerce and brick-and-mortar businesses. There are over 50 use cases that Klarna Kosma can support merchants with. These

include reduced resource spending, wallet solutions, affordability checks, and direct debit onboarding, to name a few. Account Information and Payment Initiation services allow merchants already reap the benefits of open banking today.

Some of the use cases currently existing in the market prove that:

- 1. Account Verification & Name matching:** Asking a customer to connect their bank account before initiating a bank transfer allows them to match the name of the customer with the bank account holder to reduce fraud.
- 2. Affordability checks:** Accessing a customer's bank account balance helps to determine affordability and anticipate bounced Direct Debits or unsuccessful transactions.
- 3. Direct Debit Onboarding:** Extracting IBAN numbers from the customer's bank account ensures there are no manual mistakes while setting up Direct Debits.

Klarna Kosma is the new Open Banking division of Klarna, that provides solutions to any company from merchant businesses to other fintech players. We are active in 26 markets, while our bank network covers 15.000 banks globally.

Klarna has been around for many years and offers some of the best Open Banking solutions in the industry. [Reach out to us](#) if you would like to know more about how Open Banking is supercharging the ambitions of some of the biggest merchant businesses in the world.

Open Banking for Merchants.

Wallet Solutions

Account Verification /
Payout/Refunds

Loyalty Programs
Enrichment

Payment Method
as a Service

In-store use cases
(brick and mortar using
open banking)

Affordability checks

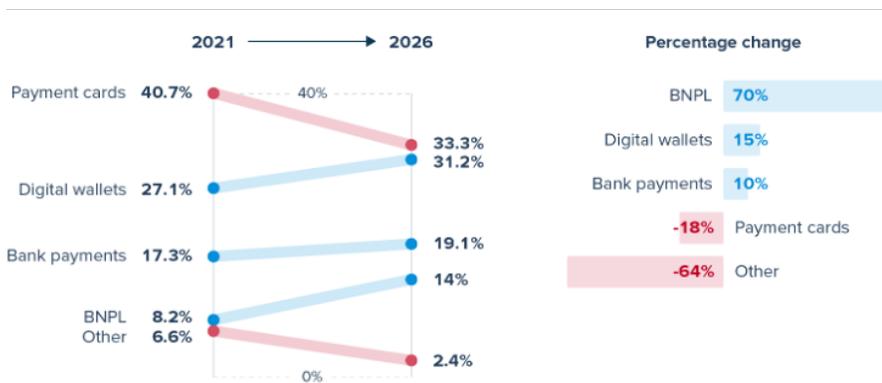
Direct Debit Onboarding

Reconciliation



Paiak Vaid Head of Global Partnerships TrueLayer

Beyond cards: the rise of alternative payment methods across Europe



user experience, for example by storing payment details in a wallet. But they still build on top of legacy card systems, adding even more cost and complexity for merchants.

Other alternatives, like open banking, are rethinking the entire payment model – infrastructure and UX.

In 2018, PSD2 mandated the creation of open banking APIs, bringing about a pan-European network for bank payments which can be used to develop digitally native, secure payment solutions at checkout.

Alternative payment methods are on the rise across Europe. It's time for ecommerce businesses to harness their power.

Payment cards have been incredibly successful at driving global commerce over the last 50 years, but online checkouts have evolved. The market share of cards is set to drop to 33% by 2026.

Instead, more consumers will pay by bank transfer, digital wallet and buy now pay later (BNPL) schemes. And that trend bears out across most European countries, especially card-dominated markets like the UK, France and Ireland.

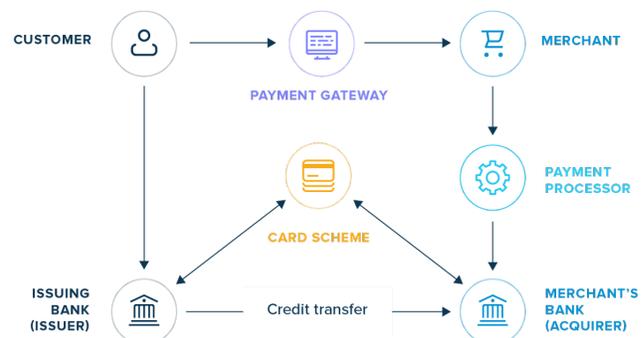
So what does that mean for ecommerce merchants?

Broadly, there are two key problems with card payments: user experience and infrastructure.

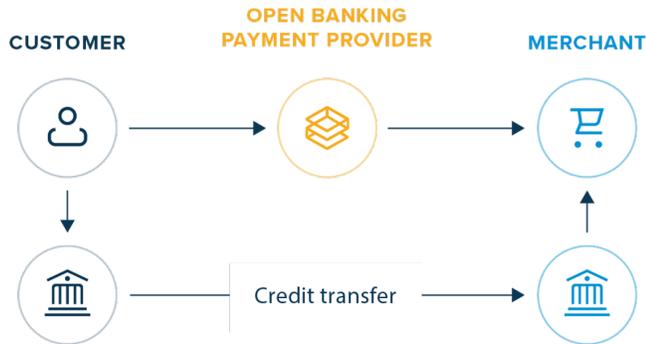
Some alternative payment methods have tried to fix the

digitally native, secure payment solutions at checkout.

And instead of a seven- or eight-party system, which is typical for card-based payments, open banking payments involve just three: the consumer, payment provider and merchant.



When combined with instant bank payment rails, which are proliferating in Europe, open banking payments are a powerful proposition for merchants — reducing cost, complexity, failure rates, chargebacks and fraud, all while offering instant settlement.



It's estimated that [22 million Europeans](#) are already using open banking services. In the UK, more than [5 million open banking payments](#) are made each month — and adoption is still growing.

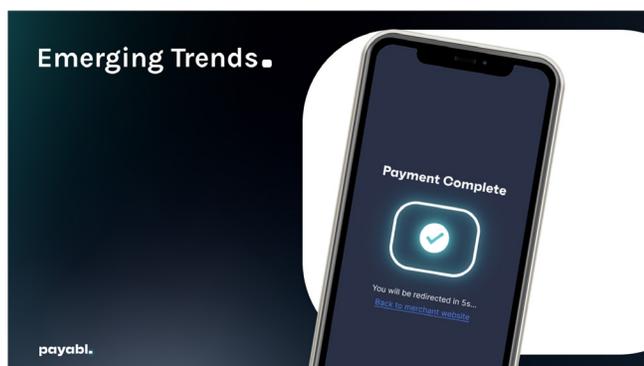
The future is even more exciting. Open banking is not just another payment method. It's an entry point to an entirely new payments framework. It turns bank payment rails from black boxes and dumb pipes into data-rich transactions. That allows merchants to streamline the whole purchase journey, from signup to payment, reconciliation and refund.

Ultimately, we believe every alternative payment method — be it BNPL, digital wallets or bank payment platforms like TrueLayer — will adopt open banking in the coming years to provide effective and digitally native payment services for consumers and merchants alike.



Isavella Frangou
VP, Marketing and
Sales
payabl.

Acquiring 101



As the needs of the market are continuously evolving, acquiring has become quite a challenge.

Acquiring is the transfer of cardholder data to a merchant for payments via a card scheme network – an almost instant, but covertly complex process. Acquirers are continuously encouraged to come up with new ways to improve the payments process and experience.

We've highlighted some of the key emerging trends.

Mobile Payments

Mobile payments and mobile wallets dominate desktop payments.

Expected Changes

By 2025, mobile commerce is expected to make up 59.2% of customer transactions.

Fraud

The global lockdown following the pandemic paved the way for fraudsters to come up with new techniques. Between 2020-2022, 3% of eCommerce revenue in Europe was lost to payment fraud.

Expected Changes

Acquirers need to offer solutions backed by AI tools to prevent fraud, while optimising the customer experience and improving conversions.

Demanding Merchants and End Users

Merchants receive payments through different channels and payment providers are increasing in quantity.

Expected Changes

Merchants will look for partners that can efficiently integrate their services into their e-Commerce platform using API's, iFrames and Plugins.

Developments in technology

The new reality of acquiring has led us to bring our technology to the next level. Key areas of focus include:

- Cloud-native / Microservice-oriented infrastructure for speed and agility when making updates.
- Tokenization to avoid entering card data for every purchase.
- App-to-app authentication/biometric data, mobile-friendly checkout pages, SDK's.
- Integration for wearables like smartwatches and rings such as Mastercard's K Ring.
- Fraud detection and prevention using Machine Learning and AI.

Regulation - PSD2 – a balancing act

The Negative

The introduction of PSD2 brought many changes, in-

cluding the need for better customer authentication. This has helped in reducing fraud, but it has compromised user experience because more information is required from the consumer.

The Positive

PSD2 has allowed for diversity in banking and payment options in e-commerce and is encouraging innovation through Third Party Providers and open banking.

What's Next

Consultation is underway for PSD3, which may change current exemptions and regulate currently unregulated activities such as Blockchain and BNPL.

Competing alternatives

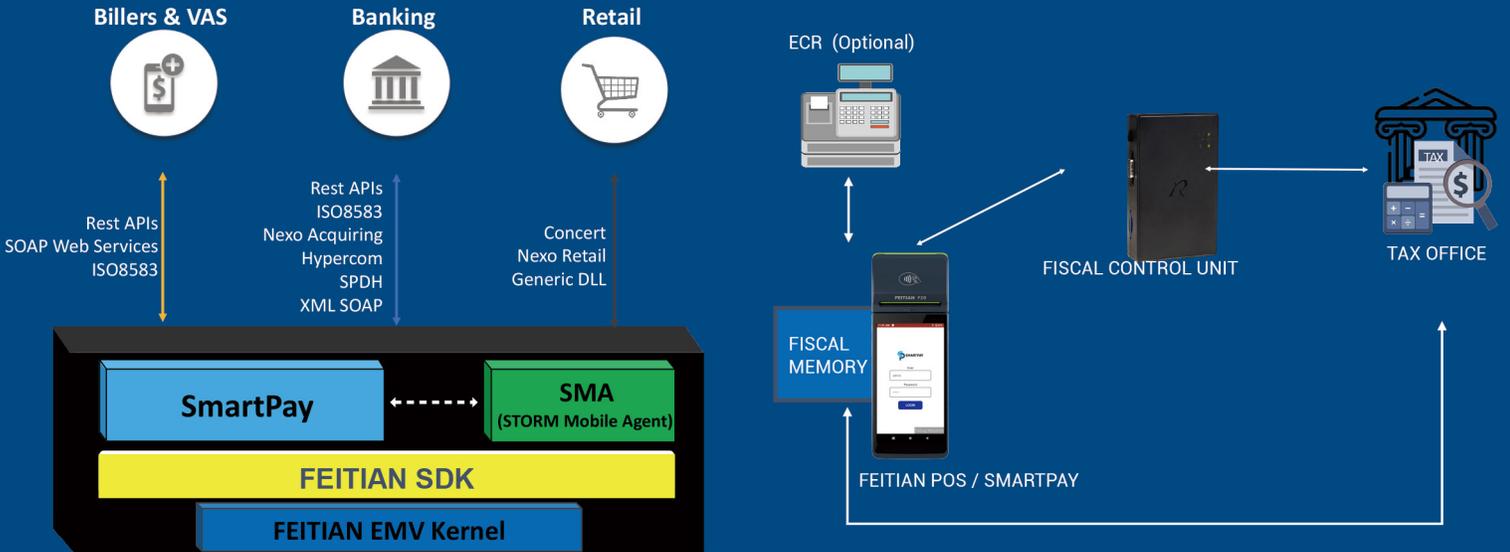


There are many competing alternatives to acquiring such as wallets, bank-to-bank transfers, open banking and BNPL. These alternatives will only continue to evolve, so it's best to harness these and offer a range of solutions to merchants.

The acquisition market is ever evolving so it's essential to embrace evolution and arising business opportunities. Are you interested in finding out more about payabl.'s acquiring and payment solutions? Visit our website payabl.com.

Isavella is the VP of Sales and Marketing at payabl. She is a specialist in online payments, fintech and finance, working closely with e-commerce merchants to help them optimize their payments functionality. For the last 8 years, Isavella has been working with payabl., a licensed payments institution and principal member of Visa and Mastercard. Before joining payabl., she held commercial roles in financial services industry companies, including American Express.

FEITIAN embraces and welcomes technology partners to build a more completed and diversified payment ecosystem for different industries.





Peter Theunis Head of Payments EMEA Endava

How can merchant acquirers step up their game to deliver value-added services to existing customers

In the last years, merchant behaviour has seen an important shift when it comes to selecting a merchant acquirer. In the past, the selection was mainly based on pricing; today, merchants want to optimise the payment experience for their customers with value-added services. Now, how can the merchant acquirer fulfil these requirements?

The mandatory step in serving the current needs of merchants is to have a state-of-the-art payments platform. This will provide the required flexibility to implement and integrate new services in a short-term, cost-effective way.

Such a platform will include technical aspects like cloud-first, API sandboxes, developer portals and microservices approaches. It will also contain direct payment functionality implementations but also integration with best-of-

breed SaaS (Software as a Service) payment players in the market so that more payment methods can be offered in the short term. On top of this, merchant acquirers will team up with issuers, banks and/or ISVs (Integrated Software Vendors) to generate new business cases, and through that, additional value. These include services like consumer loans at the POS (in brick-and-mortar and e-commerce settings), merchant loans with new underwriting processes based on card transaction data, easy access to financial services for merchants, etc.

In addition, business-supporting services and software like accounting, salary management, logistics, cashflow management, but also industry vertical solutions – for example in the generic retail, restaurant, food delivery and healthcare sectors – will need to be integrated in the near future. It will become key to identify the right ISV partner for each of these industry vertical ecosystems and create the value-added service offerings for the merchants in partnership with them.

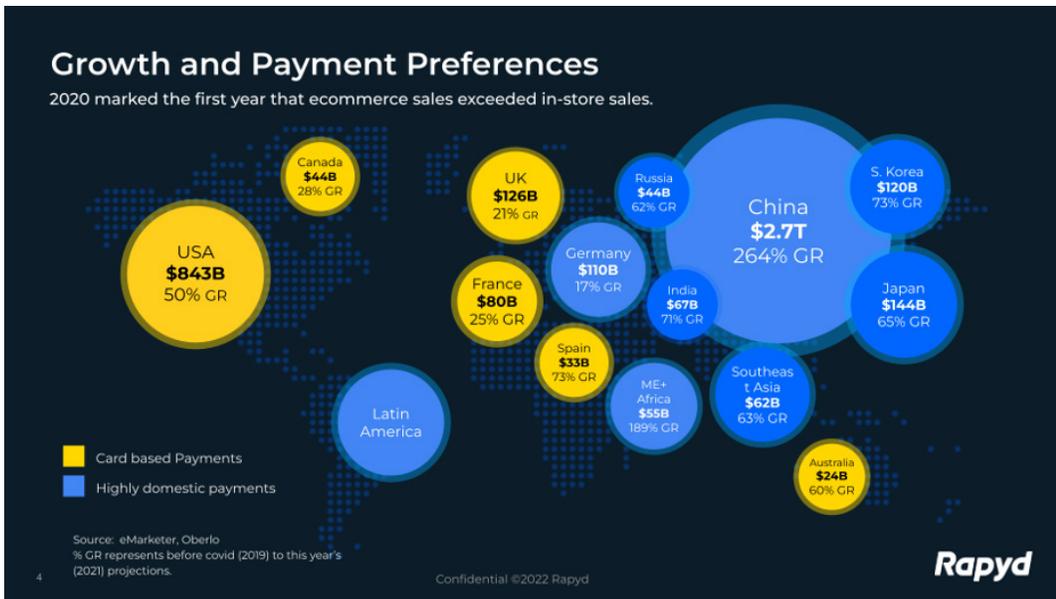
Establishing partnerships with other suppliers to create merchant ecosystems is a step outside the traditional playing field of merchant acquirers, but it is an inevitable one to remain relevant to the market in the next years.





Sarel Tal
VP EMEA
Rapyd

Accept Payments Like a Local in Markets All Over the Globe.



the global pandemic. Forcing people to visit websites, download apps and shop online helped to increase digital and financial literacy worldwide. When billions of consumers started having more options, online shoppers embraced cross-border commerce in droves. By the end of 2020, Canadians and Australians had sent over 60% of their online shopping spend to other countries.

Going local is costly and confusing but Rapyd has a single-platform solution that delivers a world of new customers.

Payments are at an important crossroads. People want to pay in ways that are convenient, but don't want any fees. Merchants want to sell globally, but don't know how to expand in ways that are easy and cost effective. What's the solution? Embedded Fintech. Right now, we're in a position to use integrated solutions to unlock international growth for businesses everywhere.

We know that recent ecommerce growth was driven by

2024. Online retail sales will soar to \$6.3T by

Another exploding trend, local payment methods. Millennials and Generation Z are no longer limited to local banks, Visa and Mastercard. They prefer peer-to-peer (P2P) apps, ewallets and other local contactless payment methods. According to analysts at Zion Market Research, the global P2P payment market is expected to grow at a CAGR of 11.3% from 2021 to 2028. Spurred by convenience, speed, and ease-of-use, more people of all demographics are choosing local payments and mobile wallets as their preferred method of payments.

For much of the world, local payment methods are the preferred.

We've found that most merchants believe that expanding into new countries is key, but aren't confident enough to capitalize on the opportunity. Embedded fintech let's companies that are serious about growth integrate with a global partner to enable local payment and payout capabilities worldwide. This is exactly what Rapyd delivers.

Rapyd gives you flexible choices with global coverage

to build a payment solution that works perfectly for your business.

Today a single embedded fintech solution, like Rapyd, can replace multiple bank accounts and integrations with local payment service providers in every country companies do business. What's more, the same single-platform solutions can provide valuable regulatory coverage, FX, risk management and compliance services. Our multi-country and multi-currency solutions include faster local payments, automatic reconciliation and endless flexibility for both payouts and payments. Learn more at Rapyd.net.



Panteha Pedram
**Director of Risk
Operations and
Products**
Worldline

Data and Payments Coming Together

More so now than ever, data is the new currency. We live in an unprecedented time when the unexpected becomes standard and understanding this "new standard" is vital to the e-commerce business. The value of data in this "new standard" becomes more evident when we look at how industries like travel and retail are being disrupted by outside forces creating an influx of fraud. But fraud that's difficult to identify because consumer behavior has changed too.

Without a doubt, the travel and hospitality sector has been one of the most vulnerable during the past 2 years due to the impact of COVID. While prior to the pandemic, short-time booking was one of the main red flags for fraud, continuous changes in travel regulations pushed all consumers to shift towards short-time booking, making the traditional ways of fraud detection quite challenging.

Similarly, changes in the consumer behavior can be observed in the retail industry. A new generation of social influencers are changing the landscape of card payments. For example, a famous Snapchat influencer with more than 3 million followers, raised all red flags in fraud detection tools when he announced in May 2022, that he would reveal the code of a bank card containing more than €15,000. All his fans rushed into purchasing different kinds of goods from all over the world with the same credit card number!

For e-commerce merchants, the cost of failing to identify the right course of action to keep the consumer on their website in such cases is not limited to the loss of revenue for a single incident. Rather, the wrong course such as blocking the consumer's account or denying a purchase can lead to losing a disappointed consumer forever.



We are living in an unprecedented time when the unexpected becomes standard.

Companies struggle to predict "the new standard" from the data they collect from the consumers.

WORLDLINE 

Ironically, methods of collecting this vital data can be the cause of friction for the consumer. This, in turn, can weigh down consumer satisfaction, making even the most well-designed interfaces a nightmare to use.

There are however ways to avoid such an unpleasant experience for both the consumer and e-commerce businesses.

Here are a few recommendations:

- Accept the fact that one frictionless (or near frictionless) shopping journey may net you less data but improves user experience and more likely leads to a sales conversion.
- Play in good faith with your consumer and reduce the number of choices that the consumer has to make regarding the collection of the data.
- Streamline your processes to work with only the data needed and treat any other data as a "bonus".
- Choose the right processing or fraud detection partner who you can leverage from their data in making the right decision.
- Motivation Counteracts Friction. Incentivize your consumers to opt-in and to provide more data, for example, to create an account to benefit from discounts.
- Use the choice of the Payment method as a bonus to collect more data and to prevent blocking the consumer by shifting them towards lower-risk payment choices such as the use of full authentication or the use of open banking platforms.

Data is the new currency, but we need to think differently about how we collect and interpret data in our "new standard".

Aevi

INNOVATING IN-PERSON PAYMENTS

One open platform. All payments. All in the cloud.



Let's connect in Berlin at MPE '22



Wojtek Paprota Founder & CEO Walletmor

Tomorrow's Vision Is Happening Today

The use of physical cash has been declining for years. The trend has accelerated notably during the pandemic. However, hundreds of people choose to go much further. They are implanting a microchip under their skin that can be used for everyday payment. Such implant is a small device with a weight less than 1 gram. It is flexible enough to be bent, crumpled, bumped, and pinched without risking damage.

On top of that, you don't need to make an appointment with a top-surgeon to have the implant installed. All you need is a piercer or beauty clinic specialist, who should be able to handle the procedure in about 10-15 minutes. After that, you can pay contactless, nearly touching the part of your hand to the payment terminal.

So what is that? We're talking about Walletmor's Implant, a new, secure alternative to contactless payments. In recent months there has been a growing buzz around mobile devices that rely on Near-Field Communication (NFC) technology. The NFC microprocessor provides fast and secure data exchange from a few centimeters away. Smart implants thus operate on the same principle as mobile contactless payments or "keyless" car operations. Thus, they are characterized by special security. The Walletmor implant cannot be forgotten, lost, or stolen. Walletmor has no CVV number or code that a thief could use to make fraudulent online transactions.

The procedure of installation is not painful and can be performed in many locations which can be found on a map on the Walletmor website. Walletmor implants are encased in the highest quality biocompatible materials, which are also used in permanent medical implants making them safe for health. The implant comes

in a sealed pouch filled with chlorhexidine gluconate, a standard antiseptic solution used in hospitals for surgical procedures. Laboratory tests conducted in 2021 have confirmed the biocompatibility of the implant according to ISO certification. That proves it is safe to install Walletmor in the human body. Importantly, Walletmor smart implant can't be hacked, copied, or duplicated. It is also completely environmentally friendly.

Above that, the capabilities of implants may be expanded in the future. Implants will be a combination of our physical identity and this digital one. With one small implant resembling the size of a grain of rice, we will be able to pay for anything in the world or use it as an identity document. But also smart implant can open our home, office, or room door in a global hotel chain. Walletmor believes that soon it will provide all these solutions with one and only one - new generation smart implant.



Christophe Bourbier Managing Director Thunes Collection Thunes

In recent years, there has been a growing trend toward alternative payment methods (APMs).

Among this growth, mobile wallets have become increasingly popular, as they offer a level of convenience and security that is unmatched by traditional banking products. Additionally, because these mobile apps are often cheaper than most bank accounts, people choose them over other options available on the market. Despite a fragmentation within the mobile wallet technologies (X-Pays, dedicated apps, Mobile Money), we counted 1.35bn number of mobile wallet users globally for \$66bn total merchant payments with mobile wallets in 2021.

But it's not just about mobile wallets, the APM universe is rapidly expanding, between Real Time Payments, local card schemes, BNPL, gift and prepaid vouchers and Open Banking payments.

The payments landscape is changing rapidly, and Gen Z and Millennials are leading the charge and shaping the future of payments. These digital natives are accustomed to using their smartphones for everything from ordering

takeout to hailing a ride, so it's no surprise that they're also re-writing the rules when it comes to payments. The most popular payment methods among these generations are digital wallets, BNPL and prepaid vouchers. As more and more people adopt these new payment methods, it's clear that Gen Z and Millennials are spearheading a major shift in the way we pay for things.

Moreover, open banking is the new frontier of financial services. By opening up customer data to third-party developers, banks and other financial institutions can enable a whole new ecosystem of financial products and services. And it's not just the big banks that are embracing open banking. In countries all around the world, regulators are creating frameworks to support open banking, and Fin-Techs are leading the way in developing innovative applications. As of 2020, 24.7 million individuals worldwide used open banking services, a number that is forecasted to reach 132.2 million by 2024.

Ultimately, alternative payment methods provide a win-win solution for businesses and customers alike and are a major solution to help unlock global markets.



Moshe Selfin
Co-founder, Chief
Operations &
Technology Officer
Finaro

Multi-Dimensional Commerce & The Seamless Customer Experience

For many years, payments were merely an action of exchanging money at checkout - far from a strategic business decision. In today's commerce, businesses are designed as a combination of a physical and digital customer experience, including elements like cross-channel personalization, tokenization, and support of global and local payment methods.

In this multi-dimensional commerce space, shoppers expect a personalized, seamless experience in every interaction with your business. Some customers prefer to order products online with a physical payment and pick-up, while others like to scan an in-store QR code and purchase online with home delivery. The UK is one of the early adopters of the hybrid online-physical com-

merce models. The world's 3rd largest eCommerce market shows a decline in the number of shipped eCommerce packages, and an increase in the 'Click & Collect' service. Such models lie at the heart of the multi-dimensional model.

This requires you to manage personal customer profiles, presenting their transactions and saving their preferred payment methods, product preferences, and information.

As an acquirer and payment services provider, we see every day the revenue and customer retention increase for merchants who adopt these market expectations.

finaro

Mobile Wallets

#1
Payment method worldwide in 2021

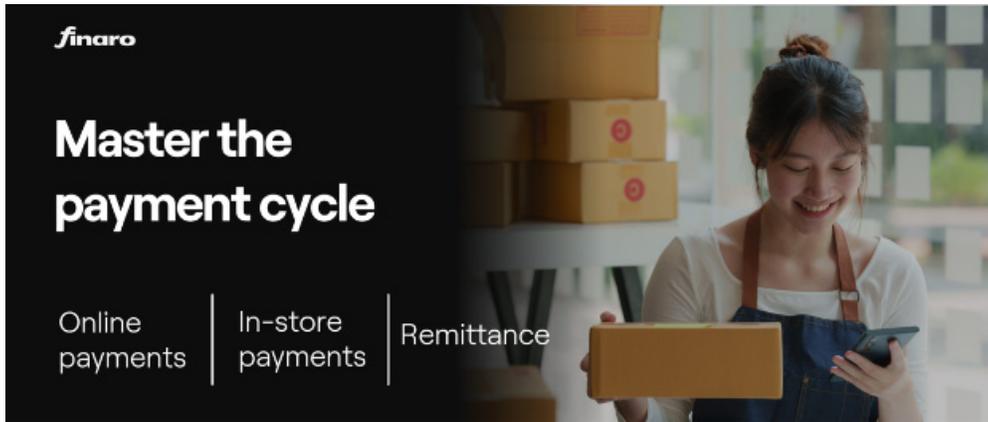
26%
of POS payments worldwide were made with digital wallets in 2021

3B
Digital wallet users - almost half of the world's population

The Future in the Palm of Our Hands

As the payments landscape evolves, eWallets move beyond the single-function app approach, adding more financial offerings, and transforming people's day-to-day life.

For consumers, eWallets are secure and easy to use, for merchants they provide easy payments and customer loyalty, and for issuers, they increase customer engagement. In fact, eWallets are becoming a method of identification in the meta-universe and Web 3.0.



providers will significantly impact merchants' business growth and therefore should be chosen with care to their global activity, payment methods' support, and innovative technology.

Finaro embodies the full multi-dimensional vision for global merchants. We provide payments and banking services, process various payment methods, and manage

eWallets present another strategic decision. While a local European merchant might not support eWallets popular among Chinese like Alipay and WeChat Pay, at a given moment there are about 150M Chinese travelers around the world, using mainly these eWallets.

Are you providing different payment methods for global customers, even if they're not your obvious, daily shoppers?

Multi-dimensional commerce services will continue to grow with the transition to Web3.0, where the foundation of commerce will be based on blockchain technologies, cryptocurrencies, and non-fungible tokens. Considering this, it's clear that the offering of payment

the entire financial life cycle including transactions, settlements, and remittances – all in a cross-border environment that allows us to make our merchants' lives easier.

About Finaro

Finaro is a global cross-border payment provider and fully licensed bank empowering international commerce through brilliantly simple payments. Our passionate team, exceptional tech capabilities, product innovation, and customer-centric approach enables us to simplify complexity and create multidimensional solutions that generate growth and enable peace of mind for our merchants. To learn more, visit www.finaro.com

Industry reports

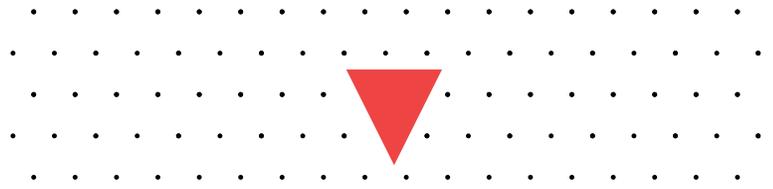
OPEN BANKING READINESS INDEX:

THE FUTURE OF OPEN BANKING IN EUROPE

A 2021 REPORT



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Introduction

Open Banking first went live in 2018 in the UK as a means of allowing secure access to and control of consumer banking and financial accounts through third-party service applications. This new approach has the potential to reshape the competitive landscape and consumer experience in the banking industry.

In 2018, the adoption of the revised payment services directive, PSD2, set the stage for Open Banking across Europe. Coming into force in September 2019, PSD2's Open Banking mandate provides open access to customer payment accounts. From a legal perspective, PSD2's framework enables Open Banking by permitting bank clients and businesses to use third-party service providers to manage their finances.

In practice, Open Banking in Europe uses Open API technology to enable third-party service providers and banks to build new customer centric financial applications and services. At the same time, bank clients have made their smartphones the centerpiece of modern living and digital banking, which challenges European banks to focus on improving the bank client's digital experience.

Three years post UK go-live in early 2018, and 18 months after the Open Banking provisions of PSD2 came into force, Open Banking is playing a significant role in stimulating innovation in financial services, implementing immediate payment services, and launching digital payment service schemes enabling payments directly from bank accounts.

Across the continent, all European countries are now home to either regulator-driven or industry-led open banking initiatives and new digital payment service schemes which extend digital banking services to merchants and P2P money transfers.

However, European countries have each forged their own path to the implementation of Open Banking. This report compares selected European markets in terms of their regulatory readiness adopting the PSD2, their Open Banking API readiness, the digital infrastructure readiness, and notable Open Banking innovation.

OBJECTIVE OF THE REPORT

The objective of this report is to provide an Open Banking readiness status for ten selected European countries in March 2021. Our report:

- describes common elements between these different approaches at a country level
- highlights the differences between Open Banking implementations at a country level
- identifies the more advanced regulatory regimes with regard to Open Banking
- assesses Open Banking readiness at a country level
- outlines notable account-to-account (A2A) payment service scheme initiatives at a country level

Each of the brief country reports below provides insight into that country's individual Open Banking characteristics, the status of digital A2A payment schemes, and the country's Open Banking readiness in March 2021, including:

- overview characteristics
- digital banking Infrastructure readiness
- notable Open Banking details in the country
- Open Banking Readiness Index position
- selected case studies regarding successful digital payment service scheme initiatives

In particular, the report provides insight into the different individual approaches taken by ten European countries:

- **The UK** – a post-Brexit strategy to build a world-leading digital Open Banking ecosystem
- **France, Italy, Spain** – Open Banking as a vehicle for digital transformation of domestic payment ecosystems
- **Germany** – a collaborative German-specific approach to the development of Open Banking
- **Denmark, Norway, Sweden** – the Nordic collaborative models and the P27 initiative
- **Poland, Hungary** – Open Banking as a vehicle for leapfrogging away from legacy banking infrastructures

The 2022 Global State of Cross-Border Commerce

Report: Rapyd - MPE 2022 Platinum sponsor



competitors. Other reasons to prioritize cross-border commerce include an awareness of new opportunities outside existing markets (57%), requests from prospects outside of current markets (42%), existing markets are fully penetrated (33%), sales decline in existing markets (26%) and experiencing an economic slow-down (24%).

While the opportunity to sell and buy cross-border has clearly gained prominence, organizations of all sizes and industries are faced with a multitude of barriers as they seek to penetrate international

markets. New customer acquisition is the biggest operational challenge according to 36% of businesses, followed closely by risk management at 35%.

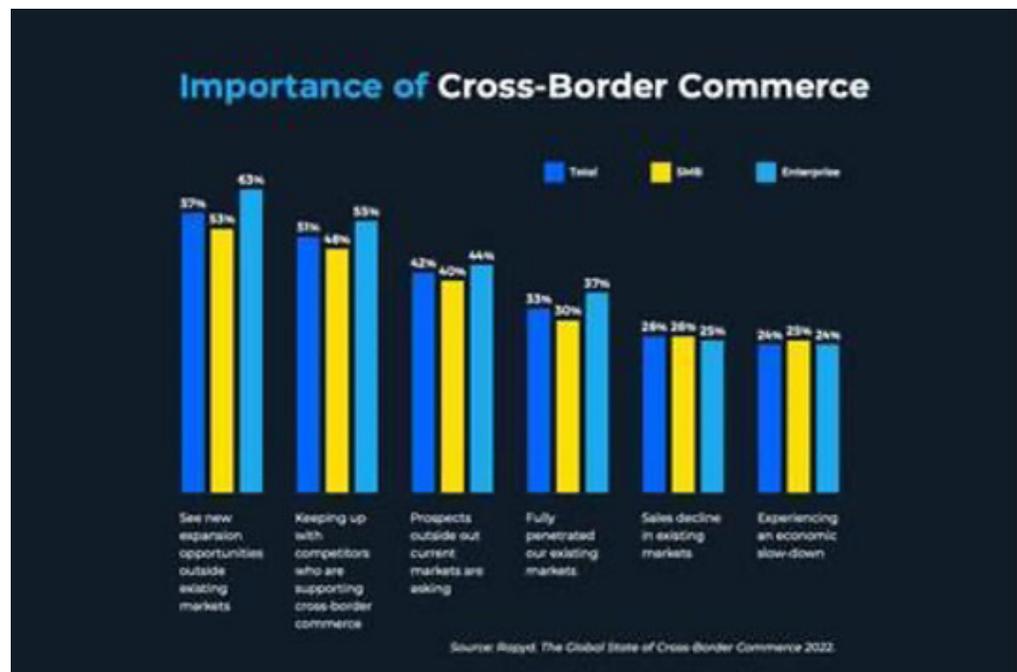
Simultaneously, cross-border decision-makers clearly indicated that managing data security risk (52%) and the ability to accept local payments (49%) are most impor-

Rapyd Research Finds that 93% Of Businesses are Prioritizing Cross-Border Commerce in 2022

Customer acquisition, risk management, and local payment solutions are the top operational challenges

Rapyd, a global Fintech-as-a-Service company, today published a new report "The 2022 Global State of Cross-Border Commerce" to assess the level of organizational readiness amongst businesses for cross-border commerce. Expected to reach \$153 trillion globally, growing at 5% CAGR, cross-border commerce is a high priority in 2022 for 93% of the businesses big and small surveyed across the United States and Europe.

The reasons driving companies to pursue cross-border commerce vary, but more than half (51%) of businesses surveyed believe cross-border commerce is necessary simply to keep up with their



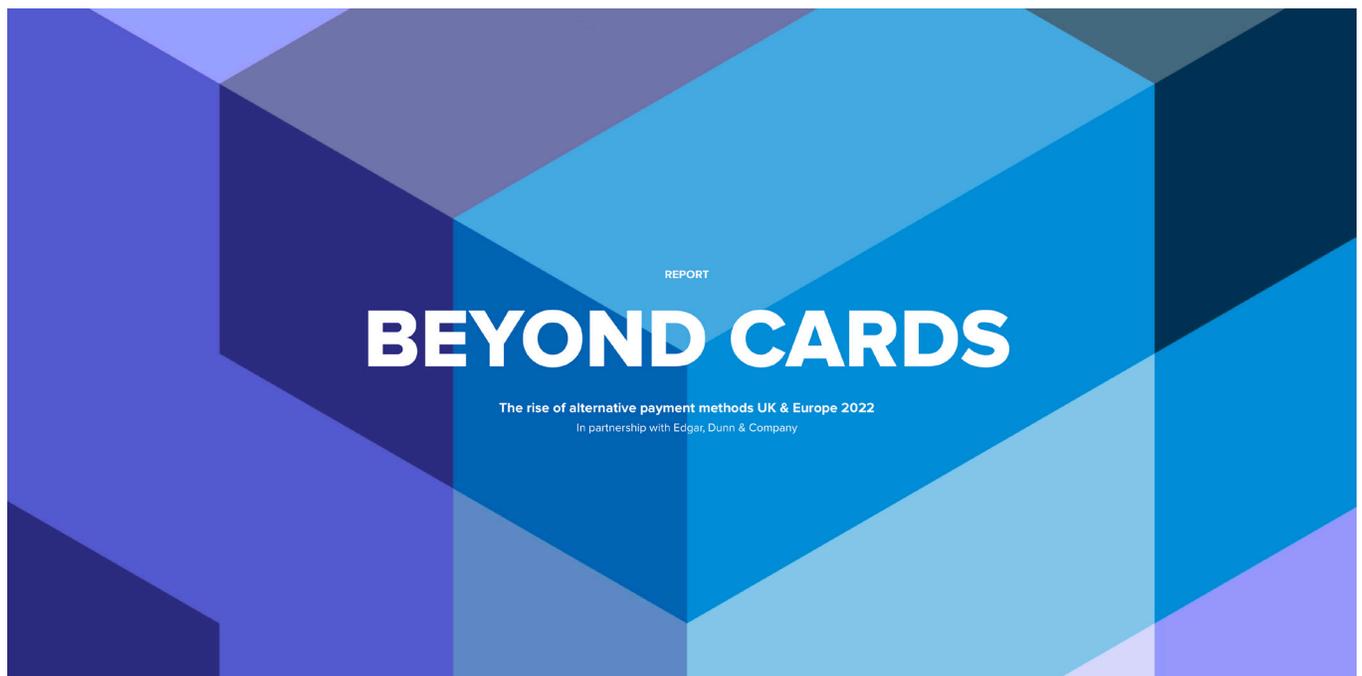
tant for growing their cross-border commerce. There is no denying that cross-border commerce is exploding, and while businesses large and small acknowledge it is a priority, there are serious operational challenges that many organizations need to resolve in order to reap the benefits of this massive opportunity," said Arik Shtilman, CEO and Co-Founder of Rapyd. "Of the 52% that ranked risk management as most important for cross-border growth, only 27% of those businesses have succeeded in fully implementing a solution. This gap exists across our findings, that despite businesses knowing what they need to do, they have yet to implement the critical tools necessary to successfully access billions of new customers around the globe."

Other key findings and recommendations in the report demonstrate necessary business practices such as:

- Localizing digital experiences is critical to conversion: From website content with language translation, currency presentation, and customer support teams to accepting local payment methods of all kinds, localization will significantly improve cus-

tommer experience and build the local credibility and trust required for conversion.

- Outsource risk management to specialized vendors: A leading concern for businesses considering cross-border expansion is the numerous risks involved. Businesses can reduce this burden by working with vendors and partners that specialize in areas such as security, fraud, ID verification, and more.
- Integrate cross-border initiatives into an overall business plan: When planning and implementing cross-border initiatives, organizations should consider where else these practices can benefit their business.
- The report is based on a survey of over 900 cross-border commerce decision-makers at both SMBs and large enterprises from a broad set of industries across the US and Europe. The full report can be seen [here](#).

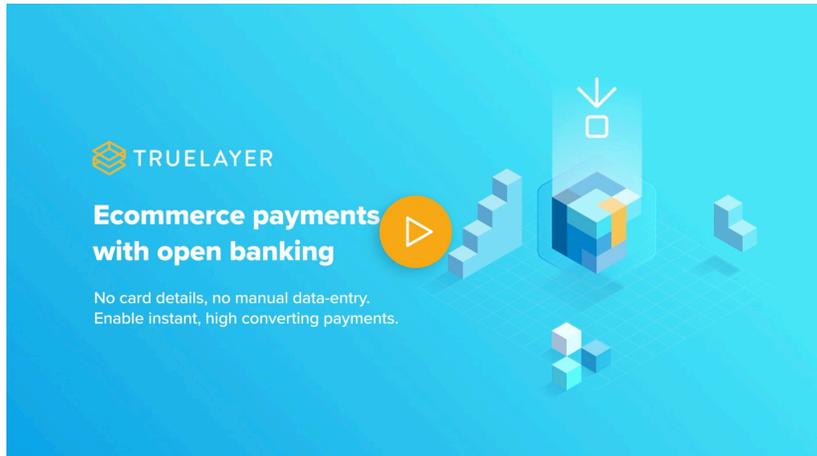


Ecommerce is **outgrowing**
card payments — here's why

Report: Truelayer - MPE 2022 Gold sponsor

Card payments have been incredibly successful at driving global commerce over the last century, but they weren't designed for digital commerce. They were invented in the 1950s by a businessman who forgot his wallet in a restaurant.

Consider the last time you made a card payment online.



Maybe you searched for your wallet. You probably had to type in your 16 digit card number, expiration date and CVV code – or had to accept risk by trusting a website to store them (there were £574 million of unauthorised card payments in the UK in 2020, according to UK Finance).

Perhaps you had to confirm your identity several times (because of new Strong Customer Authentication measures, implemented badly). If you were lucky, your payment didn't fail (5–15% of card payments fail). And how many of your online subscriptions have been paused because of cancelled or expired cards?

We've gotten used to these experiences, but the truth is that cards are old form factors that have been retrofitted to digital commerce. The result is poor user experience, operational problems, high fees and fraud.

But it's more fundamental even than that. It's a business model problem. There are seven parties involved in every card transaction: the customer, the payment gateway, the card scheme, the payment processor, the merchant's bank, the merchant and the customer's bank. And often others too (payment facilitators, checkout providers, dispute management systems and so on). That means more cost, more complexity and more points of failure.

Tokenisation and wallets like Apple Pay have papered over some of the cracks in payments experience, but they're built on top of the same old, costly, complex card infrastructure.

Digital commerce is unstoppable in the UK and Europe,

and through the pandemic we've seen the momentum build. As commerce continues to shift online, we need payment methods that enable innovation and businesses to flourish.

Enter open banking payments

In 2015, policy makers in the UK and Europe brought in open banking and it is already underpinning much of the payments innovation we are seeing today.

Open banking enables customers to pay straight from their bank account at checkout, instead of using a card. It involves fewer intermediaries, which minimises cost and friction. Payments settle instantly and authorisation rates are high. They're incredibly safe since card details are not shared.

They're also easy to use: you just need a mobile phone and a bank account.

Refunds, a huge issue for retailers, have often been considered the Achilles heel of open banking, because they were not included as an original feature. But open banking providers like TrueLayer have changed this, making refunds as instant as the initial payment.

Open banking is still evolving as a payment method – and we have some details to figure out. But it is the best opportunity the industry has to create a fair payments framework for businesses, which delivers a better experience for customers.

You can read more about the rise of open banking at the end of this report. I hope you find this guide useful – and we'd love to hear your feedback.

[Read full report here](#)

As commerce continues to shift online we need a payments system that enables innovation and businesses to flourish



Payments without barriers: Focus on Denmark

White paper: Banking Circle - MPE 2022 Silver sponsor

In our latest white paper, 'Payments without barriers: Focus on Denmark', we delve into the opportunities and challenges for cross-border trade in the country.

While slow settlement times and high costs are a common barrier for businesses wanting to trade in smaller markets, improved direct clearing via the Danish National Intraday Clearing System is allowing businesses to tap into the market opportunities in Denmark and benefit from faster, lower cost payments and collections. However, there are still barriers when it comes to trading with businesses and consumers in Denmark.

Key findings of the paper include:

- The total cost of payments in Denmark is around

- 0.8% of GDP, according to the Danish Central Bank
- Business-to-business transactions account for 27% of that total, or Danish Krone (DKK) 4.2 billion
- Denmark has the second-highest electronic payments penetration rate in Europe, and the total volume of digital commerce grew by almost 30% in 2020 alone
- However, 37% of companies transacting in and out of Denmark are looking to improve their trade settlement times – 10% higher than the average across Western Europe

[Read full report here](#)

How Payments Can Improve Customer Experience

White paper: Discover Global Services - MPE 2022 Silver sponsor

Opportunity Spotlight

Displace cash to drive financial inclusion online.

The number one growth opportunity in digital payments continues to be cash displacement. More than half of respondents (55%) have used cash in the last 90 days, rising to three in four (75%) in Ecuador. More than one in five (21%) selected cash as their preferred in-store payment method, rising to over one in four (28%) in LATAM.

Sparse bank access, impeding regulations, infrastructure challenges and lack of non-cash payment acceptance can be barriers to cash displacement, particularly in emerging markets such as Latin America. Numerous payment providers have emerged to facilitate digital cash transactions (e.g., Boleto in Brazil), and merchants seeking to court online consumers in emerging markets should consider partnerships to better serve their clientele.

Increase e-commerce growth by enhancing security and fraud-prevention education for both merchants

and consumers.

As e-commerce ramps up, so does the need for advanced fraud-prevention technologies. Merchants must stay up to speed on the rapidly evolving fraud landscape while educating their customers about the safeguards in place to protect them. Failure to do so can damage consumer trust and loyalty. Consider that one in three consumers (33%) feel more secure paying for things in-store than online, which highlights a need for increased security awareness regarding shopping/paying online.

Merchants should also actively inform consumers about how their information is being used for authentication/verification purposes. Interestingly, we found that consumers are reasonably willing to go through additional steps at checkout for enhanced security: 40% were very willing, and another 50% were somewhat willing. While 70% of merchants said they view EMV 3D-Secure and network tokenization favorably, 14% view these payment technologies unfavorably, and another 15% and 17%, respectively, said they are unfamiliar with these technologies. This highlights a need for further education about the benefits of EMV 3DS and network tokenization, particularly with smaller merchants and card-present merchants, which were more likely to be unfamiliar with these technologies or view them unfavorably. Our research also indicated an opportunity for more education on Secure Remote Commerce (SRC) for small businesses and in markets where it's not yet available.

For merchants in countries where SRC is not yet available, nearly two-thirds (62%) were very interested while another quarter (26%) were somewhat interested but wanted more information.

Double down on loyalty programs through new use cases to drive consumer engagement and loyalty.

More than nine in 10 (93%) consumer respondents are members of at least one loyalty program, and roughly two-thirds have more than seven loyalty program memberships. Our survey demonstrated the effectiveness of these programs; 78% indicated that the availability of a loyalty program somewhat or significantly increases their likelihood to shop with one merchant over another. This was particularly the case for Millennials (84%), digital payment power users (90%), digitally advanced consumers (90%) and respondents in Asia (89%). We saw reasonably high interest in next-generation loyalty and card experiences. More than half (54%) of respondents were strongly interested in having their loyalty card linked to their payment card to enable reward point collection/redemption, particularly Millennials (63%), digital payment power users (73%), digitally advanced consumers (73%), and respondents in Asia (69%) and LATAM (66%). We saw

quite a bit of interest in having a payment card that can execute payments in installments (44%), particularly in LATAM (68%). There is also notable interest in using payment cards to store additional credentials such as gym memberships, room keys and access cards.

Support the growth of the gig economy with flexible payout options.

We saw noteworthy consumer participation and interest in the gig economy (e.g., working for ride-sharing and food-delivery providers), with nearly one in five respondents participating in the gig economy in the past year, and another 10% interested or considering participating. Digital payment power users (32%) and Millennials (26%) were the segments with the most participation, and Gen X (18%) had the most interest in participating. Emerging markets indicated the highest participation levels, with Asia leading the charge. Consumers are attracted to the flexibility the gig economy provides, and merchants that operate in the gig economy segment can respond by providing payment services that increase the flexibility of this unique employment model further. We see a specific opportunity in this segment pertaining to real-time payouts, such as after a job or shift is completed. Three in four consumers (75%) indicated that the ability to transfer/receive funds instantly would significantly improve their customer experience. This was particularly the case for Millennials (85%), who have the highest participation levels in the gig economy.

Harness AI/ML to drive more online shopping through personalization and enhanced support.

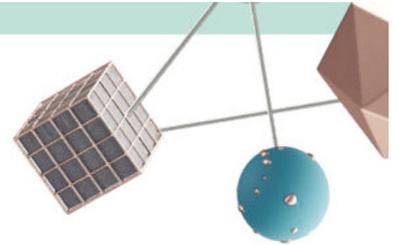
Nearly one in five consumers (19%) said they prefer in-store shopping because they can receive better advice on how to use the product and what accessories to pair it with, and another one in five (21%) preferred to receive assistance from a sales associate before purchasing a product. This highlights an opportunity for AI/ML to provide more personalized recommendations online and through live video support to drive more e-commerce traffic. Leveraging transaction data can be a key input into AI/ML models to power recommendations (e.g., items commonly purchased together) and create visibility into cross-channel purchase history.

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McKayla Wooldridge, Associate Analyst, Customer Experience & Commerce

[Read full report here](#)



TRADING CROSS-BORDER IN DENMARK CAN BE SLOW AND EXPENSIVE



37%

of companies transacting
in Danish Krone
want improved trade
settlement times



0.8% of GDP

is the total cost of
payments to the Danish
economy

Now, innovations in direct clearing will make payments
faster and cheaper for businesses trading in Denmark

Opportunities for **cross-border trade in
Denmark: Whitepaper**

*White paper:
Banking Circle - MPE 2022 Silver sponsor*

How can Payments businesses, Banks and Marketplaces support customers that want to sell in Denmark?

As a tech-first Payments Bank, Banking Circle has added direct clearing capabilities for DKK. By connecting to Denmark's national intraday payment system, we are reducing friction for Payments businesses, Banks and Marketplaces by giving them access to faster, cheaper collections.

In addition, through the Banking Circle Payments On Behalf of (POBO) and Collections On Behalf Of (COBO) so-

lution, our clients can offer their customers payments in their own name rather than that of the Financial Institution used to send the payment. This allows for scaling of accounts, while delivering faster on-boarding, improved payment infrastructures, more ownership of payments, and smoother reconciliation.

[Read full report here](#)

Online Merchant Perspectives Fraud & Payments Survey 2022

Survey:

Ravelin - MPE 2022 Silver sponsor

It's fair to say that 2021 was another turbulent year for ecommerce. New Covid variants emerged, causing staggered recovery across the world. Despite the tentative return of in-person buying, ecommerce continued to boom, and it became clear that the digital shift isn't going anywhere.



But with rising digital sales came increasing fraud attacks. New types of fraud are emerging, as fraudsters continue to hone their methods, take advantage of weaknesses caused by the Covid outbreak, and explore tactics that side-step 3D Secure.

In the new report, we've surveyed a whopping 1700+ fraud and payment professionals, making this the largest and most definitive view of ecommerce merchants in 2022. We compared this data to results collected in our 2020 survey report to show you how the landscape is changing, and what you can expect next. It provides insight on fraud trends, tools, budgets, disputes, payments

and more. So how has your experience of fraud changed over the year? What impact have regulations like Europe's PSD2 had on fraud and conversion rates? You'll have to download the report for the full results, but here are some highlights...

Covid-19 has had an overall positive im-

pact on ecommerce

Would you say the Covid-19 outbreak has had an overall positive or negative impact on your business? We asked survey respondents, and the majority said it's been positive. In 2021, almost 20% more merchants have adopted a positive outlook since 2020.

Order volumes are still high for most industries

Order volumes are increasing for 50% of merchants. Subscription and Digital Goods merchants in particular are seeing sales boom as demand for at home entertainment

stays strong. But some industries aren't thriving to the same extent. Unsurprisingly, Travel & Hospitality merchants aren't as positive, as the industry faced unprecedented disruption due to global restrictions.

Which countries have been worst affected?

The pandemic's impact on ecommerce varies from country-to-country. Merchants based in France are the most optimistic, as 75% have noticed a positive impact, up from 46% in 2020. The pandemic boosted ecommerce in France to become the seventh largest market in the world.

On the other end of the scale, Brazil has seen little improvement in opinion. This could be due to the severity of Covid disruptions - in 2021 much of Europe was back to (almost) business as usual, whereas Brazil became "the epicenter of the global outbreak."

Fraud levels continue to rise and new schemes emerge. You may have thought fraud would slow down in 2022, but the opposite is true. Fraud levels have risen in 2021 even more than in 2020. Around 62% of merchants are seeing new fraud types emerge.

Online payment fraud spiked in 2021

A huge 20% more businesses noticed an increase in online payment fraud in 2021 than the previous year. This was the biggest leap in activity of all fraud types from 2020. This aligns with industry reports that global ecommerce losses to online payment fraud hit \$20 billion in 2021, a growth of over 14% YoY. So it makes sense that most merchants consider it to be their number one threat. Policy abuse is rising more than any other threat.

Refund abuse is rising for 60% of merchants, and promo abuse for 55%. This is up from 51% and 49% respectively in 2020. Policy abuse is spreading fast. Almost a quarter of merchants have seen refund abuse grow significantly in a year. And merchants are starting to recognize it as an important threat, as it's now considered as big a risk as friendly fraud.

Account takeover continues to surge

Almost 60% of merchants have seen an increase in attacks. Digital Goods see the most attacks, as they're victim to an average of 4 attacks per month - one highly disruptive attack every week. But the Travel sector has seen the biggest increase in attacks since 2020, as fraudsters tap into dormant accounts to steal valuable credentials or valuable assets like unused air miles.

Fraudsters are targeting US merchants

If you were thinking that fraudsters might turn their attention to US merchants post-PSD2, you're right. Over 60% of US merchants are seeing online payment fraud rise, compared to under 50% in Europe.

Is Mexico the global hot-spot for fraud?

Fraudsters seem to be honing in on the LatAm region most aggressively. Fraud in Mexico is rising faster than anywhere else in the world, as almost 80% of Mexico-based merchants are seeing online payment fraud increase. Account takeover has also skyrocketed for 70% of Mexico-based merchants. Estimates show that around 20% of new online accounts created in the region are fraudulent.

Are you overlooking important fraud signals?

While every business has unique priorities and fraud signals, the proportion of fraud teams monitoring orders on the web, apps and via discounts is increasing. Around 74% of merchants track website orders, up from 68% in 2020.

But there are still gaps that need to be filled. The number of merchants tracking fraud by call centers has reduced since 2020. It's concerning, as account takeover attacks via call centers are on the rise.

PayPal is an increasingly risky payment method

If you're not using payment method data to assess fraud risk, you might be missing a trick, but you're not alone - over a third of merchants aren't using this information. Some payment types are far riskier than others. PayPal is considered the most risky payment method, after debit and credit cards - 60% ranked it in their top three. Digital wallets like ApplePay and Google Pay are considered quite safe due to biometrics, but they're headache-inducing when it comes to dispute challenges. This could become a bigger problem as usage grows. Half of the world's population will use mobile wallets by 2025!

Fraud teams gain appreciation and investment

Fraud teams, you're getting noticed! Almost 55% of merchants are seeing the business-wide awareness of fraud grow. And fraud budgets and teams are expanding. Over 80% merchants are getting bigger budgets and almost 90% of CROs plan to recruit more fraud professionals 2022. Business leaders are shifting their focus to hiring digital specialists and creating crisis-management strategies.

Dispute success rates improved in 2021

In 2021, companies challenged 48% of disputes, and were successful in 66% of challenges. Chargeback dispute success rates were higher in 2021 than 2020 overall. This could be in part due to regulation changes, as Visa updated their chargeback rules.

What's the global impact of PSD2?

PSD2 regulations are now in full force. But the number

of transactions sent through 3DS hasn't increased noticeably YoY. The merchants that are aware of PSD2 have high hopes that it'll reduce fraud, and many are looking to utilize 3DS exemptions.

[Read full report here](#)

Payment Fraud Attacks Against Fintech Companies Soar by 70% in 2021

Report: *Sift - MPE 2022 Silver sponsor*

Sift's Q1 Digital Trust & Safety Index reveals rising fraud across fintech, company releases Trust Intelligence Center for Trust and Safety Professionals.

Sift, the leader in Digital Trust & Safety, today released its Q1 2022 Digital Trust & Safety Index, detailing the increasingly sophisticated—and often automated—tactics cybercriminals leverage to commit payment fraud. Derived from Sift's global network of over 34,000 sites and apps and a survey of over 1,000 consumers, the index reveals that the payment fraud attack rate (the rate of fraudulent transactions blocked by Sift out of total transactions) across fintech ballooned 70% in 2021—making it the highest increase across any vertical in Sift's network. The increase in payment fraud also correlated with massive 121% growth in fintech transaction volumes on Sift's network year-over-year, making this sector an attractive target for cybercriminals.

According to Sift's analysis, these rising attacks, blocked by Sift, were aimed primarily at alternative payments like digital wallets, which saw a 200% uptick in payment fraud, along with payments service providers (+169%), and cryptocurrency exchanges (+140%).

Sift has specifically seen these abuse tactics aimed at buy now/pay later (BNPL) services, which saw a 54% year-over-year uptick in fraud attack rates. In late 2021, Sift's

Trust and Safety Architects discovered a growing number of fraud schemes on Telegram offering unlimited access to BNPL accounts through fake credit card numbers and compromised email addresses—showcasing the array of methods actors in the Fraud Economy are using to target the entire fintech sector.

The Hidden Brand Impact of Payment Fraud

Along with network-wide growth in average daily transaction volumes across every industry, Sift saw an overall 23% surge in blocked payment fraud attacks in 2021. Concurrently, nearly half of survey respondents (49%) report that they've fallen victim to payment abuse over the past one to three years—and 41% of the victims experienced it in the last year alone. Of those victims, nearly one-third (33%) identified financial service sites as the ones that pose the highest risk, which could negatively affect customer trust in the industry.

"Many brands fail to realize that the damage of payment fraud goes beyond the initial financial impact," said Jane Lee, Trust and Safety Architect at Sift. "The vast majority of consumers report abandoning brands after they experience fraud on a business's website or app, diminishing customer lifetime value and driving up acquisition costs. Further, potential customers who see unauthorized charges from a particular company on their bank state-

ments will forever associate that brand with fraud. In order to combat these attacks and grow revenue, businesses should look to adopt a Digital Trust & Safety strategy—one that focuses on preventing fraud while streamlining the experience for their customers.”

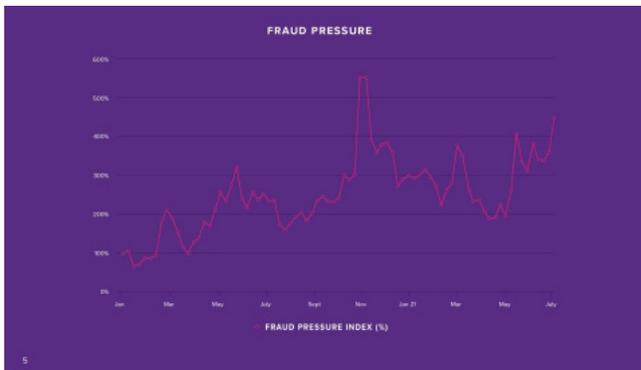
Tackling the Fraud Economy with Sift’s Fraud Intelligence Center

To help trust and safety teams better understand the intricacies of the Fraud Economy, Sift has launched its new Fraud Intelligence Center. Leveraging data from Sift’s global network of 70 billion events per month, the Fraud Intelligence Center will provide trust and safety professionals with the latest data, trends, and expert analysis they need to fight back against the Fraud Economy.

Source: [Globe News Wire](#)

New Signifyd report spells out ominous warning for European retailers facing a 350% increase in fraud pressure

Report: *Signifyd - MPE 2022 Silver sponsor*



Automated attacks, widespread consumer and policy abuse, new payments regulation and heightened fraud attacks will plague the holiday season and beyond, a new report warns.

As the holiday shopping season hits full stride, ecommerce retailers across Europe face a new era of malicious attacks spurred by a COVID-inspired transformation in ecommerce and a 350% increase in fraudulent online orders, according to data published today by Signifyd, the market leader in guaranteed commerce protection.

Signifyd, named the 2021 F5Tech Merchant Anti-Fraud Solution of the Year, says in a new report that retailers can expect a more perilous fraud landscape through the holi-

day shopping season and beyond. The heightened threat is thanks in part to the growing sophistication and diversification of organized fraud rings.

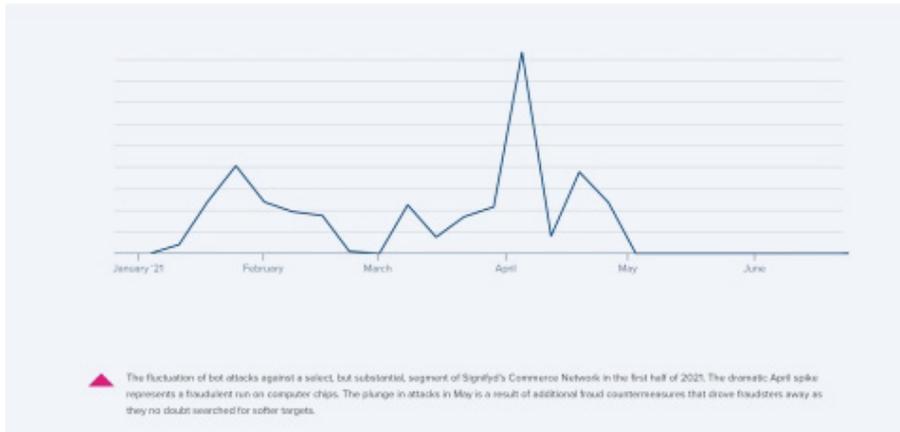
“The State of Ecommerce Fraud in Europe” report further reveals:

- A 350% increase in fraud pressure by mid-2021, as measured by Signifyd’s Fraud Pressure Index. The Fraud Pressure Index charts the change in the number of presumably fraudulent orders detected on Signifyd’s Commerce Network, which comprises thousands of retailers.
- A doubling of consumer abuse in the first half of 2021 — including false claims that an online order never arrived or that an order that did arrive was in unsatisfactory condition. Fraudsters and consumers make such claims in order to keep a product while receiving a refund.
- A dramatic increase in fraud rings’ use of bots. Automated fraud attacks increased 146% in 2020.

“Between the acceleration of ecommerce, changes in consumer behavior and the arrival of SCA, few would argue that commerce is not in a state of great transformation,” said Signifyd Managing Director, EMEA Ed Whitehead. “The State of Fraud report lays out in detail how these

changes came about and offers merchants actionable strategies and solutions to keep up in a dynamic industry at an historic time.”

The pandemic ushered in a “golden age of ecommerce



tailers are embracing to enjoy the benefit of added protection without introducing added friction to their customers' buying experiences.

“Overall, the solutions which have been put in place have the potential to work well. A key factor for success is that all aspects of the payment ecosystem are ready and that there is effective communication and interoperability amongst the players,” Andrew Cregan, head of finance policy for the British Retail Consortium (BRC), said in the report. “The experience for the customer must be straightforward, but also it must be communicated well beforehand, so that it's fully understood.”

fraud” fueled by several factors, the report says. They include:

- The increasing share of retail revenue attributable to ecommerce.
- A dramatic wave of first-time online shoppers.
- The need for fraud rings to move from protected segments of the buying journey to more vulnerable ones.

“Fraud is a moving target,” said Ollie Marshall, managing director of Maplin, and one of several retailer leaders quoted in the report. “As fraud protection becomes more sophisticated, fraud rings find new vulnerabilities to attack. We shut them down and they move on. I have no doubt they'll be back.”

Beyond offering a primer on best practices in the SCA era, “The State of Ecommerce Fraud in Europe” explores how several types of fraud attacks — including account takeover, automated card testing, synthetic identities, return fraud, mule fraud and unauthorized reselling — have morphed and are likely to remain prevalent.

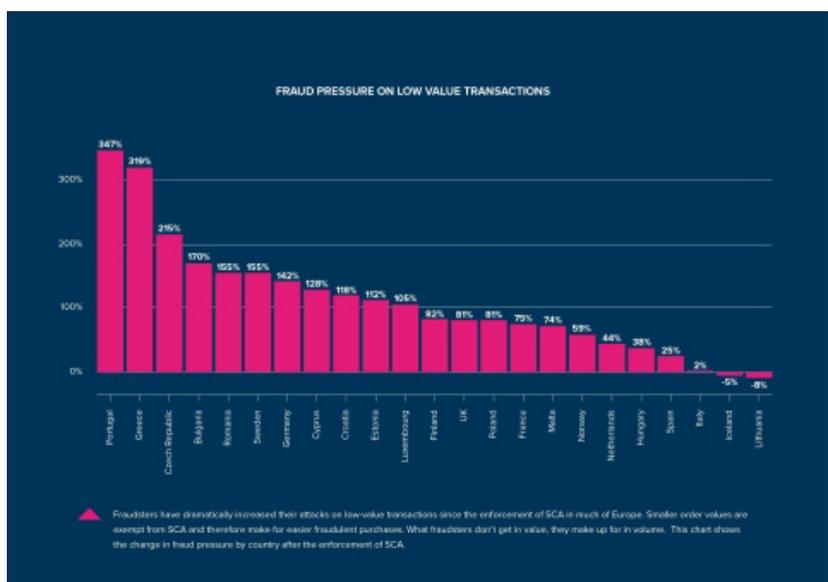
“In our recent Global Payment and Risk Mitigation Survey, the majority of merchants surveyed reported increases in synthetic and account takeover fraud over the previous year,” John Winstel, global head of fraud product at FIS, said in the report. “As these and other new fraud trends emerge, the safeguarding of a merchant's revenue requires smart, dynamic protection against fraud throughout the payment lifecycle.”

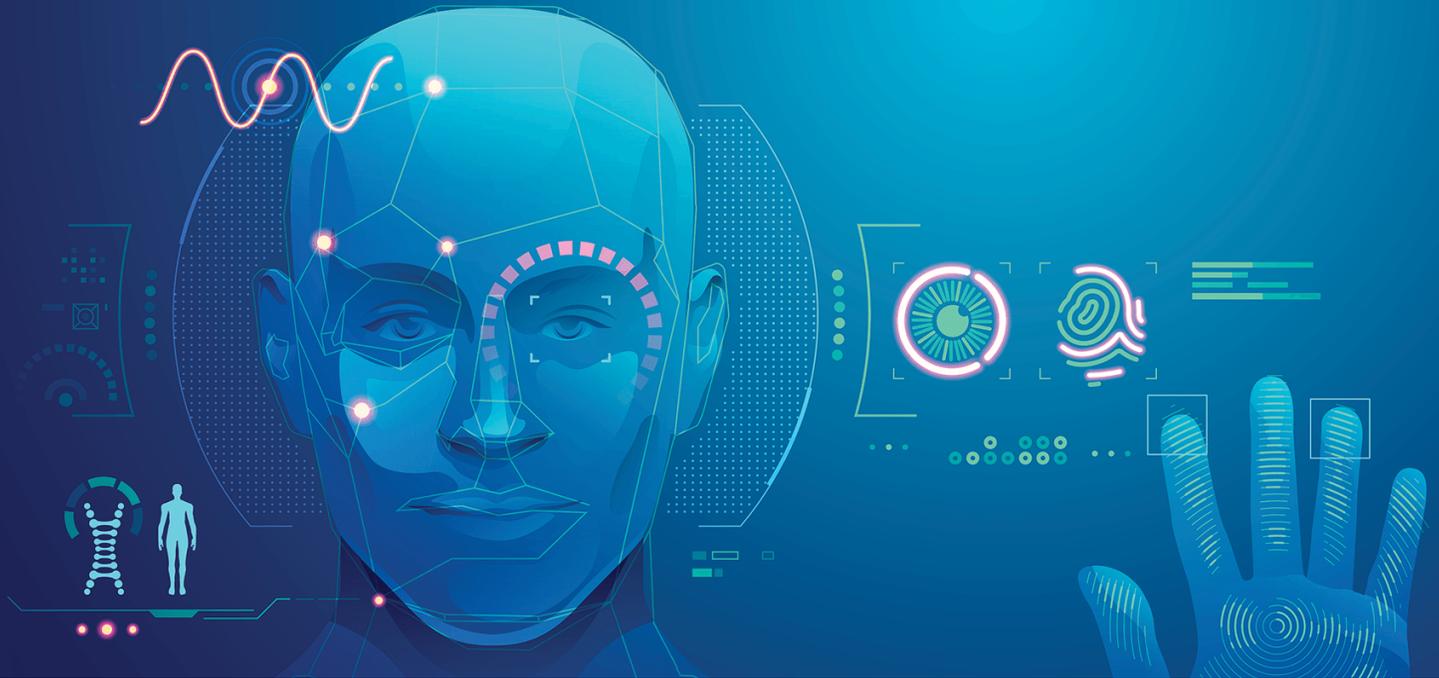
Source: [Business Wire](#)

European retailers are facing historic fraud pressure at a time when the payments landscape is undergoing upheaval due to the enforcement of PSD2's Strong Customer Authentication (SCA) requirement. The addition of SCA's robust two-factor authentication process has been rolled out across much of Europe and will be enforced in the UK beginning in March.

SCA was instituted to protect retailers and consumers from online fraud. The beginning of SCA enforcement across Europe has resulted in an average transaction failure rate of 26% post-SCA enforcement, according to payment services consultancy CMSPI.

The Signifyd report explores the conversion issue and reviews some of the strategies re-





How **passwordless technology** can help you overcome PSD2 pains

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Speakers & Panelists



Alan Moss
(Moderator)
MD Europe for Western
Europe
Newland Payment
Technology



Kevin Lee
VP of Digital Trust
Sift



Cory Hinton
Product Marketing
Manager
Sift

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Payment Abuse in the Fraud Economy: Growth Fuelled Risk and Moving Targets

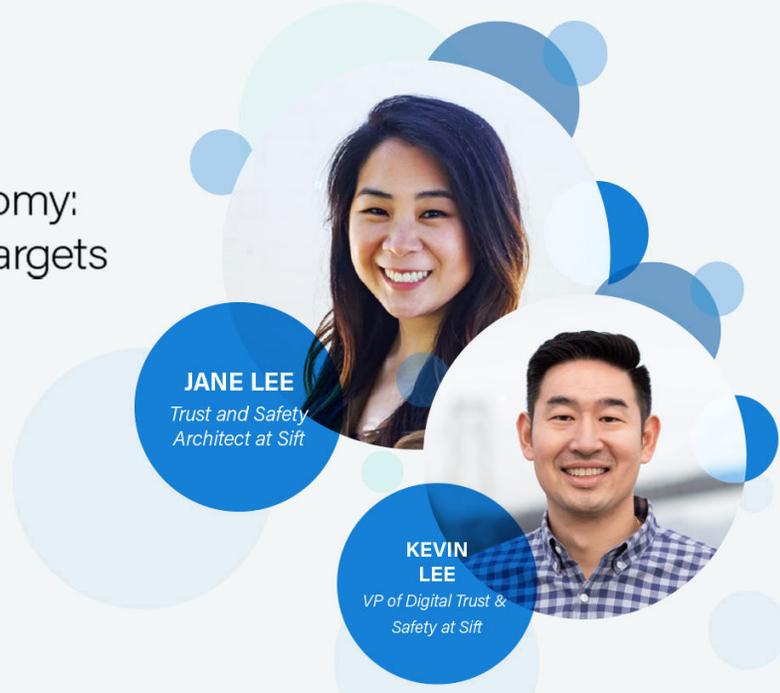
Moderated by Alan Moss

Managing Director, Western Europe at Newland Payment Technology

March 16th, 2022

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Payment Abuse in the Fraud Economy: Growth Fuelled Risk and Moving Targets

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Payment fraud decapitates business growth—but before a company’s market opportunity even comes to a head, fraudsters hellbent on financial theft can attack vulnerabilities across on-site customer journeys, and across the internet, stealing data and funds, and putting online merchants at risk long before a login, transfer, or transaction even takes place.

Fraudsters have plenty of motive to snatch revenue when the probability of a payout is so high: last year, consumers spent \$871 billion online with U.S. merchants alone, up 14.2% year-over-year. Between 2020-2021, average daily transaction volumes across Sift’s global merchant network rose in every industry, with the biggest surge in fintech at 121% growth YoY.

Speakers & Panelists



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Jane Lee
Trust & Safety Architect
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