



Payments Insight

January 2022

Headlines

Cards – **The card makes a stand**

- **UNITED KINGDOM** - Amazon lifts its veto on Visa credit cards
- **UNITED STATES** - MasterCard will allow NFTs to be purchased by card
- **UNITED STATES** - MasterCard presents its BtoB virtual card
- **UNITED KINGDOM** - Klarna launches its physical card in the UK

While last month we talked about the pressure imposed by Amazon on Visa to accept credit cards in the United Kingdom because of high fees, an agreement seems to have been reached and the balance of power is reversed. If not on Visa in this case, at least for card players like Visa and Mastercard who are multiplying initiatives to keep this means of payment as a must, as confirmed by American Express figures which show a 29% increase in volume in 2020. Mastercard has unveiled two initiatives: one concerning bill payments using virtual cards coupled with a system that predicts problematic bills, and another initiative aimed at purchasing NFTs. The aim of these innovations is to give a place to the bank card in these uses where all-electronics prevail and which will ultimately cost these players market share. Another player innovating in an alternative path to credit cards, namely the Buy Now Pay Later specialist, Klarna, announced the deployment of its Klarna Card to ensure a better customer experience. While Klarna is demonstrating the relevance of alternative financial offerings, the fact remains that in order to continue its expansion, it now needs to conquer another commercial dimension, in the physical world. And to get through this stage, the Unicorn is betting on a payment card, the medium retaining all its legitimacy, including in the face of m-payment which, despite strong growth, still only represents a minority share of payment.

E-Identity / E-Signature – **Essential components of the customer journey**

- **UNITED STATES** - Edenred and Sunday combine meal vouchers and QR code payment
- **FRANCE** - Yousign sets the standard for electronic signatures in Europe
- **FRANCE** - Docapost acquires Idemia's electronic signature business

In the US, API-based financial services provider Plaid has announced the acquisition of identity and KYC verification startup Cognito. CEO Zach Perret sees verification as a key piece of Plaid's strategic puzzle, calling it "one of the three essential parts of a complete onboarding experience, along with account login and account funding that Plaid provides today. Cognito's products position Plaid to withstand the trust and regulatory challenges of open banking. In France, it is Idemia on the e-signature side that makes the move with the takeover of its e-signature business by Docaposte, which aims to extend its trust services to European countries already covered by Idemia. And Yousign, a Caen-based startup that has just announced that it has acquired Canyon, a specialist in the automation of document preparation and validation processes prior to signature, to offer a complete contractual document management service to European small businesses.

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A word on...

Player's Strategy

CHINA – Central Bank Digital Currency projects are progressing all over the world. In China, a new step has just been taken to impose the digital yuan (e-CNY) a little more widely in the country. China's national digital currency has been used to facilitate transactions on the country's futures market. The test took place on the Dalian stock exchange, which specializes in commodity trading. The digital yuan was used there, with the help of large local banks (Bank of Communications and Bank of China), to pay storage fees at a delivery warehouse. The test proved to be very successful, and the Dalian Commodity Exchange (DCE) is planning to expand the use of the digital yuan. This new test is a first for the stock market, as the digital yuan is gradually being deployed in China, with a small portion of the Chinese population having access to this means of payment in several cities.

UNITED KINGDOM – Last November, Amazon threatened Visa, a leading payment provider, with the removal of credit cards from its payment interface on its UK site. This ultimatum followed differences between the two groups over the amount of fees applied by the payment scheme. Finally, a compromise seems to have been reached and will allow Visa to continue to offer these credit cards on the Amazon UK site. Amazon's decision to ban Visa credit cards on its UK platform, which was supposed to mark the domination of the web giants over the traditional payment players, has been reversed. The decision, which was intended to protect consumers from rising fees, was due to come into effect on 19 January. It has been cancelled by the web giant, which says that discussions are currently underway with Visa to reduce transaction fees. An investigation by a British newspaper had estimated that Amazon risks losing nearly £1.4 billion from British buyers. At the same time, FinTech Curve offered its Visa credit card customers the option of using its aggregator card to override Amazon's decision.

FRANCE – The French specialist in corporate expense management Spendesk is a reference in the FinTech market dedicated to professionals. It is currently pursuing its expansion strategy, in a context that is particularly favorable to fundraising; a long-term effort that has enabled it to achieve the coveted status of Unicorn. Spendesk has established itself over the years as a French specialist in the dematerialization of financial services. Its BtoB positioning has enabled it to convince investors on several occasions during its existence. 2019, 2020, 2021 will have been marked by major fundraising for the FinTech. And 2022 is also off to a strong start, as Spendesk has just announced that it has completed a new round of financing to double its Series C. 100 million euros have been added to the investments received by the FinTech and, above all, have enabled it to reach the status of Unicorn. Tiger Global is the leader of this round, followed by all the historical investors of Spendesk, namely Index Ventures, Eight Roads, General Atlantic and eFounders. Spendesk thus becomes the 26th French Unicorn, without the exact amount of its current valuation being revealed.

Cards

MasterCard will allow NFTs to be purchased by card

The historic American payment giant MasterCard has made a major strategic choice: to avoid disruption by positioning itself as a player in the democratisation of new payment technologies by linking traditional and innovative payment methods. Its new partnership with Coinbase confirms this trend.

FACTS

- Make buying NFTs as easy as buying any merchandise sold on an e-commerce site. It is with this clear objective that MasterCard presents its new foray into the crypto-asset market.
- The American payment giant has teamed up with a reference in the crypto-asset and NFT (non-fungible tokens) market: Coinbase (a cryptocurrency exchange and storage platform).
- Consumers will soon be able to use their Mastercard debit or credit cards to make purchases on Coinbase's NFT marketplace. This means they will not have to open a dedicated digital wallet to buy crypto-currencies before they can afford NFTs.
- MasterCard is thus committed to democratising this market, opening it up to as many people as possible, by relying on historical means of payment and the card in particular.

CHALLENGES

- **A race to the bottom:** MasterCard has been committed for several months to establishing itself as a reference in the crypto-asset market with a dual ambition. Firstly, it is a question of the historic payment giant avoiding the disruption of new alternative payment players, but also of not letting itself be overtaken by Visa, which is very active on the subject. Visa made headlines last August when it bought an NFT CryptoPunk.
- **Maintaining the legitimacy of the card:** The core of MasterCard's offering is based on payment cards. But with the exponential growth of digital payment services, some voices are suggesting that the future of payment could be cardless. To counter these predictions, MasterCard is now committed to giving the card a place in the democratisation of digital assets.

MARKET PERSPECTIVE

- According to a study by Blockchain specialist Chainalysis, \$40 billion was spent in 2021 on NFT digital assets.
- The end of the year was particularly dynamic. Sales of non-fungible tokens (NFTs) reached \$10.7 billion in the third quarter and \$11.6 billion in the fourth quarter, according to data from OpenSea, an online marketplace dedicated to NFTs.

Source : [Presse release](#)



MasterCard presents its BtoB virtual card

MasterCard has just announced the launch of its new virtual card for professionals, and more specifically for buyers and suppliers. Its offer relies in particular on artificial intelligence technologies to differentiate itself and offer real added value in a market already well covered.

FACTS

- MasterCard's new virtual card model is based on the Mastercard Track Instant Pay offering, which uses machine learning and straight-through processing to enable instant payment of supplier invoices.
- The virtual card presented today by MasterCard uses machine learning technology to automatically process certain recurring transactions, thus presenting an alternative model between the virtual card and instant bill payment.
- Mastercard Track Instant Pay analyses invoices and identifies those that are likely to be rejected, allowing the payment of other invoices to be authorised automatically, the same day they are received.
- Digital payments are sent directly and securely to the supplier's bank account via a virtual Mastercard without any manual intervention.
- Initially available in the United States, the offer is expected to be extended internationally.

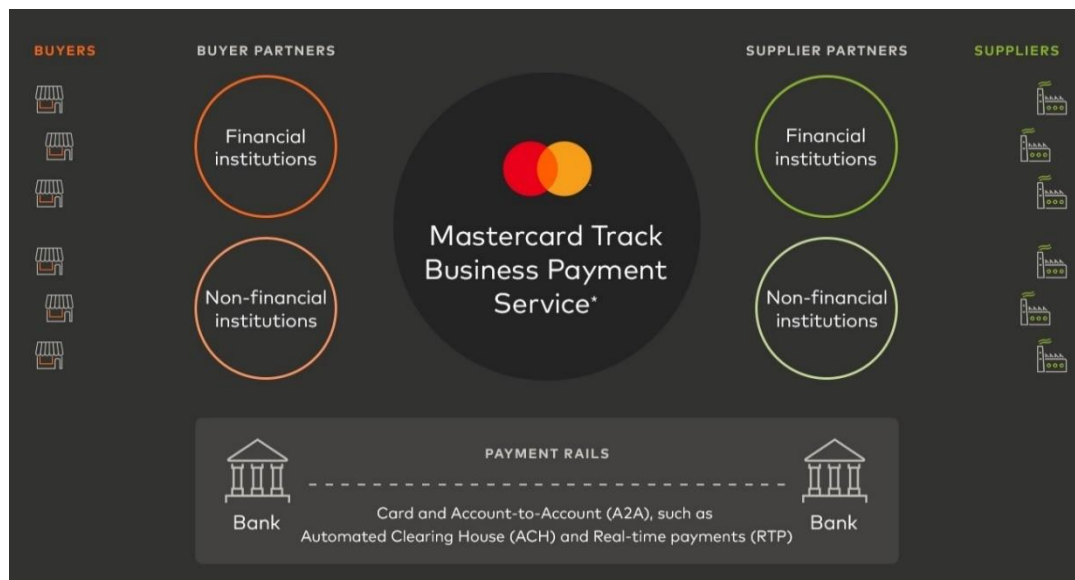
CHALLENGES

- **The power of data:** Mastercard Track Instant Pay combines the machine learning capabilities of Previsia, an artificial intelligence and data science company, with Mastercard's global payment network to make its solution more relevant.
- **Accelerate business payments:** Manual invoice approval and cheque processing are costly and time-consuming. MasterCard presents its new Mastercard Track Instant Pay solution as a way to make buyers' jobs easier.
- **A real need:** Studies show that more and more companies would like to automate supplier payments with virtual cards, but solutions on the market still require manual processing of transactions. Mastercard Track Instant Pay promises to automate a major part of the flows.
- **Improve cash flow:** Mastercard Track Instant Pay helps suppliers improve their cash flow by releasing funds faster. At the other end of the chain, instant payments eliminate the risk of non-payment for the customer.

MARKET PERSPECTIVE

- The virtual card market is growing, as new intuitive cards are rolled out. MasterCard's positioning remains interesting since it represents a renewal for a historical player in the physical card market. But along with MasterCard, alternative players such as Stamplicard or Extend were already offering virtual cards to businesses; Stripe has been supporting its offer since 2018.
- Still in the United States, JPMorgan Chase chose to join forces with Marqeta to issue virtual corporate cards instantly. And MasterCard had long been interested in Marqeta, even investing in the start-up in 2020.

Source : [Presse release](#)



Klarna launches its physical card in the UK

A giant in a market as dynamic as the BNPL (Buy Now Pay Later), the Swedish reference player Klarna has just announced the deployment of its payment card in a new market: the United Kingdom. This is an opportunity to underline its ambition to go beyond the borders of m-commerce to extend its offer to all channels

FACTS

- Klarna is launching its payment card, Klarna Card, in the UK. Backed by Visa, this free card allows users to access Klarna's BNPL offers via a physical medium dedicated to paying for purchases in physical shops and shops.
- The Klarna Card works in conjunction with a mobile application. The latter allows users to manage their payments after making purchases. Among the features available are:
 - 30-day deferred payment
 - contactless payment
 - instant push notifications after each completed or declined transaction
 - an overview of recent purchases in the application
 - the possibility to block the card at any time
 - 24-hour customer service via the app
 - the possibility of extending the card's expiry date by up to 10 days
- The Klarna card will be further enriched with different features over time.
- The offer is currently available to a few UK testers; others can sign up to a waiting list that already numbers 400,000 people according to Klarna. It will be rolled out in the UK in early 2022, without further details.

CHALLENGES

- **Duplicating a successful model:** The launch of the Klarna card in the UK represents a geographical extension for a service already deployed by the Unicorn in Sweden and Germany. In these two countries, the Klarna card has been a success, as it is now used by over 800,000 people.
- **Entering the physical retail market:** While Klarna has demonstrated the relevance of alternative financial offers, it must now conquer another commercial dimension, in the physical world, in order to continue its expansion. And to get through this stage, the Unicorn is betting on a payment card, the medium retaining all its legitimacy, even in the face of m-payment which, despite strong growth, still only represents a minority share of payment.
- **Conquering the world:** Klarna has already stated that the launch of its physical card in the UK is just ahead of another stage in its geographical expansion, this time to the United States.

MARKET PERSPECTIVE

- Having achieved Unicorn status, Klarna has finally scaled up its ambitions and is now looking to expand its BNPL offering into all markets via all channels. To this end, the company presented its BNPL-dedicated browser extension to move away from 100% mobile purchasing.
- However, it will have to face a legislative tightening that could limit its galloping growth. The UK is preparing new rules to bring the BNPL sector under the supervision of the Financial Conduct Authority. And many similar initiatives are being taken around the world.

Source : [Presse release](#)



Mobile Services

Chuck, a new P2P payment network for community Banks

The Alloy Labs Alliance is an association of community and mid-sized banking organisations in the US. It has just announced the launch of a new open network for instant peer-to-peer payments. Called Chuck, this service allows community banks to demonstrate their capacity for innovation and cooperation.

FACTS

- Chuck is presented as an open, interbank instant payment network, specifically operating transfers between medium-sized banks in the Alloy Labs alliance.
- Chuck offers financial institutions in the Alliance a new option for managing payment flows between their customers in a secure and accelerated manner.
- Customers will be able to access the service from their mobile banking application. Chuck will allow them, from this unique interface, to make payments between individuals to different accounts held in banks other than their own or even to popular payment services such as Venmo, Cash App or Zelle.

Alloy Labs is :

- 12 small banks
- over \$250 billion in assets
- 30 million retail customers
- 6 million small business customers

CHALLENGES

- **Show that community banks can also innovate:** To meet the growing demand for fast and easy interbank payments, community banks initially looked to Zelle, the leading interbank service in the U.S. But given the cost of that service, they partnered with FinTech Payrailz to create its own peer-to-peer payment service.
- **Becoming a leader:** The new Chuck network aims to become a national benchmark. The Alloy Labs Alliance plans to open Chuck to all US financial institutions in the future. Future connections are also planned for the RTP (Request to Pay) network created by The Clearing House and for the FedNow faster payments project, which should be launched in 2023.

MARKET PERSPECTIVE

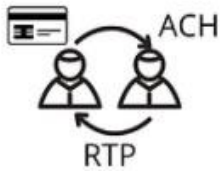
- Chuck's ambitions are laudable but will have to contend with a behemoth that is already well established in the interbank consumer payment market. The American service Zelle was launched by the main American banks such as JP Morgan, Wells Fargo and Bank of America in 2016.
- Very soon after its launch, it announced that it had processed 170 million P2P payments for a transaction volume of almost 55 billion dollars. The question of interbank positioning for payment and money transfer services was thus already at the heart of a fundamental trend, considered to be a new standard in the making, at least for the largest banks in the market.

- Zelle's success has continued ever since; the payment service set a new record in 2019 and again in 2021, and now counts on interoperability with more than 1,000 US banks.

Source : [Presse release](#)

Alloy Labs members have created CHUCK to make payments...

Connected, not closed



Payments can be routed via ACH, RTP, cards, and popular payment networks

Easy to use



Customers send payments instantly right from their existing banking app

Economical



The industry's most affordable payment offering

Apple forced to open its in-app payment system

After Google, it is now Apple's turn to comply with the decision of the Korean Communications Commission (KCC) of South Korea, which has required digital platforms to respect the regulations in force concerning competition and to open their in-app payment system to third parties. These commissions paid by developers represent a financial windfall that the web giants are not ready to give up.

FACTS

- Apple has finally presented its commitments to comply with the South Korean Telecommunications Business Act. This new legislation aims to force the web giants, and particularly the creators of the two main operating systems that are currently iOS and Android, to no longer impose their own in-app payment systems.
- As a reminder, the text provides for developers to be able to propose alternative in-app payment systems to those of Google and Apple, within their applications offered in the Apple or Google stores.
- The application of this law would allow developers to no longer be subject to commissions of up to 30% set by Apple and Google on in-app payments and subscriptions.
- Apple and the South Korean Communications Commission (KCC) did not provide specific details on the progress of their discussion. In any case, the discussion concerns the issue of a tax reduction.
- This decision will affect some 580,000 Korean developers installed on the Apple Store and offering over 1.4 million applications.

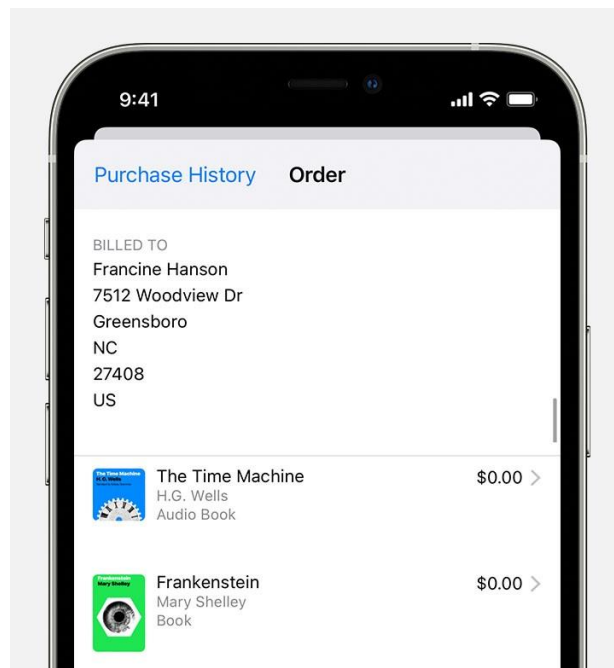
ISSUES

- **A small step for Apple...** Apple is showing less hypocrisy today, whereas the group has been sticking to its guns until now.
- **... a big step against the power of the web giants :** South Korea has managed to bring Google and Apple to heel, one after the other, on the subject of in-App purchases. This is a first, but it illustrates a fundamental trend that is pushing the web giants to the limit on a number of fundamental issues, at a time when payment is becoming a cornerstone of tomorrow's commerce and trade.
- **A global example:** South Korea's parliament remains the first in the world to pass a bill to prevent the web giants from forcing developers to use their integrated payment systems.

MARKET PERSPECTIVE

- While the regulatory battle in South Korea concerns micro-payments, it is a vast market that is ultimately targeted by this possible development worldwide. Apple is proud to say that the App Store is now used by more than 600 million people every week in 175 countries. The App Store thus represents a financial windfall for developers, who have earned more than 260 billion dollars from this ecosystem since its deployment in 2008.
- A real alternative market, therefore, in which it is becoming necessary to limit the despotism of the web giants. In addition to South Korea, the trend seems to be taking shape all over the world. Apple is no longer untouchable, especially since the conflict between the Cupertino firm and another giant, this time in gaming, Epic Game. In this context, Apple has appealed a legal decision to allow iOS app developers to offer their own in-app purchases system. Another class action by 67,000 developers had also pushed Apple to relax its payment rules.

Source : [Techcrunch](#)



Nickel clarifies account statements

BNP Paribas' subsidiary Nickel has just made official its new partnership with a British player. The company is Snowdrop Solutions, a technology specialist in data and location technologies. Their joint work has resulted in the enrichment of payment information presented in Nickel's customer statements.

FACTS

- Nickel, the "bankless" bank, has teamed up with Snowdrop Solutions to help its customers better understand their purchasing habits and, above all, their past transactions. More concretely, Nickel wants to make the transactions presented on its account statements more readable.
- How can this be done? Through data. Snowdrop Solutions makes it possible to enrich the information on payment transactions presented in the account statements by associating to each operation :
 - a clear title,
 - the brand name or the legible name of the merchant where the transaction was carried out,
 - the merchant's logo,
 - their precise address,
 - a link to the merchant's website.

CHALLENGES

- **Clarifying exchanges:** Clarifying account statements and the transactions presented is a simple way for a financial service provider to avoid misunderstandings and undue complaints.
- **Fighting fraud:** At the same time, the new service offered by Snowdrop Solutions makes it easier for customers to detect suspicious activity and block their card more reactively if necessary, thus preventing further fraud.
- **Optimizing the relationship:** The initiative reduces the work of bank staff in clarifying the situation for customers, promotes customer autonomy and overall customer satisfaction.
- **A new sign of European deployment:** To meet its extra-national ambitions, Nickel has relied on a British player that has global scalability and will enable it to deploy this new service in different geographies. Last April, Nickel stated that it was preparing for operational deployment in Belgium and Portugal by 2022 and that it planned to be in six new countries by 2024.

MARKET PERSPECTIVE

- In March 2019, Apple struck a blow with the Apple card, particularly on the subject of clear and delocalized identification of expenses. Banks will have taken almost two years to catch up. This functionality is beginning to be democratized and promises improvements in terms of budgetary advice.
- With regard to account statements in particular, Banco Sabadell presented a 2.0 model based precisely on the use of data last March.

Source : [Presse release](#)



Open Banking

Numeral, a high-potential young FinTech

Numeral is a new French fintech, which aims to simplify payments for small businesses. It proposes APIs that will simplify the integration of payments by transfers and direct debits. This promising young FinTech, which is tackling a crucial issue for its customers, has just raised funds from renowned investors, which is attracting a lot of attention.

FACTS

- Numeral has just announced a €13 million fundraising round led by Balderton Capital and completed by leading investors including Alexandre Prot (Qonto), Tom Blomfield (Monzo), Guillaume Princen (Stripe) and Kima Ventures.
- The French FinTech is thus consolidating a model developed six months ago within the startup studio Logic Founders (itself a product of the Parisian startup incubator eFounders).
- Its ambition: To deploy a successful SaaS payment automation platform for technology companies and thus facilitate the management of their payments (payment routing and account balancing).
- Its target: Insurance companies (to settle claims), temporary employment agencies (to pay their workers) or BNPL companies for example. More generally, all professionals who need to send, receive and reconcile large volumes of payments with their banks.
- Business model: a monthly subscription and a system of degressive commission on transactions.
- For the moment, Numeral is aimed more specifically at technology companies working with APIs. Its clients already include well-known companies such as two unicorns in France: Swile and Spendesk. This is a sign of confidence that the company can now promote its offer more widely.

CHALLENGES

- **Rely on open banking to simplify payments:** Banks have multiple interfaces for making transfers and direct debits. Numeral proposes APIs that allow for the standardisation of these protocols, which are different between banks and even specific within the same bank, depending on the operations one wishes to carry out. This standardisation will facilitate the integration of payment processes.
- **Modelling a developing offer for private individuals:** The American payment specialist Stripe has managed to establish itself over the years as a reference for payment between private individuals or, more recently, for collection. This is the model that Numeral is now following. However, the FinTech is different in that it targets the BtoB market.
- **Sticking to the needs of companies:** While Stripe has become a reference in online payment by bank card, Numeral hopes to have the same destiny but in direct debit and transfer, the preferred means of payment between companies.

MARKET PERSPECTIVE

- The fundraising announced by Numeral will enable it to start 2022 by officially launching its platform and processing its first payment flows. The FinTech also plans to rapidly offer new payment automation and management features.
- Numeral also says that it should quickly add new banks to its platform to complete its centralised model; the FinTech currently has three French banking partners.
- This development plan will be based on the recruitment of French and European profiles; Numeral's team will thus increase from 10 to 40 employees in the near future.
- Numeral hopes to eventually convince new clients on a European scale, particularly in the UK, Germany, Italy and Spain.

Source : [Blog](#)



Fragmented Payment

Fly Now Pay Later, or the adaptation of BNPL to the travel market

A recent fundraising round has highlighted a growing trend in the adaptation of split and deferred payment solutions to the travel market. The aptly named specialist finTech Fly Now Pay Later is demonstrating this today.

FACTS

- Fly Now Pay Later has just completed a new debt financing round for \$75 million. Its main investor is the Atalaya Capital Management fund.
- This financing will primarily enable Fly Now Pay Later to expand its offer in the United States. The service, which has been operating in the country since 2020, has suffered from the crisis but has made this market a priority for 2022.
- Fly Now Pay Later presents itself as a specialist BNPL player, with coverage of the UK, European and US markets.
- It allows its customers to spread the cost of a trip over up to 12 monthly payments by using its travel partners or simply its mobile app to book their hotel, flat or flight.
- The service is available free of charge but relies on late payment penalties of up to 29.9% to earn its fee.

CHALLENGES

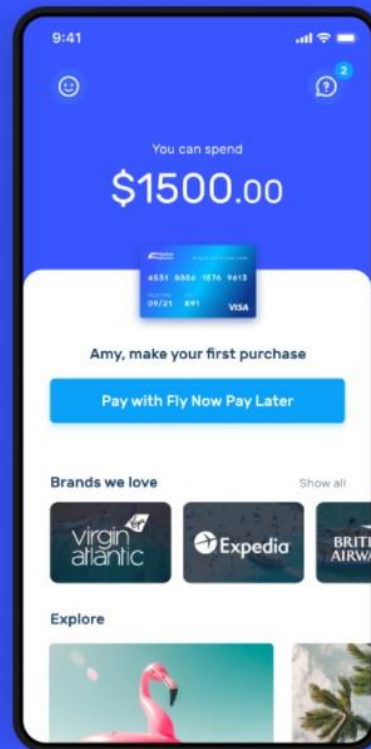
- **Recruiting:** Founded in 2015, Fly Now Pay Later currently employs 90 people in the UK, US and Latvia. Its teams will need to accommodate more than 250 additional people by 2022.
- **Boosting its deployment:** Fly Now Pay Later already had partnerships with Booking.com and hotels.com, as well as contracts signed with companies such as Malaysia Airlines and British Airways. Its new round of funding should help it to convince other new partners to distribute its offer more widely.
- **A booming market:** Juniper Research estimates that BNPL's offerings will represent more than 50% of the integrated finance market by 2026. Another Statista study predicts that spending on domestic travel in the United States should reach nearly \$968 billion by 2024. Both of these markets are growing rapidly and are currently covered by Fly Now Pay Later.

MARKET PERSPECTIVE

- Last May, an American Express survey revealed that 36% of consumers would have liked to take advantage of a more flexible payment option, such as BNPL, to pay for travel. It was on the basis of these results that American Express presented an adaptation of its Plan It service, allowing its customers to pay for their air travel via an adapted BNPL solution.
- Since then, this type of offer promising to adapt fractional payment to the tourism market has been deployed. Specialist sites such as Carnival or Expedia (with Klarna) are now offering these financing packages to satisfy consumers' appetite for travel, after a difficult period of containment.
- Several global airlines, including Lufthansa, Aeromexico, United, TAP Air Portugal, Fly Porter, Sunwing and Alaska Airlines, have also joined forces with Uplift, a BNPL player specialising in the travel sector.

Source : [Presse release](#)

~~Probably~~ the only
app to spread the
cost of your vacation



Santander supports its own BNPL offer with Zinia

Spanish bank Santander does not intend to let specialist FinTechs take all the shares of the buoyant BNPL market. It is now rolling out its own Buy-Now-Pay-Later service called Zinia in Europe, after a successful launch in Germany.

FACTS

- The Spanish bank chose to launch its own BNPL service on the German market first.
- The technology behind Zinia has been tested there for a year now. It has proved its worth there, as it has managed to convince some 2 million customers locally.
- On the strength of these results, Santander now intends to roll out its offer. The Netherlands is presented as the first country targeted, but it should be followed by the countries of Northern Europe, the United Kingdom, France and Italy.
- Zinia offers a relatively standard BNPL service, allowing consumers to pay for some of their purchases in interest-free instalments, either online or in physical shops that accept the service.
- Santander relies on a network of retail partners to extend its offer.

CHALLENGES

- **Complementing its offer:** Santander already boasts consumer credit for more than 19 million customers at more than 63,000 affiliated merchants. Its BNPL offer is a natural complement to an already broad offering. Santander Consumer Finance currently manages €120 billion of assets in 18 countries.
- **To differentiate its offer,** Santander emphasises its status as a regulated bank and its commitment to presenting one of the safest offers on the market. It relies in particular on the real-time scoring technology, based on artificial intelligence, of its online bank Openbank. The latter already has 1.7 million customers in five countries in Europe and America.

MARKET PERSPECTIVE

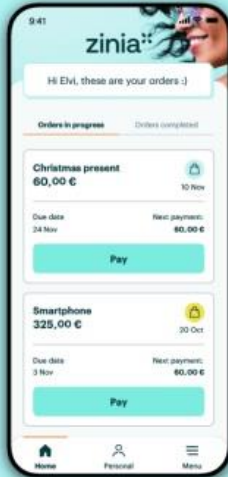
- Zinia is the first project developed by Santander's Digital Consumer Bank (DCB), which combines Santander Consumer Finance (SCF) and Openbank.
- Nevertheless, the Spanish bank is seeking to be dynamic and responsive in order to position itself in new markets and to present new services in line with the times, in the face of new competitors. With varying degrees of success.
- In 2020, for example, Santander launched itself on the British market for international money transfers. It presented its service, PagoFX, as a direct response to innovative offers such as Wise. The closure of this service was finally announced last November.

Source : [Presse release](#)

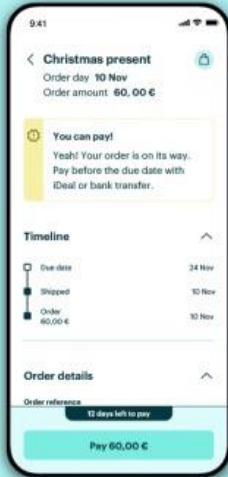
zinia


**Enjoy now.
Pay later.**

All your purchases
at a glance.



Keep track of
your orders.





E-commerce & E-payment

Affirm to launch its Super-App

The American FinTech specialising in credit and BNPL Affirm has just revealed its SuperApp, presented as an all-in-one solution for managing purchases and finances. Its offer is based on an increasingly popular trend that is attracting players outside the financial sector alone.

FACTS

- Affirm's new Super-App is presented as a tool for simplified access to various services from a single space. These services concern payment facilities, financial management, loyalty and the purchase itself.
- Indeed, among the functionalities offered by the new Affirm application, it will now be necessary to count on services of :
 - monitoring of the Affirm account (payment capacity, savings made, pending split payments, etc.)
 - special offers from Affirm's merchant partners,
 - product proposals based on their purchasing habits,
 - single-use virtual card,
 - discounts and cashback,
 - savings (with Affirm Savings),
 - ...
- The service is officially launched after a beta test phase. Affirm has seen an increase in consumer engagement with its Super-App during this test phase.
- Affirm customers can now take advantage of the new features by simply updating the Affirm app from the App Store or Google Play Store.

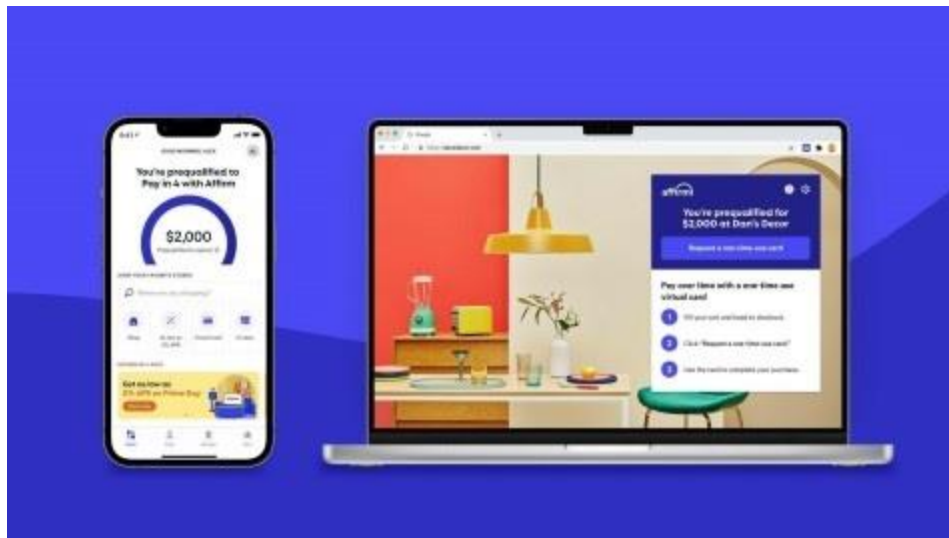
CHALLENGES

- **Gaining market share:** In addition to its super-app, Affirm has also launched a browser extension that allows consumers to pay for any online purchase with its BNPL solution via Google Chrome. This also applies to merchants who are not Affirm partners. This initiative sounds like a direct response from the American player to the Swedish company Klarna, which recently launched a similar service.
- **A confirmation of ambition:** This launch of a shopping-oriented super-app represents a new foray by Affirm into the market. Last September, Affirm signed a partnership with Amazon to allow the web giant's customers to access its services directly on the e-commerce platform.

MARKET PERSPECTIVE

- The battle of the super-apps has only just begun. Affirm is starting from BNPL and credit to deploy other financial and shopping services; PayPal, as a historical payment player, or the Russian bank Tinkoff, are opting for the same diversification path.
- But this trend is not unique to the financial market. Other groups are positioning themselves by emphasising their ability to expand beyond their core business. This is the case of GoTo (part of the mobility sector) or the telecom operator Vodacom. The retail giant Walmart is also said to be going down this road.

Source : [Presse release](#)



Checkout raises new funds to consolidate its position

The British unicorn specialized in payment Checkout.com has started 2022 as it had started 2021, by carrying out a major fundraising operation. This operation should enable it to reach a record valuation and to consolidate its dominance on its market.

FACTS

- Checkout.com has just closed a new round of funding for a historic \$1 billion. The FinTech has raised a total of \$1.8 billion in its history, reaching a valuation of \$40 billion.
- This fundraising is part of a Series D round.
- Its main investors are Altimeter, Dragoneer, Franklin Templeton, GIC, Insight Partners, Qatar Investment Authority, Tiger Global and Oxford Endowment Fund. Several historical FinTech investors have also renewed their financial support.

CHALLENGES

- Profitable for several years, FinTech intends to use its new funds to achieve three clear objectives.
- Conquering the US: Checkout.com's goal is no longer just to remain a reference in the UK but to establish itself as a key player worldwide. And the Unicorn's priority seems to be the US market, where it wants to consolidate its offer in 2022.
- Densifying its offerings: The announcement of this fundraising is also the opportunity chosen by Checkout.com to announce the upcoming launch of new solutions dedicated to marketplaces.
- Enhance its Web 3.0 expertise: The last objective that Checkout.com has set itself following its latest round of funding is to adapt to changes in online usage and to strengthen its leadership in this area, notably by focusing on the emergence of NFTs and the Metaverse.

MARKET PERSPECTIVE

- As a reminder, Checkout.com is at the origin of a payment platform, managing the acceptance of transactions, their processing and the detection of fraud.
- Checkout.com estimates that it has processed hundreds of billions of dollars in payments on behalf of some of the world's largest merchants. Among the Unicorn's clients are Netflix, Grab, Pizza Hut, TikTok, Siemens and Sony, but also other well-known FinTechs such as Klarna, Qonto or Revolut and crypto players like Coinbase, Crypto.com, FTX and MoonPay.
- Its processed transaction volume tripled in 2021, for the third year in a row.

Source : Presse release

after closing our
\$1bn Series D
round at
●

Ford selects Stripe to improve payment experience

The car manufacturer Ford has just signed a 5-year partnership with the payment service provider Stripe. The aim of this partnership is both to transform the payment experience around the car and to develop the online sale of vehicles. This is therefore a very important contract for Stripe, which establishes the FinTech as a major player in online payments and will enable the car manufacturer to modernise its approach to online sales.

FACTS

- The new partnership between Ford and Stripe covers all payment services for Ford and its dealerships in the United States and Europe.
- Ford is relying on Stripe to rethink its payment infrastructure for the online channel, within its e-commerce services. This is particularly important as it will optimise the vehicle purchase process, regardless of the channel chosen by a potential customer.
- This new system will concern both private and professional customers.
- Ford will also rely on the Stripe Connect service to facilitate payments between its car buying customers and dealers.
- The rollout of Stripe technology is expected to begin in the second half of 2022, initially in North America.

ISSUES

- **Payment support:** This is not the first time Ford has teamed up with payment players. In December 2020, the manufacturer chose to equip its commercial vehicles with a SumUp POS terminal. The manufacturer is now looking to support additional services beyond the automotive sector.
- **Optimising the customer experience:** Ford and Stripe are presenting digital payment and e-commerce experience as two tools capable of improving the customer relationship of car manufacturers. These technologies make the buying process, including the vehicle, more seamless.
- **Boosting dealership services:** This partnership is ultimately also presented by the stakeholders as a way to strengthen the dealers' offer, this time by improving their payment acceptance system.

MARKET PERSPECTIVE

- Whether it is a question of in-car payment, online vehicle sales (new or used) or even the dematerialisation of service contracts, the automotive sector, like the rest of the economy, is going through a profound phase of digital transformation from which the new players in general and those of payment in particular are taking full advantage.
- Ford has even made this commitment to the digital transformation of its services a central part of its objectives and strategy. This merger with Stripe is part of the wider restructuring and modernisation plan called Ford+. This plan includes electrification and rapid growth of the company through investments of up to 30 billion dollars by 2025.

Source : [Presse release](#)



Casino Group finds a new sales channel via WhatsApp

The Casino Group has introduced a new initiative in the French market to renew the shopping and payment experience for its customers. Members of its Leader Price Club can now place orders from WhatsApp. The entire process is handled on the messaging system, right up to the payment.

FACTS

- The Casino group has just launched a new service attached to its Club Leader Price offer, dedicated to the online sale of private label products. In particular, it offers a subscription-based replenishment service.
- A new QR code is now associated with the Club Leader Price number. Customers are thus invited to scan this QR Code to enter the Club in their list of WhatsApp contacts.
- Customer journey:
 - Open the Leader Price Club chatbot on WhatsApp (via the new number)
 - Enter the words "place order"
 - click on the link displayed
 - be automatically redirected to an online shopping page
 - fill in and validate your basket
 - automatically return to the WhatsApp chat area to see a new payment link
 - click on this link
 - validate your payment via PayPal, Apple or GooglePay, or by entering your bank details on a new dedicated page
 - receive your parcel (Colissimo), within three days maximum at home
- Delivery costs are free for baskets over 50 euros.
- The discussions on this thread are animated by an Artificial Intelligence that automatically redirects customers according to their needs.
- The system is primarily dedicated to emergency shopping.

CHALLENGES

- **Promote loyalty:** The Casino group is seeking to promote this new channel by offering its users exclusive discounts on products purchased via WhatsApp.
- **Pursue its digital transformation:** The deployment of this new service in France represents, according to the Casino group, a new step in its global digital transformation strategy. More than the mobile application or the simple website, Groupe Casino intends to use social networks as a new channel for interaction and, above all, sales.

MARKET PERSPECTIVE

- The launch of its new service on WhatsApp is presented as a first in France by Groupe Casino. This is indeed the case, but it takes its cue from a similar initiative launched in 2020 in Colombia by another retail group, Exito. The latter's main shareholder is the Brazilian group GPA, whose reference shareholder is ultimately the Casino group itself.
- Since its launch, the service has been a great success according to the Casino group, which estimates that it now has hundreds of thousands of customers, 600,000 according to some sources. WhatsApp is said to account for nearly 20% of Exito's non-store sales now.

Source : [Presse release](#)



Stripe supports monetisation of content created on Spotify

Swedish music streaming and podcasting service Spotify has committed to strengthening its monetisation strategy for podcasts published on its platform. It is relying on its Podcast Subscriptions offering to do so, but is also counting on its new partnership with payment giant Stripe to handle payments to content creators.

FACTS

- Stripe has partnered with Spotify to help podcasters accept payments on the streaming platform.
- The aim of the scheme is twofold:
 - to maintain a direct and profitable link between content creators and their fans
 - to create a recurring revenue stream for podcasters to boost their productivity.
- Spotify had launched a new service, Podcast Subscriptions, allowing podcasters to offer a new monthly paid content stream. Its partnership with Stripe will handle the payments generated by this new service.
- Stripe provides the payment infrastructure to support podcast subscriptions and dozens of currencies across more than 30 countries.
- In addition, Spotify has opted for various services offered by its new partner, including Stripe Connect (to streamline payment acceptance and identity verification for podcasters), Stripe Billing, Stripe Invoicing (to automate the sending of invoices) and Stripe Radar (to prevent fraud).

CHALLENGES

- **Fostering recurring revenue:** Spotify seeks to promote its role as a revenue-generating platform, capable of generating recurring revenue for its content creators. Its commitment is particularly necessary in a context of increased consumption of podcasts (according to figures from the specialist company Chartable, 900,000 podcasts were created worldwide in 2020, triple the number in 2019).
- **The monetisation of online content:** A new market means new needs and payment services are multiplying to facilitate the monetisation of content. Meta (in particular via WhatsApp), but also LinkedIn, Clubhouse, Twitter or even TikTok have presented various initiatives in this sense. And now it's Spotify's turn to go down this road for podcasts.

MARKET PERSPECTIVE

- Influencers have long been targeted by brands seeking to capitalise on their popularity. A 2014 initiative by US brand One Piece illustrates this underlying trend.
- Since then, the power of influencers has grown, driven in particular by the rise of social networks as new channels of contact between young people and brands. Content creators have thus become valuable forces that the networks themselves seek to keep captive. And the monetisation of their content has finally become a key solution to achieve this objective.

Source : [Presse release](#)



Pos, Checkout & mPos

Adyen presents its own all-in-one payment solution

Competition is intensifying in the payment acceptance market. Indeed, a new player, and not the least, will offer its all-in-one payment solution this year. This is the Dutch payment platform Adyen, a key player in European corporate financial services. The FinTech will now also take care of collecting payments via its own Android solution. This is a further step in its diversification strategy.

FACTS

- Adyen's PCI-certified Android mobile point-of-sale (POS) terminals are presented as all-in-one devices capable of managing not only checkout, but also barcode scanning and thus product registration.
- The Android operating system will also allow users of Adyen's service to download additional external applications for inventory management, product returns management or loyalty programmes.
- Adyen's POS solution is ultimately based on a simple, ultra-mobile device that allows salespeople, servers, and other customer-facing staff of companies that opt for this solution to cash out anywhere in their shop or restaurant.
- Adyen's new checkout offering will be available in Europe, the UK and the US. The FinTech already has two initial customers for its offering:
- Palisis, a provider of sales and operations solutions for the tourism and transport sectors,
- Immfly, a provider of in-flight digital services.

CHALLENGES

- **Reducing costs:** Adyen promotes its offer as a means of reducing the costs of terminal fleets. In particular, its POS solution makes it possible to dispense with a cash register and any other hardware to lighten the burden on the cashiering system.
- **Responding to a new need for mobility:** With mobile payment, these new terminals, which are both lighter and more complete, have a real card to play in attracting merchants who are renewing their hardware range or new players who sell in mobile situations.
- **Improving the customer experience:** The possibility, offered by the Android system, of enriching the payment offer with management and loyalty applications is also presented as an all-in-one argument, a tool for simplifying management and a lever for improving the customer experience.

MARKET PERSPECTIVE

- The payment market is attracting many players in Europe. At the end of 2021 alone, two major moves were made. PayPlug, a subsidiary of Natixis specialising in payments, presented its SoftPOS payment solution in France, while Revolut announced the acquisition of Nobly, an electronic point of sale (ePOS) software company specialising in the restaurant and hotel sectors.
- Adyen will therefore have to rely on increased competition in its new market. This new positioning for the online payment player is a direct response to the deployment of its American competitor Stripe in Europe and to the positioning of players from the acceptance sector such as Square and SumUp, whose recent establishment in the United States will make it more difficult to impose its own solution.

Source : [Presse release](#)



Money Transfer / Payment Initiation

Memo Bank improves business settlements

To bring small businesses into the "real time" era, Jean-Daniel Guyot, co-founder and chairman of Memo bank, has vowed to improve the banking processes for this target customer group, which is underserved by traditional banks. To this end, he has acquired the status of "direct participant" in the STEP2 settlement mechanism, which will enable Memo Bank to gain autonomy and speed up settlements for these customers.

FACTS

- STEP2 was developed by EBA Clearing. This settlement system is the main clearing house for SEPA credit transfers and direct debits in euro, enabling the automation of bulk payments in euro between banks. It allows certain financial institutions, in particular banks and credit institutions, to connect to its organisation to obtain direct participant status.
- Memo Bank is now part of this very exclusive club as one of the 54 direct participants in the pan-European automated clearing house STEP2.
- The bank plans to speed up the pace of payments for its customers, processing transactions on a day-to-day basis, a service that is particularly useful at the end of the month for payroll management.
- Memo Bank also plans to offer a new direct debit payment service in payment initiation mode in the near future.

CHALLENGES

- **A tool to improve the customer experience:** The bank plans to speed up the pace of payments for its customers by extending the cut-off times. Thus, unlike most traditional banks that process transfers after 11am only the next morning, Memo Bank will process these transactions the same day.
- **The consecration of an independent model:** Memo Bank is the first independent bank to have been created in France in 50 years. It is now positioned alongside 53 major European banks that are already members of STEP 2.
- **Reaching a new dimension:** Memo Bank's new accreditation allows it to carry out instant transfers for certain larger amounts and thus opens up the salary payment market. Memo Bank is also taking advantage of its new status to become one of the very first European banks to integrate the new Continuous Gross Settlement (CGS) system offered by EBA Clearing.

MARKET PERSPECTIVE

- Memo Bank is a new entrant to the market, but it continues to pursue its strategy of becoming a full-service institution with the same functional capabilities as a traditional institution.
- Memo Bank was able to connect to the STEP2 clearing house only one year after its market launch thanks to two assets:
 - a full credit institution licence
 - its state-of-the-art banking infrastructure, developed in-house and from scratch. Another first on a European scale.

Source : [Presse release](#)



Crypto et MNBC

Estonia takes the lead in MNBC

Eesti Pank, the Central Bank of Estonia, has revealed the results of an experiment conducted on the technological possibilities of launching a blockchain-based central bank digital currency (CBDC). And its collaboration with Guardtime, a specialised technology company, has led to successful initial tests.

FACTS

- Guardtime is the originator of a blockchain called KSI which has been adapted worldwide for various applications. In particular, it has been adapted to support digital currencies under the name KSI Cash since the early 2000s.
- Eesti Pank first entrusted Guardtime with the task of developing a blockchain technology capable of optimising its computer exchanges. A successful operation that demonstrated its ability to support a payment system.
- The promise of KSI Cash is to support a payment system that is more powerful and faster than the current card or instant payment systems. It takes an average of 0.6 seconds to make a peer to peer payment on KSI.
- KSI Cash also offers environmental benefits, allowing payments to be processed using less energy than card payments or Bitcoins.

ISSUES

- **A further step towards interoperability:** Bitcoin, based on the blockchain, remains to this day a reference and a pioneering model for crypto-currency. The efforts of central banks to present a digital alternative to their currency are mainly focused on building their own ecosystems based on the Blockchain model. This strategy is opening up a new market for payment specialists such as Visa. Estonia, for its part, has made another choice, that of integrating its MNBC directly into an existing blockchain open to other state crypto-currencies.
- **The interest of the partnership:** By partnering with Guardtime, Eesti Pank is now presenting a successful model while many countries are still stuck at the experimental stage for their MNBC.

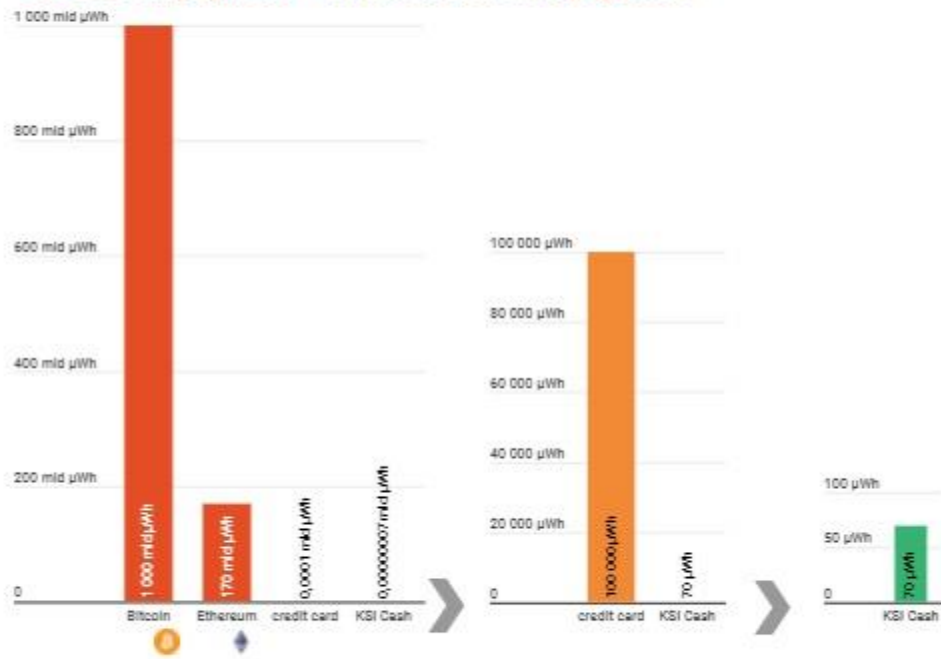
MARKET PERSPECTIVE

- MNBC research projects started in October 2020 in Estonia. The country now has a successful model, but there are precedents.
- Nigeria is a pioneer in MNBC with its eNaira, as are the Bahamas and China.

Source : [Presse release](#)

Comparison of energy use per transaction (given in micro-Wh per transaction)

One Bitcoin payment = 14 billion KSI cash payments



This is an estimate arrived at using an indirect methodology

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PayPal to introduce its own crypto-currency soon

PayPal has long been interested in crypto-currencies and a way for its group to position itself in this growing market. In the face of persistent rumours about the launch of a proprietary digital currency, the group has finally confirmed this strategy. His decision to leave Facebook's Libra project makes sense as a PayPal Stablecoin is in the works.

FACTS

- Jose Fernandez da Ponte, senior vice president of crypto and digital currencies at PayPal, has officially stated that his company is currently working on the launch of a secure Stablecoin, with a value backed by the US Dollar.
- The announcement follows numerous rumours and the discovery of lines of code in PayPal's iOS app that call for a still mysterious "PayPal Coin".
- PayPal has not revealed anything about the contours of its crypto-currency (its name and logo are not definitive). The group simply agreed to confirm the progress of its work with regulators on the issue.

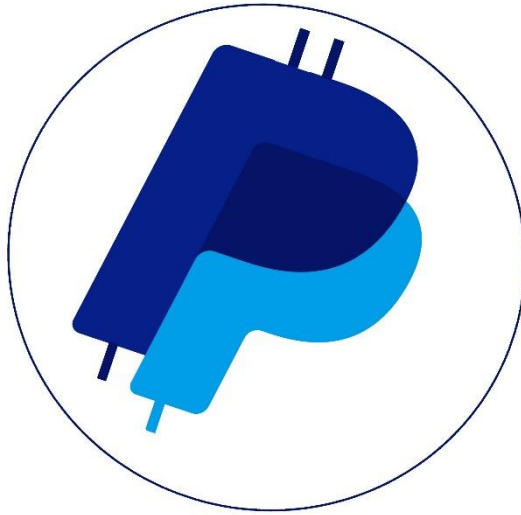
ISSUES

- **A step in building a super-app model:** PayPal has been working throughout 2021 to diversify its business. This appetite for many new services led to the presentation of a super-app last September. Just before that, the group concretised its ambition to democratise crypto-currencies with the launch of a new dedicated trading service.
- **Co-create:** In addition to discussions with regulators, PayPal has relied on an internal hackathon to develop its project, as well as on collaborative work with companies specialising in blockchain such as Avalanche (AVAX).
- **Being a pioneer of innovation:** Private players in the US know they have a card to play to advance the subject of cryptocurrencies at both the institutional and economic levels. Paypal unveils with this new project these important ambitions in payment and beyond.

MARKET PERSPECTIVE

- As a reminder, Stablecoins are crypto-currencies backed by the value of an existing currency or commodity. Amongst the US web giants, Facebook is leading the way on the issue of launching private Stablecoin. But the rollout of its pioneering project has been marked by many twists and turns.
- PayPal was also part of the Libra adventure at the start but finally chose to leave the project in 2019. The reason for this was the regulators' fears about Facebook and its propensity to respect the confidentiality of its customers' data. PayPal is positioning itself later on this market. However, the group has more experience in the area of payments and benefits from the major regulatory advances in these areas over the last two years.

Source : [Bloomberg](#)



Paying for travel insurance in crypto-currency

Crypto-currencies are becoming increasingly important in the financial markets but their democratisation among the general public is still in progress. However, a new use for these alternative currencies seems to be developing, in the context of insurance policy payments. Insured Nomads demonstrates this.

FACTS

- Insured Nomads, a US-based insurance group, has formalised its partnership with Cover Compared, an Estonian start-up offering an insurance marketplace entirely dedicated to the crypto ecosystem and decentralised finance.
- The two new partners have been working together to deploy a new payment solution for insurance policies. Rather than the traditional direct debit, bank transfer or cheque, Insured Nomads' policyholders will now also be able to choose to pay for their policy in crypto-currencies.
- Ethereum, CRV tokens, USD Coin and DAI (stablecoins indexed to the US dollar), Tether and Polkadot tokens are currently accepted by Insured Nomads.

CHALLENGES

- **Reducing costs:** The promise at the heart of Cover Compared's business is to reduce the transactional and administrative costs of insurance policies and coverage in general. This is the same promise that the group is now delivering through its partnership with Insured Nomads. The borderless insurer is even promising a 25% discount to customers who wish to pay via CRV tokens.
- **Getting around currency exchange issues:** As its name suggests, Insured Nomads is aimed at nomads. By accepting crypto-currencies, it hopes to simplify the lives of its customers by freeing them from the constraints of currency exchange and conversion, regardless of their host country when paying for their policy.

MARKET PERSPECTIVE

- Airbnb, the holiday rental giant, is also working on accepting crypto-currencies as a means of payment on its platform, further boosting their deployment in the tourism market.
- In addition to Insured Nomads, in the insurance market in general, another Alsatian broker, Assurance du Lion, recently announced that it would accept crypto-currency payments for the settlement of their premiums. Axa also committed itself to this path in April 2021 in Switzerland.
- Beyond the insurance or tourism sector, crypto-assets are slowly but surely being deployed elsewhere. In addition to MNBCs, some private players are participating in their democratisation, such as PayPal or Ledger. Their integration into the real economy is becoming more and more concrete every day.

Source : [Presse release](#)



Visa and Consensys bridge the gap between MNBC and traditional networks

Payment giant Visa has found a new partner, Consensys, with whom it hopes to establish itself as a key player in the MNBC market. This partnership is another step in an already well advanced strategy by Visa to avoid being disrupted by ongoing innovation in the payment world.

FACTS

- Cryptographic software developer Consensys is now joining the Visa Partner Programme. Their joint work will focus on creating a bridge between existing payment networks and MNBC networks.
- The aim is to develop a new infrastructure that can help central banks and traditional financial institutions come together in a single interoperable space to create simple, connected services between the two networks.
- These services could, for example, take the form of a wallet or a payment card.
- Visa and Consensys are currently consulting with central banks around the world to validate this model.
- The new Visa and Consensys infrastructure is expected to be available next spring.

CHALLENGES

- **A head start:** The whole point of this merger between Visa and Consensys is also to stay one step ahead of its main historical competitor: MasterCard. MasterCard and Consensys had announced a collaboration last December and Visa's announcement is now a response to this.
- **Taking it to the next level:** In October 2021, Visa said it wanted to take on the task of interoperability of crypto-currencies. At the time, it was banking on a concept developed by its teams and dubbed the "Universal Payment Channel" (UPC), to create gateways between Central Banks' Digital Currencies, in order to promote the interoperability of chains. Today, it is between MNBC and traditional payment networks that Visa is committed to creating bridges, raising its ambitions on the subject even higher.

MARKET PERSPECTIVE

- This is not Visa's first venture into the MNBC and crypto-currency market. The payment giant was an expert on the sector last December, when it revealed its new Digital Currency ambitions for central banks at the end of 2020.
- But crypto-currencies are not the only area of interest for Visa when it comes to new payment interfaces. Visa is also very interested in cloud-based solutions and last December presented a new platform, Visa Acceptance Cloud (VAC), which is expected to revolutionise the point-of-sale payment experience. It aims to enable acquirers, payment service providers, Point Of Sale (POS) system manufacturers, and Internet of Things (IoT) players to migrate their payment processing software, currently embedded in every hardware device, to the Cloud, to ensure universal accessibility.

Source : [Presse release](#)



Lynx payment infrastructure adapts to the Metaverse

Lynx presents itself as an infrastructure dedicated to payment. This Canadian company operating internationally took advantage of the beginning of the year to specify its strategic ambitions for the future. Its adaptation to the new Metaverse environment is considered a priority; it seeks to establish itself as a reference company for bridging the gap between the digital and real economies.

FACTS

- Canadian company Lynx has announced that it has expanded its financial infrastructure to include support for Metaverse-based services.
- Lynx plans to open up this type of service to its Southeast Asian customers as a first step. The company is building on its recent acquisition of Binangonan Rural Bank (BRB, a Filipino rural bank focused on digital services), which allows it to benefit from a dual banking and e-money issuer licence.
- This positioning of financial services in the Metaverse is primarily preparatory; it aims to assess the opportunities of this new environment. But Lynx has already identified two possible use cases:
- Play to earn (P2E) attached to blockchain games allowing to earn digital assets (crypto-currencies or NFT) and create value online,
- money transfers.
- In fact, 540 billion dollars were transferred to developing countries in 2020 alone according to the World Bank. Lynx intends to create spaces, within the Metaverse, to help families exchange and transfer money across the world.

CHALLENGES

- **Emerging new gateway solutions:** The platform will allow existing and emerging payment applications to flourish in the Metaverse. But above all, Lynx intends to create bridges between the virtual and real economies by allowing Internet users to cash in their NFT token earnings in cash or on a Lynx prepaid card, for example, so that they can then buy products in the real world or pay their bills.
- **Promoting inclusion:** Lynx's main objective is to leverage the Metaverse to promote financial inclusion through digital technology. The company is aiming to deploy its services in South East Asia, where it estimates that 70% of the population is still underbanked.

MARKET PERSPECTIVE

- The P2E market generated \$2.5 billion in the first half of 2021 according to Reuters. It thus represents a strong trend, which is still in the making but which already offers many opportunities.
- This market has notably benefited from the pandemic to explode, particularly in Asia, and is now also benefiting from the advances made by web giants such as Meta (Facebook) on the subject to become more democratic.

Source : [Presse release](#)



Fraud

Feedback: Half of Swiss banks open up to cryptocurrencies

The Swiss financial audit and consulting firm EY (Ernst & Young), has published its 2022 Banking Barometer. It highlights the optimism of the sector at the dawn of 2022 and the confirmation of a basic trend regarding the opening of traditional institutions to crypto-assets.

FACTS

- The majority of Swiss banks are planning to offer investment products in crypto-currencies. This is the main finding of EY's new Banking 2022 Observatory, with particular reference to the topic of the crypto market. It surveyed 90 banking institutions.
- 55% of the banks questioned in the framework of this observatory thus specified that they planned to launch an investment offer in crypto-assets in the next 3 years.
- However, there are differences depending on the nature of the banks:
 - private banks are the most mature on the subject, as 68% of them underlined their interest in this type of digital asset.
 - the proportion of institutions ready to offer their clients an investment in crypto-currencies within three years falls to 50% for cantonal banks and 48% for regional banks.
- More broadly, 55% of banks surveyed said they believe crypto-currencies will establish themselves as an asset class in their own right (alongside equities and bonds) over the long term.
- 52% of banks also said that offering investment opportunities in crypto-currencies does not run counter to their sustainability goals.

CHALLENGES

- **Ahead of the curve:** The Swiss market was opening up to the crypto-banking era as early as 2019 and was chosen as the home of the Diem association. The Spanish bank BBVA has also chosen this country to test a commercial platform for buying, selling and keeping digital assets. It recently strengthened its system.
- **An evolution to follow:** The craze for crypto-assets is linked to that of clients and the ambition to offer investments with high growth potential. Nevertheless, the Bank for International Settlements (BIS) requires higher capital requirements on crypto-assets held by banks.
- **A bipolar strategy:** Although sustainability remains a major issue for the majority of banks, 54% believe that offering investment opportunities in crypto-currencies does not run counter to their sustainability goals.

MARKET PERSPECTIVE

- Switzerland was one of the first countries in the world to codify digital assets into national law, having implemented the first phase of the so-called 'blockchain' law last year. Finma, the regulatory body for financial activities, was also the first to create a specific establishment status to regulate crypto activities.
- Switzerland's example is worth following as it highlights a trend that is gaining momentum worldwide. In November 2021, Commonwealth Bank became the first bank in Australia to offer a crypto trading service. Italian bank Banca Generali has also invested in FinTech Conio to offer crypto products.

- The market value of total crypto-assets in circulation exceeded \$2 trillion in September 2021, 10 times more than in early 2020. The International Monetary Fund reports on this exponential growth and the challenges of disintermediation for central banks and commercial banks. It stresses the importance for authorities to issue central bank digital currencies and the need to adapt to technologies to avoid disruption.

Source : [Presse release](#)



Cryptomonnaies

55%

des banques interrogées prévoient de lancer des offres d'investissement dans des cryptoactifs au cours des trois prochaines années.

Digital Identity / Biometry

STPay Topaz Bio biometric card receives CES 2022 award

STMicroelectronics, a Franco-Italian multinational specialising in electronic chips and a long-standing player in the semiconductor market, has been awarded a prize at CES 2022, the world's leading technology and innovation event. This prize was awarded to the STPay Topaz Bio card, which demonstrates the relevance of using biometrics to secure payment methods.

FACTS

- STPay-Topaz-Bio is presented as a comprehensive out-of-the-box payment solution. It combines the security of biometric cardholder authentication with the speed and convenience of contactless transactions.
- The solution has just received the CES 2022 Innovation Award for its ability to facilitate the creation of a biometric card system. It handles fingerprint enrolment, data management, powering and the card authentication process.
- For the users of the card, its use remains simple. Instead of entering a code, they simply place their finger on the dedicated fingerprint scanner on the card to validate a payment.
- Technically, the STPay-Topaz-Bio platform comprises an ST31N600 security element, a 40nm Arm SecurCore SC000 core and an STM32L443 image processing chip. The ST31N600 also hosts payment applications, a biometric template matching system and relies on energy recovery to power its system.

CHALLENGES

- **Worldwide recognition:** The Consumer Electronics Show, or CES, has established itself as a leading event for technological innovation since its inception in 1967. Receiving an award at this show is a great recognition at the global level for players from different sectors.
- **Democratising biometrics:** By making the biometric system on cards more secure and convenient, STPay-Topaz-Bio solutions will help increase - or even remove - the current contactless limit on most bank cards.
- **Going beyond payment solutions:** According to its creator, the technological device can also be easily integrated into identity cards, access solutions and transport ticketing, for example. The teams are already studying the use of this technology in healthcare and access control. Authenticating users with a fingerprint can provide a more reliable and secure path to privacy.

MARKET PERSPECTIVE

- According to a study by ReportLinker, the global market for contactless biometric technology is expected to reach \$18.6 billion by 2026, with the pandemic driving adoption as consumers seek to avoid contact with public equipment.

Source : [Blog](#)



Yousign sets the standard for electronic signatures in Europe

The French start-up Yousign has come a long way since its creation in Caen in 2013. Through fundraising and partnerships, it has become a reference in France and Europe for electronic signatures. It is now buying a complementary player to consolidate its position.

FACTS

- Yousign has just acquired Canyon, a company specialising in the automation of document preparation and validation processes prior to signature, in order to offer a complete contractual document management service to European SMEs and VSEs.
- This acquisition represents a combination of expertise in :
 - e-signature,
 - contract management,
 - automation of workflows (or operational flows).
- With Canyon, Yousign now plans to offer a global service from the creation of documents to their storage, through their negotiation and finally, their signature.
- Yousign takes advantage of this announcement to specify that his company currently serves nearly 8,000 customers who will now be offered Canyon's "no-code" software, presented as intuitive and easy to configure without any particular technical skills.
- Canyon was founded in 2020 as part of the startup studio eFounders, which is also a long-time partner and investor in Yousign.
- Canyon targets SMEs with up to 1,000 employees and is already used by leading start-ups such as Aircall, Spendesk or Le Wagon.

KEY FIGURES

- Yousign has recorded 70% growth in 2021
- The company has grown from 60 to 130 employees in 2021
- Plans to serve 50,000 European SMEs by 2024
- Aims to achieve annual recurring revenue of at least €70 million

CHALLENGES

- **Leveraging its new funds:** Yousign raised €30 million in Series A funding 7 months ago. This acquisition is financed by this round of financing and thus directly supports Yousign's expansion strategy.
- **Complementing its system:** In addition to electronic signatures, Yousign is now seeking to position itself in a broader activity. Thanks to Canyon, the company hopes to become a European leader in the optimised management of corporate contractual documents.

MARKET PERSPECTIVE

- The electronic signature market is experiencing a rapid acceleration, boosted in particular by the accelerated digital transformation of companies in the context of the pandemic. The contract management market is estimated at more than 20 billion euros in Europe.
- Yousign is not the only player to want to take advantage of this dynamism. If its ambition concerns the European market, the group will also have to rely on the positioning of Docaposte (which has just acquired Idemia).
- In the United States, the objectives of the players in the sector have also been strengthened. MasterCard and Adobe, for example, committed themselves at the end of last year to transforming electronic signatures into payments.

Source : [Presse release](#)



Docapost acquires Idemia's electronic signature business

Docaposte is the digital subsidiary of La Poste Group. It is now establishing itself as the French leader in the electronic signature market by announcing the acquisition of the dedicated business of Idemia, presented as a pioneer in digital identity. This alliance of forces should extend beyond the French borders.

FACTS

- Docapost has just acquired Idemia's electronic signature and digital safe activities. The digital group has thus established itself as the French leader in electronic signatures.
- This acquisition also represents a combination of expertise that will enable Docaposte to cover multiple digital trust services:
 - digital identity at the substantial level of La Poste (pending European notification as a French digital identity solution connected to FranceConnect),
 - electronic certificates (electronic signature, electronic registered mail),
 - remote identity verification (PVID),
 - documentary control,
 - KYC,
 - the future e-archiving eIDAS 2 with integrated signature.
- The acquisition has been effective since 1 January 2022 but has only just been made official by the groups concerned. It enables Docapost to cover 30% of the market share of the sector in France.
- The amount of the transaction has not been disclosed.

CHALLENGES

- **Going international:** Idemia benefited from a European base for its activities. It is this positioning that now opens the doors of Europe to Docapost, and 8 countries in particular (Spain, France, Romania, Denmark, Germany, Bulgaria, Portugal and Switzerland). This coverage represents a potential market of 1.2 billion euros by 2025.
- **Consolidating its offering in its priority markets:** The banking and insurance sectors are clearly cited as Docapost's priority markets. The acquisition of Idemia will enable the group to enrich its range of services with a digital storage solution adapted to these regulated markets.
- **Fostering synergies :** Docaposte is strengthening its offering with Idemia, even though it was already providing the first digital identity solution certified by Anssi in France as complying with the substantial guarantee level of the eIDAS regulation.

MARKET PERSPECTIVE

- Docaposte points out that the purchase of Idemia, while representing a major operation for its group, is part of a more global strategy of expansion through acquisitions (Softeam Group, AR24, which offered an electronic registered letter solution, InAdvans in the healthcare market and Index Education).
- This strategy has enabled the group to establish itself as the leading health data operator in France with more than 45 million medical records managed. The company states that it has more than 23,000 corporate and government clients and 6,400 employees at nearly 70 sites in France and abroad. Docaposte achieved 750 million euros in turnover in 2021 and hopes to achieve 1 billion euros in 2022.
- Idemia, for its part, achieved a turnover of €2.2 billion in 2020 and plans to build a new 8,000 m² factory. The group's objective is to build a new production site in order to significantly increase its volumes by 2024. Targets have already been set: to increase the volume of bank cards produced in

Vitré by 10%, to increase the volume of corporate access cards by 100% and to increase the production of automotive electronic components by 105%.

Source : [Presse release](#)



(Crédit : Docaposte)