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# **Catch all the digital moments** *of your customers*



**Worldline**

# Driving digital transformation in the banking sector

Banking is clearly evolving in a fast-paced and changing ecosystem, either in terms of regulatory compliance (PSD2, EBA Guidelines, MIF, AML4, SEPA, etc.), evolving customer needs, the technologic profusion or the disruptive pressure of new entrants creating a new level of competition. Mastering the digital transformation while taking into account all these challenges is the key for a successful bank while leveraging the trust customers have in banks.

## ***Reshaping the customer experience around the bank account***



### ***Get a deeper customer engagement***

Banks can extend their services beyond payments and account management to increase their customers engagement. Dissociating the bank account from payments will open the way to new services.

### ***Think mobile first, but not only***

Leveraging the success of mobile, banks can develop an integrated customer experience with the mobile as a key touchpoint in a cross-channel journey.

## ***Creating new business models***

- Adapt the relationship with your customers to better adapt to their new expectations.
- Extend your traditional activities to differentiate yourselves, and compete with agile non-financial entrants
- Make the most of the regulations changes to maintain your business ahead of the new banking and payment landscape.

Drawing on more than 40 years of experience in payments, Worldline is constantly making its portfolio evolve to make you benefit from state-of-the-art solutions. In terms of Online Banking, Worldline has invested to offer the most efficient solutions to process credit transfers and direct debits in plural (like for credit transfers) in the SEPA region.

Today, Worldline is moving towards instant payments, XS2A (Access to Account) & Digital identity innovations to maintain your competitiveness.

# Towards instant payments for all stakeholders

The implementation of instant Credit Transfers is expected to go live by November 2017 at a European level. Starting that point, instant payments, the next generation of SEPA payments will be happening within seconds to make funds available immediately. This entails some challenges for banks and merchants to keep up with this fast-paced type of payment



## ***From one business day to seconds***

The time scale will be strongly shortened to enable instant payments. If the end-to-end processing will happen within second with instant payments, it entails an acceleration of all the intermediary steps to make funds available immediately. The initiation, the authentication and validation of payment should all be processed in real-time and 24/7/365.



## ***Enabling cross-channel instant payments***

First, the focus was on e-commerce with some local schemes that initiated the innovation towards instant payments. Then banks took over the opportunity of mobile use rise to let consumers make payments and transfer money at the tip of their fingers to another person's bank account. Soon, instant payments will be possible in a person-to-merchant context including in-store transactions.



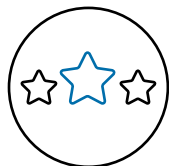
## ***Industrialization of instant payments for merchants***

For merchants, the solution needs to be packaged and clear to offer them the ability to accept instant payments, whether online or in-store to meet customers' expectations in terms of cross-channel shopping journeys. The challenge for merchants will also consist in adapting their acceptance interface to make instant payments possible at the point of sale.



## ***Instant fraud detection needed***

Instant payments for sure are bringing value to both end customers and merchants, but it also means that fraud attempts will gain in speed. To accept instant payments within seconds, merchants needs to speed up their fraud risk checks and outstrip the automated fraud attempts. The fraud risk management tools need to be adapted to the frenetic pace of instant payments.



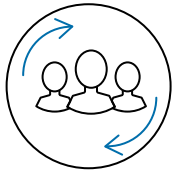
## ***Build a business, not only an infrastructure***

The ultimate challenge for banks is to build a business around instant payments, creating value for merchants and customers, but also generating new revenue streams for them. For instance, insurance services around instant payments could be developed to protect from the irrevocability of credit transfers.

# Keeping the upper hand in customer relationship with the opportunities of XS2A (Access to Account)

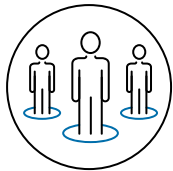
Banks could either focus solely on providing account access to third parties, or banks could choose to make the most of this opportunity by developing new applications themselves to compete directly with these new third party players.

New services could be developed to enrich banks portfolio with non-payment transactions such as digital identity services, API-based lending or risk management services.



## **Get a 360° view of customers**

Being at the center of all your customers' interactions, you'll get to know them better through their behaviors. The access to these richer and cleaner customer data need to be leveraged to offer them valuable and adapted services.



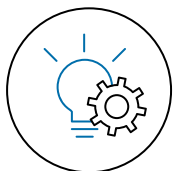
## **Attract new customers with elevated UX**

Making the user experience optimized for customers is now crucial to retain and to attract new customers. Enable them to access your services in a convenient, secure and seamless way, no matter what device they are using.



## **Become your customer's primary bank**

Thanks to XS2A, banks will be able to consolidate many account information, but not only. Banks can leverage their dominant position to become the primary point of contact and not to lose the customer relationship and the revenues generated from it.



## **Boost cross & up-sell revenue**

By becoming a third party provider, banks will be able to offer additional services to customers to complete their purchases and their digital experience in a secure and already known environment.

# Digital identity, creating value through customer empowerment

In a context where digital security is crucial, with the soaring amounts of data shared between all stakeholders, banks hold a unique combination of **customer knowledge, trust and ability to secure and protect identities of their customers.**

*Many use cases can be enabled with the use of digital identity*

Use of banking identities to **initiate payments**

Rely on already registered personal data to **get access to new digital services**

**Prove personal attributes** to third parties by querying the bank



*How to meet customers' expectations in terms of digital identity*

## Security & ease of use

**Smart authentication mechanisms** with behavioral authentication, advanced authorization protocols, to secure transactions without compromising the user experience.

## Keep control over data

**Innovative Personal identity managers** as a tool made available for customers to manage their digital connections and the personal data they are sharing with third parties.

## Maintain Privacy

**Privacy-preserving mechanisms & privacy enhancing technologies** to provide only proof of information in order to give access to a service without revealing the content of the information.

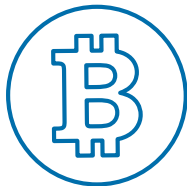
# Innovation @ the heart of our strategy

“ Worldline innovates to generate future business, to anticipate what lies ahead and to be the first to go to market with new technological developments. ”

Our R&D team interacts intensely with the outside world to gather information about technological advancements, market maturity and customer needs. A concrete example of its closeness to and interactivity with the market is its practice of holding regular “innovation workshops” with our customers or prospects. These workshops - which provide a perfect forum for presenting new ideas, receiving feedback from customers and conducting dialog - are only the tip of the iceberg of Worldline R&D's thorough and probing daily interface with customers and the market.



**Nicolas Kozakiewicz**  
*Head of Research & Development  
and Innovation*



## Blockchain Smart Corporate Bonds

This demonstration uses colored coins in an asset management usage case which allow you to store assets on the Bitcoin blockchain. Such colored coins can be used for alternative currencies, commodity certificates, smart property and other financial instruments such as stocks and bonds. We will show you how to model the asset lifecycle, originate and validate the smart contract and execute it over distributed ledgers on top of the Bitcoin blockchain infrastructure.

Worldline's innovative excellence is recognized by numerous and regular external awards



**2015 Banking & Innovation Prize**  
*Digital Assistant*



**2015 PayForum Award**  
*New retail Host Point of Sale (HPE) solution*



**2016 MPE & PayForum Award**  
*WL eBanking Payment Services*



**2016 PayForum Award**  
*WL Trusted Authentication with FIDO compliance*



**2016 PayForum Award**  
*WL Connected Piggy Bank*

# A large and innovative solutions portfolio taking you to the next level of competitiveness

## ***WL Payment Modulator***

WL Payment Modulator improves banks fraud prevention services and reduces their call center costs by empowering their customers. Fully part of the bank security policy, it allows the end user to define the payment settings that will immediately be applied to the next payment transactions. This innovative and user-friendly solution both enhances the bank's digital image and fosters additional trust in card payments. Highly secured, whatever the channel, it is independent from card types and payment schemes.

## ***WL eBanking Payment Services***

Thanks to ten years of experience in routing services through iDEAL and its extensive knowledge of the SEPA payment regulations, Worldline has developed a strong solution integrating other OBeP schemes. The Multi-Services OBeP Platform is flexible and can be updated to deliver new services such as e-identity checks.

## ***WL Mobile Banking***

WL Mobile Banking offers an innovative and comprehensive catalog of services to build a unique customer experience, whether on a smartphone or tablet and for any operating system (iOS, Android or Windows). Based on an agile digital banking platform, WL Mobile Banking boosts your innovation in terms of payments, security or bank account management, with a customizable mobile experience so you can capture all of your customers' digital moments.

## ***WL Connected Piggy Bank***

This demo is a Worldline innovative concept of a banking service personified by a connected piggy bank, providing an educational and fun experience for children and their family while enhancing brand image and customer loyalty for the bank.

## ***WL Trusted Authentication***

WL Trusted Authentication makes the most of device and context data to provide a Software Secure Element in regular smartphones or other personal devices, and to protect end users' most valuable asset: their identity. This solution particularly fits retail banks' needs, enabling a single, strong authentication method for online banking, 3-D Secure and other digital and mobile services (such as WL Wallet). But it is also intended for any type of organization which needs to make remote access secure for its users.

## ***WL Fraud Risk Management***

Fraud prevention and risk management are the responsibility of each stakeholder in the value chain: merchant, PSP, acquirer, card scheme and issuer. It is a trade-off between risk and cost. The WL Fraud Risk Management solution helps them to design their ideal solution, i.e. a solution with very low false positive and high detection rates.

## ***WL Mobile NFC Payment with HCE***

WL M-Payment with HCE offers a secure and digital experience and allows consumers to pay easily and securely with their smartphone. By adding HCE to its solutions, Worldline is offering its clients simplification of the complex NFC business model and is facilitating convergence of contactless proximity payments.

## ***WL Wallet***

Beyond payment, WL Wallet secures the consumer's digital identity throughout the entire customer journey to make the shopping experience seamless, all the while reducing fraud and increasing security. With the integration of loyalty programs and couponing, or any form of ticketing, it reinforces your customers' engagement, by giving them access to digital retail services.



# About Worldline

Worldline [Euronext: WLN] is the European leader in the payment and transactional services industry. With innovation at the core of its DNA, Worldline's core offerings include pan-European and domestic Commercial Acquiring for physical or online businesses, secured payment transaction processing for banks and financial institutions, as well as transactional services in e-Ticketing and for local and central public agencies. Thanks to a presence in 30+ countries, Worldline is the payment partner of choice for merchants, banks, public transport operators, government agencies and industrial companies, delivering cutting-edge digital services. Worldline's activities are organized around three axes: Merchant Services, Financial Services including equensWorldline and Mobility & Transactional Services. Worldline employs circa 11,000 people worldwide, with estimated pro forma revenue of circa 2.3 billion euros on a yearly basis.

## For further information

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