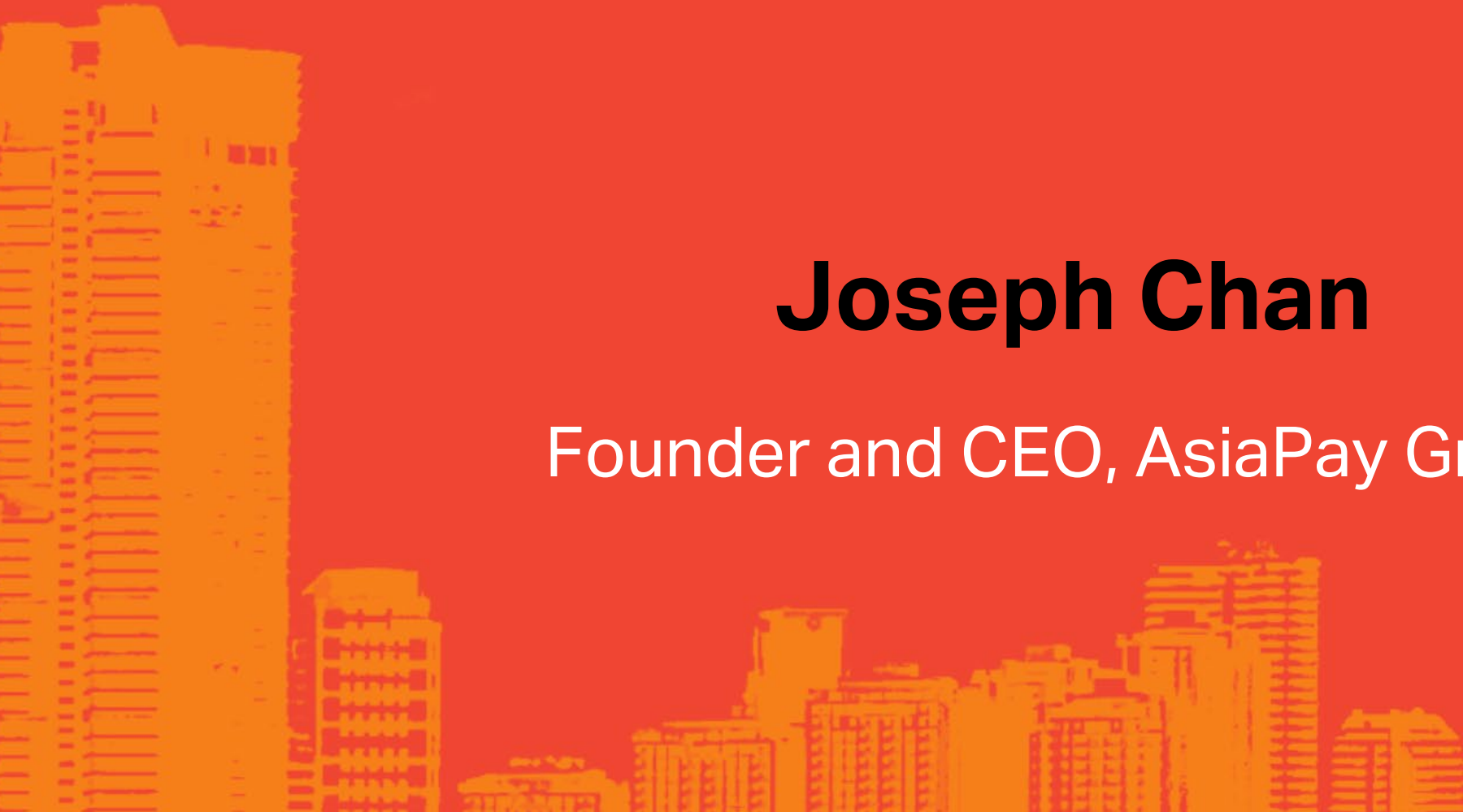


DISRUPTION IN PAYMENT, LEARNINGS FROM ASIA

Joseph Chan

Founder and CEO, AsiaPay Group



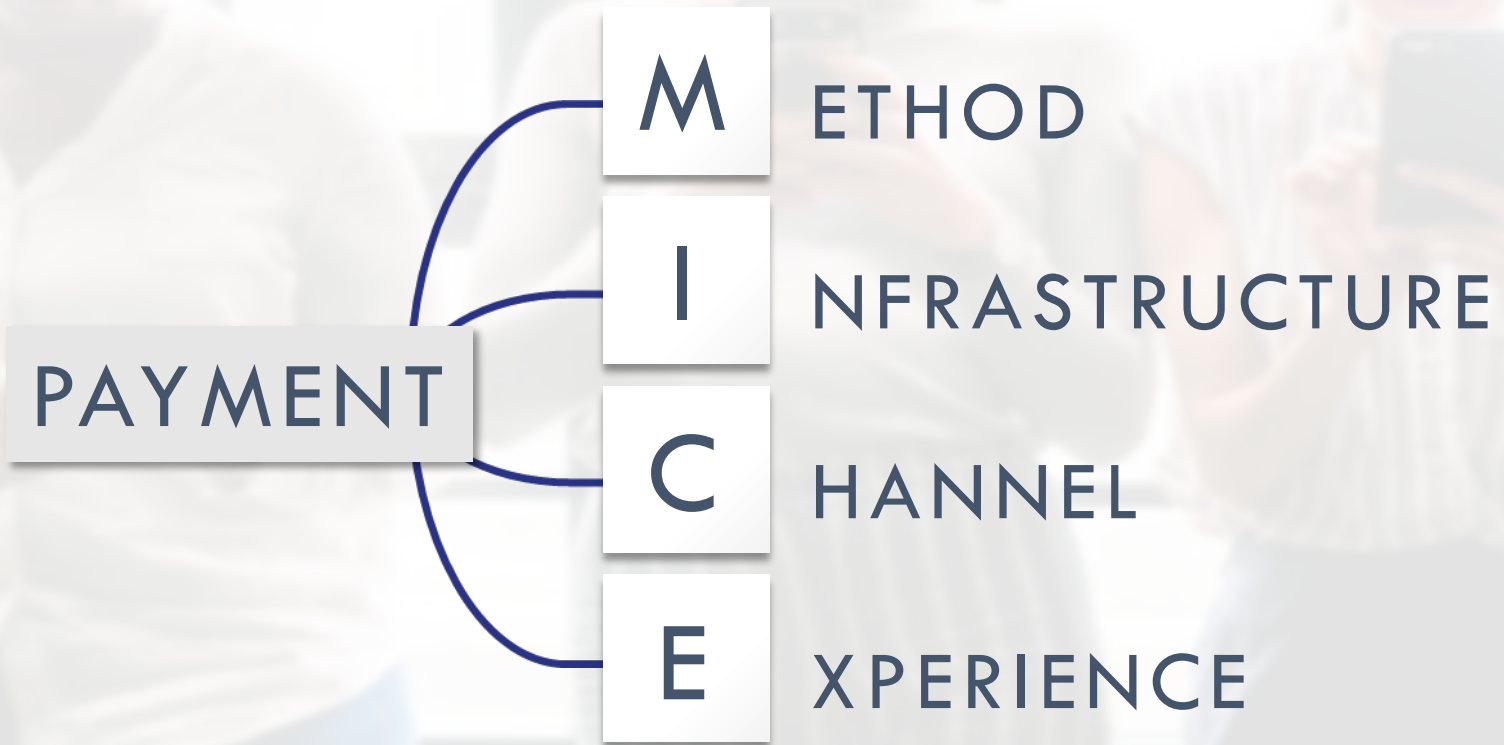


Secure Comprehensive
User-friendly Integrated
Convenient

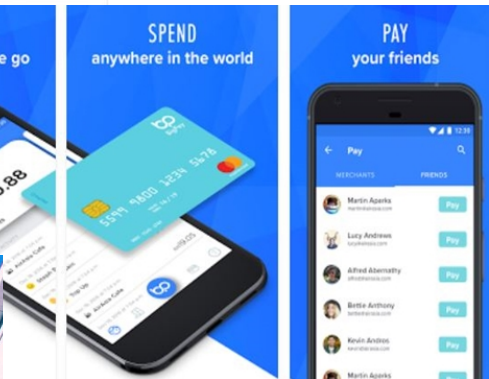
Joseph Chan
CEO & Founder
AsiaPay

DISRUPTION IN PAYMENT IN ASIA

Hong Kong . Australia . China . India . Indonesia . Japan . Malaysia . Philippines . Singapore . Taiwan . Thailand . Vietnam . United Kingdom



1. **China Southern: eTravel**
2. **Air China: eWallet**
3. **China Eastern airlines** : Wi-Fi via official website and APP
4. **Malaysia airlines**: Credit & debit Cards, online banking, PayPal, Alipay, iDELA, POLi & UnionPay
5. **Tigerair** : online, Credit / Debit Cards, voucher payment, Points payment, POLi
6. **AirAsia** -:Credit / Debit Cards (Visa, MasterCard, Amex), BigPay (prepaid card under AirAsia), online banking, UnionPay, eVoucher, Big Points (AirAsia members points)



Payment Option



Singapore Introduces World's First Unified Payment QR Code – SGQR

- PayNow (Singapore)
- Bharat QR (India)
- PromptPay (Thailand)
- PayMaya (Philippines)
- FPS / PayMe (Hong Kong)



Singapore, 17 September 2018... The Singapore Quick Response Code (SGQR) was officially launched by Mr Ong Ye Kung, Minister for Education and MAS Board Member today. The first of its kind globally, SGQR combines multiple payment QR codes into a single SGQR label, making QR code-based mobile payments simple for both consumers and merchants. SGQR will be adopted by 27 payment schemes including PayNow, NETS, GrabPay, Liquid Pay and Singtel DASH, and will be deployed progressively over the next six months.



Hong Kong



Australia



China

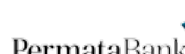


India



Net Banking (51 Banks)

Indonesia



Malaysia



New Zealand



Philippines



Russian



Singapore



Taiwan



WEB-ATM
Virtual Account



Thailand



Vietnam

ATM Cards Payment



Global

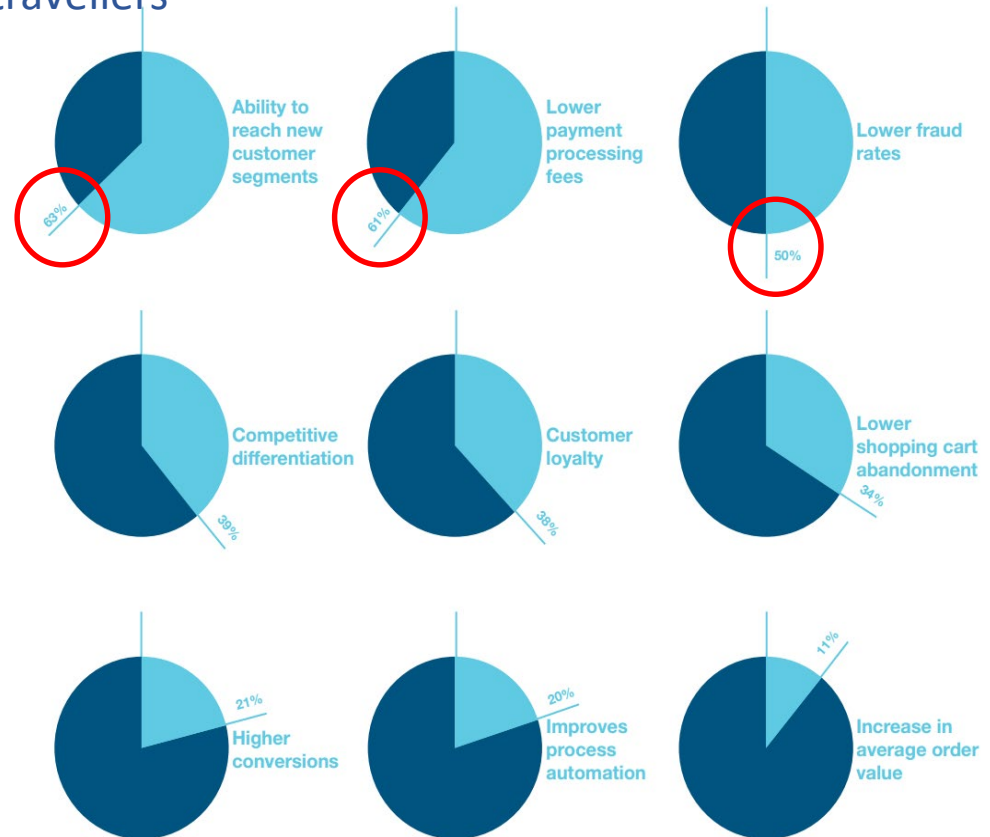
*



*

Soon

- Reach new customer segments
- Reduce payment processing fees
- Relatively stronger authentication
- Simpler payment operation and reconciliation
- Enhance sales with added convenient to travellers
- Lower risks
- Lower fraud rates
- Lower processing costs as low as <1%



7. What are the accredited Payment Centers?

a. NON-BANK partners that accept cash payment for DOMESTIC bookings in PHP currency:

- 7-11 (Powered by ECPay)
- Bayad Center
- Cebuana Lhuillier
- ECPay Merchant Partners
- M Lhuillier
- Robinson's Department Stores
- SM Bills Payment Center
 1. SM Business Service Center
 2. SM Department Store
 3. Selected SM Supermarkets
 4. Selected SM Hypermarket
 5. Selected Save More Branches
 6. Selected Watsons Personal Cares Stores
 7. Selected Waltermart Malls

b. BANK partners that accept cash payments for DOMESTIC bookings in PHP currency and INTERNATIONAL bookings in USD currency

- Asia United Bank (AUB)
- Banco De OroUnibank (BDO)
- Philippine National Bank (PNB)
- Union Bank of the Philippines

- Key issue is integrating those into current systems: **73%** of airlines cited this as a challenge
- Cost of implementation **(39%)**,
- Fraud risk **(32%)**,
- Lack of knowledge/ resources **(32%)** are secondary barriers.

73%



Lack of integration
with current systems
and processes



39%



Cost of
Implementation



32%



Fraud risk



32%



Lack of knowledge/
resources



7%



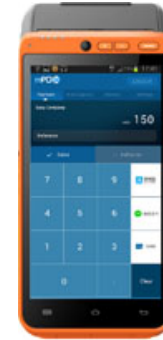
Selling in to the
business internally

Trends & Opportunities



Visa
payWave

Apple Pay

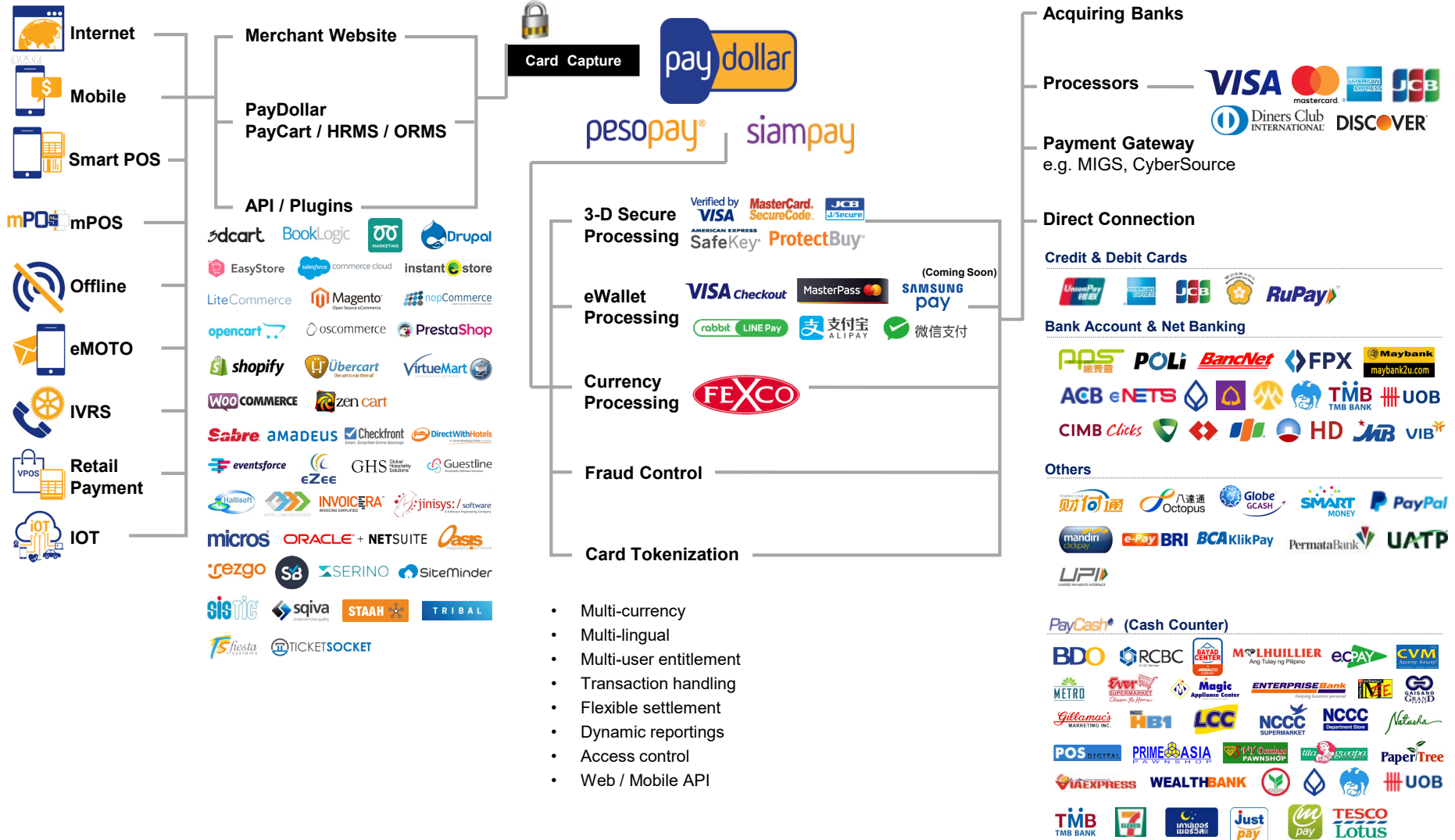


Customers

Merchants

Payment Gateway

Acquirer / Card Schemes



- Multi-currency
- Multi-lingual
- Multi-user entitlement
- Transaction handling
- Flexible settlement
- Dynamic reportings
- Access control
- Web / Mobile API



FPS/QR
OPEN API



TOKENIZATION



SMART POS



BIOMETRIC
RECOGNITION

XECURE3D

3D SECURE 2.0



BLOCKCHAIN



BIG DATA



ARTIFICIAL
INTELLIGENCE



VR / IOT

- 1: **Digital identity** has become critical for ensuring cyber security and consumer safety
- 2: **Global regulators** increase focus on standardization to foster market demand for innovation
- 3: **Data protection and privacy** is critical for payments security in an increasingly open environment
- 4: **Analytics and machine learning** powered by rich transaction data enable secure, targeted offerings
- 5: **APIs** act as collaborative glue within the new payments ecosystem
- 6: **Seamless integration** of multiple payments channels to create an omnichannel experience
- 7: **Payments incumbents** consider platform as a service to improve efficiency, spur new business
- 8: **Instant cross-border payments** gain traction alongside the increased adoption of ISO20022 Standards
- 9: **Payment industry incumbents** and new entrants provide m-Wallets to deepen customer relationships
- 10: **BigTechs' customer** reach and user experience could emerge as threats to incumbents

Quote: Top 10 Trends in Payments: 2019, Cap Gemini

*McKinsey survey shows that more than **60%** of consumers will choose to abandon the transaction due to poor payment and checkout experience.*

Leading Digital Payment Service & Technology Provider in Asia since 2000.



13+
Countries



12+
Languages



144+
Currencies



100+
Payment methods
& bank partners

PCI

PCI DSS Level 1
Compliant since 2006

Verified by
VISA

MasterCard.
SecureCode.

JCB
J/Secure

AMERICAN EXPRESS

SafeKey

ProtectBuy

Certified 3-D Secure



United Kingdom



Head Office

Hong Kong

Operative Offices in Asia

15

Professional Workforce

160

Business Stream




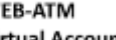

- Payment Service Provider (TPP / ISO / PF)
- Payment Gateway Solution Provider
- Payment Security Solution Product Vendor
- eBusiness System Development and Consultancy

Our Vision

To be the leading **ELECTRONIC PAYMENT SERVICE AND TECHNOLOGY** player in Asia and beyond.

Our Mission

To help our business partners grow their business through online by providing innovative, secure and cost-effective solutions that will make them competitive in the eCommerce landscape.

Country	Credit / Debit Card Acquiring Bank Partners	Debit Services
Hong Kong	          	       
Australia	  	  
China	 	   
India	    	Net Banking (51 banks)  
Indonesia	  	      
Macau	    	
Malaysia	            	      
New Zealand		
Philippines	                               	
Singapore	          	
Taiwan	         	
Thailand	         	
Vietnam	   	  
UK		
Others	Bangladesh   Brunei   Mauritius 	
	Pakistan  Sri Lanka   Global  	



Leading the Way. Pay with AsiaPay.

SIMPLE ♦ CONVENIENT ♦ SECURE ♦ TRUST

GLOBAL PAYMENT TRENDS AND VISION FROM IATA

Thierry Stucker

Director Industry Payment Programs, IATA



Payment in the Air Industry Challenges and opportunities



Sector of growth



2037 Forecast Reveals Air Passenger
Demand Will Double to 8.2 Billion

Customers needs are also changing

Millennials



Corporate vs Consumers

Major expected payment trends

Commoditization

Instant and direct

Secure

Frictionless and integrated

Fragmentation

More regulations



Payment challenges

Integration of payment in the Airlines' strategy

Internal organization

Agility – Infrastructure and partners

Back-office complexity

Way forward

Seamless from Offer to Payment

Adequate Customer reach

Improving conversion rates



GLOBAL PAYMENT TRENDS AND VISION FROM THE VALUE CHAIN

Pascal Burg, Director, Edgar, Dunn & Company

Joseph Chan, Founder and CEO, AsiaPay

Tina Larson, Managing Director, Sales Analytics, Distribution & Planning, Hawaiian Airlines

Campbell Wilson, Senior Vice President, Sales & Marketing, Singapore Airlines

Tammy Weinbaum, Executive Vice President, Global Client Group, Global Merchant & Network Services


American Express

LEVERAGING PREDICTION TECHNOLOGY FOR PAYMENT AND OFFERS

Brian Barth

Founder & CEO, UpLift





Leveraging Prediction Technology For Payments & Offers

IATA AIRLINE INDUSTRY RETAILING SYMPOSIUM

October 29, 2019

Uplift

Uplift Overview

- Easy for airlines to provide **FLEXIBLE PAYMENTS** for their travelers
- Drives
 - Conversion
 - Incremental revenue
 - Ancillary sales
- Rapidly growing **INTERNATIONAL** coverage
- Specifically for **TRAVEL**
 - UATP, Airlines Clearing House, IATA, ATPCO, ARC...

Today

UNITED 

 United States | English

① Review ② Traveler ③ Seats ④ **Payment**

1. United Travel Options

2. Payment information

For your security, we use standard [SSL encryption](#) to protect the information.

Read our [privacy policy](#).

☐ Pay in full

\$67

Book Now
Pay Monthly

What's under the hood?

Credit

```
graph LR; A[Credit Bureau Data] --> B[Underwriting Model]; B --> C((Payback Prediction))
```

Credit Bureau
Data

Underwriting
Model

Payback
Prediction

Fraud

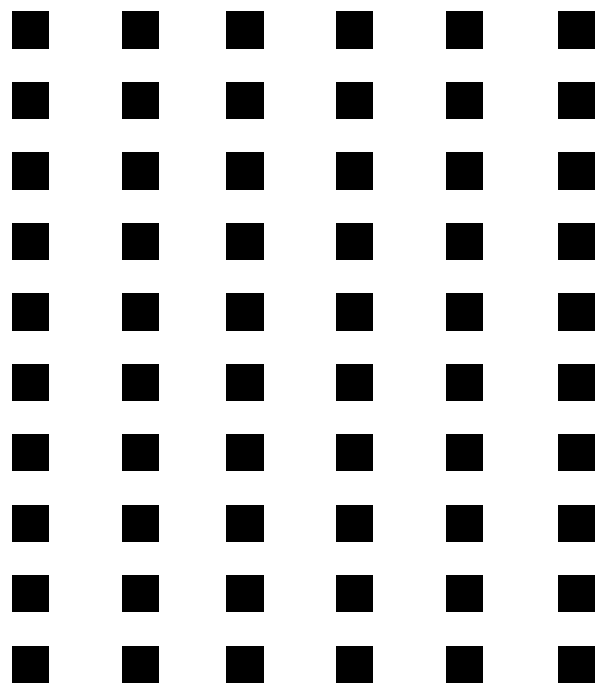


**Identity
Data**

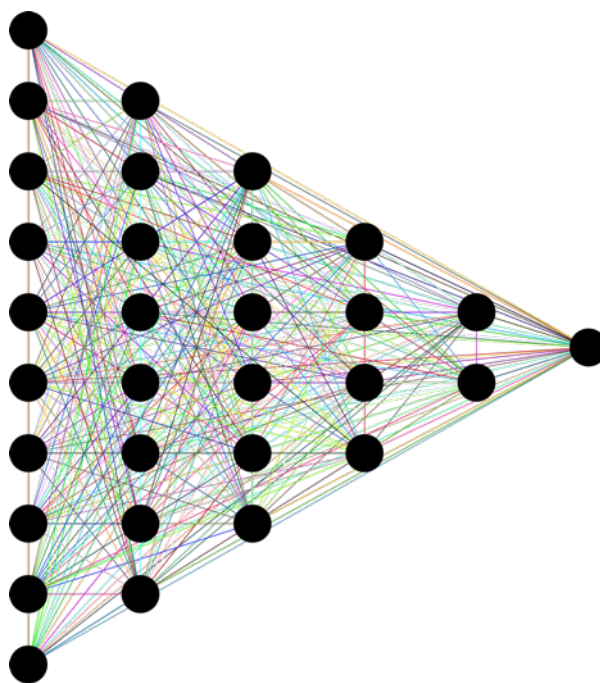
**Fraud
Model**

**Fraud
Prediction**

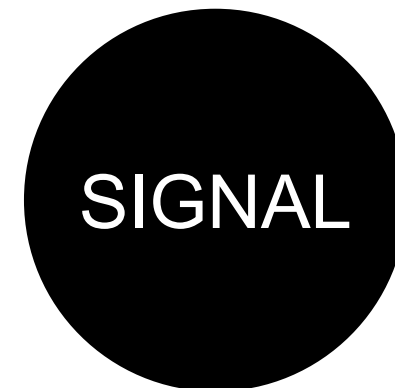
Data



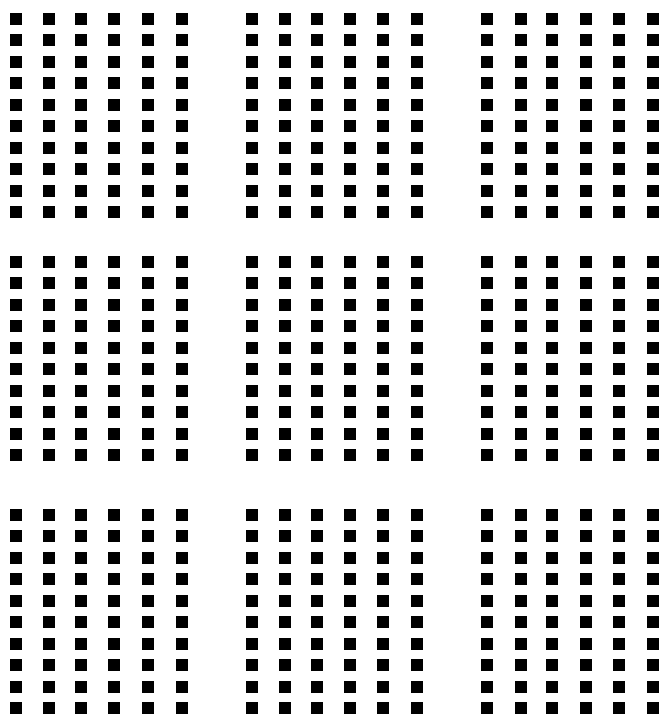
Model



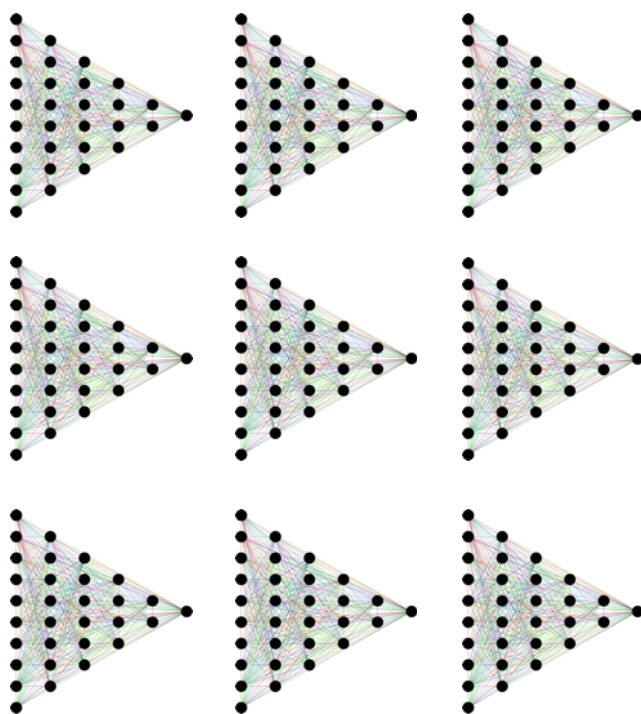
Prediction



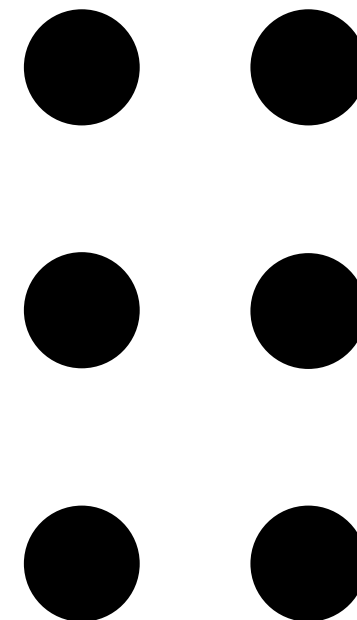
Data Sets



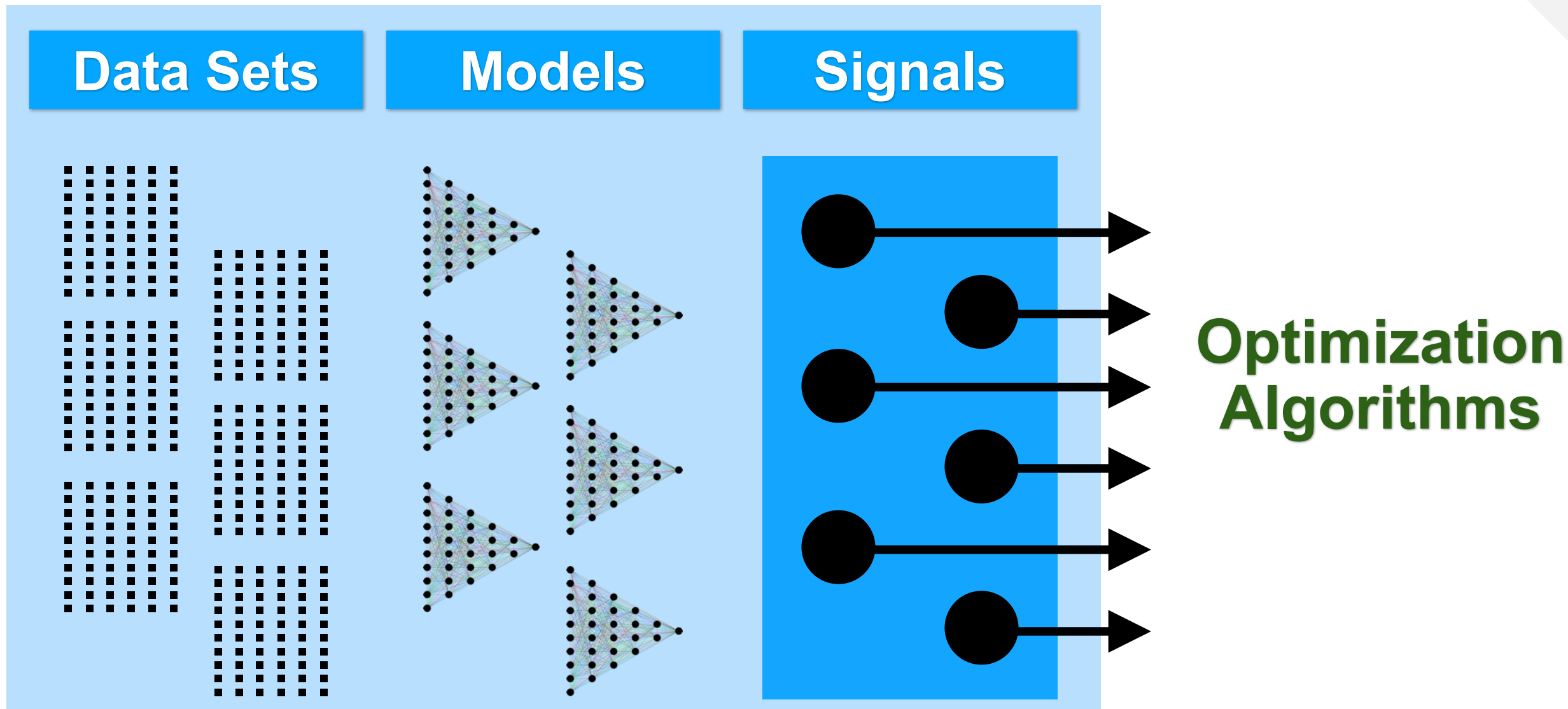
Models



Signals

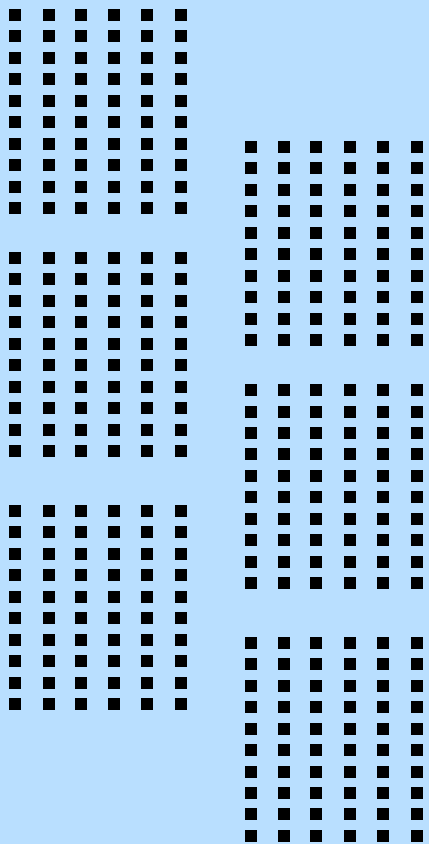


Plug Into Uplift Signals

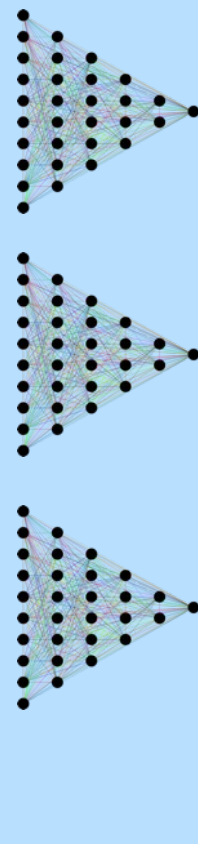


Many Applications

Data Sets



Models



Optimization Algorithms

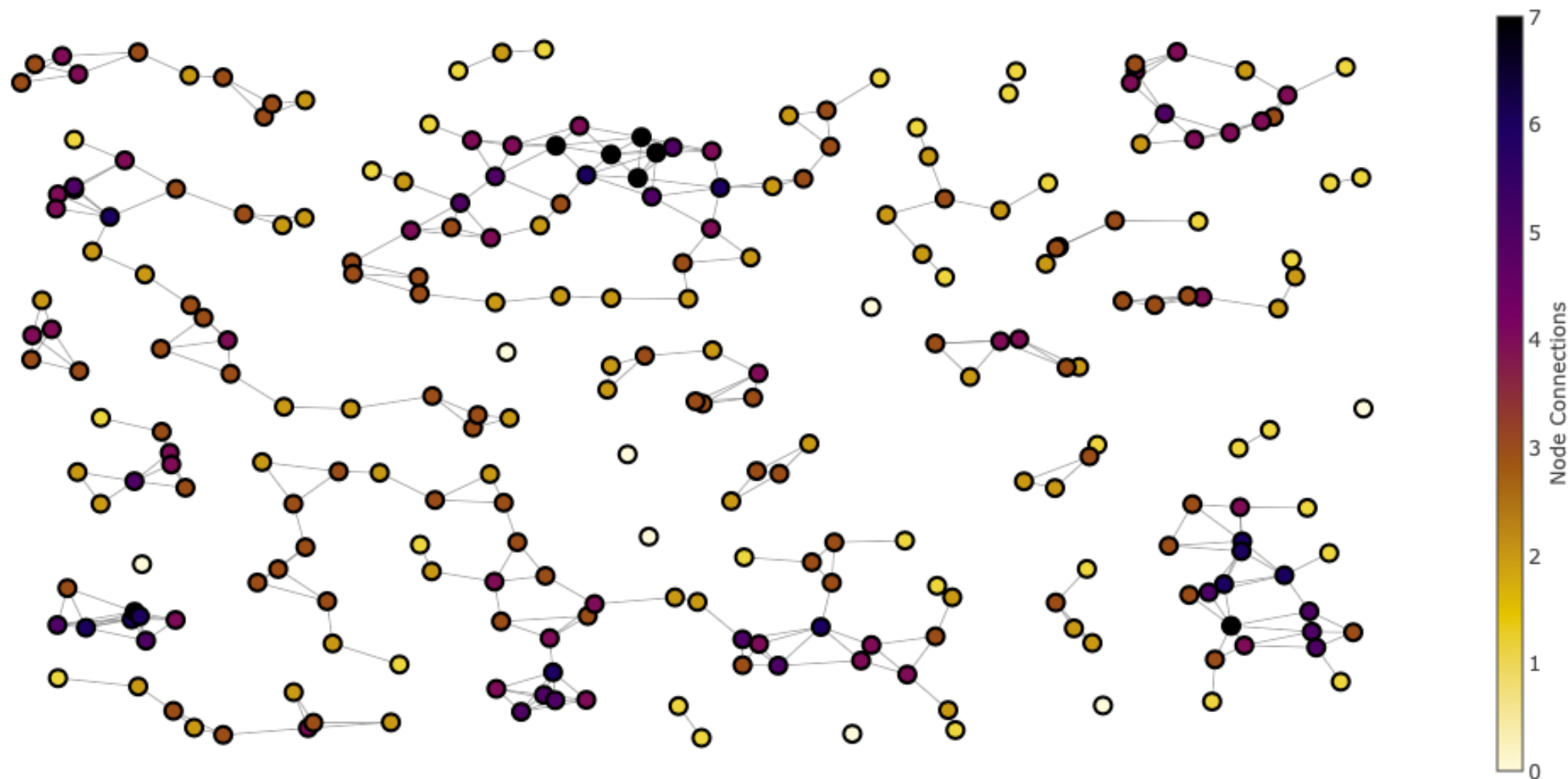
Revenue Management

Content Selector

New Co-Brand Acquisition

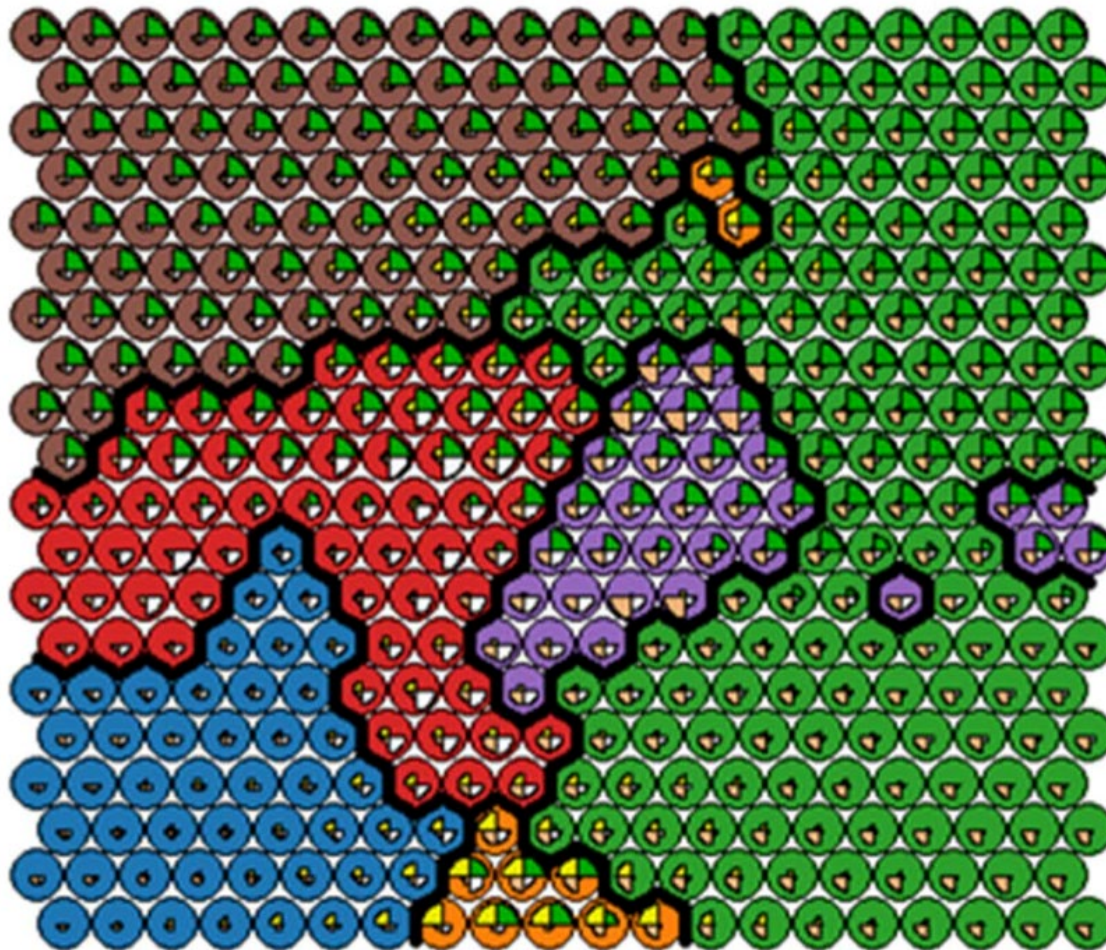
Ancillary Offer Engine

Customer Similarity Graph

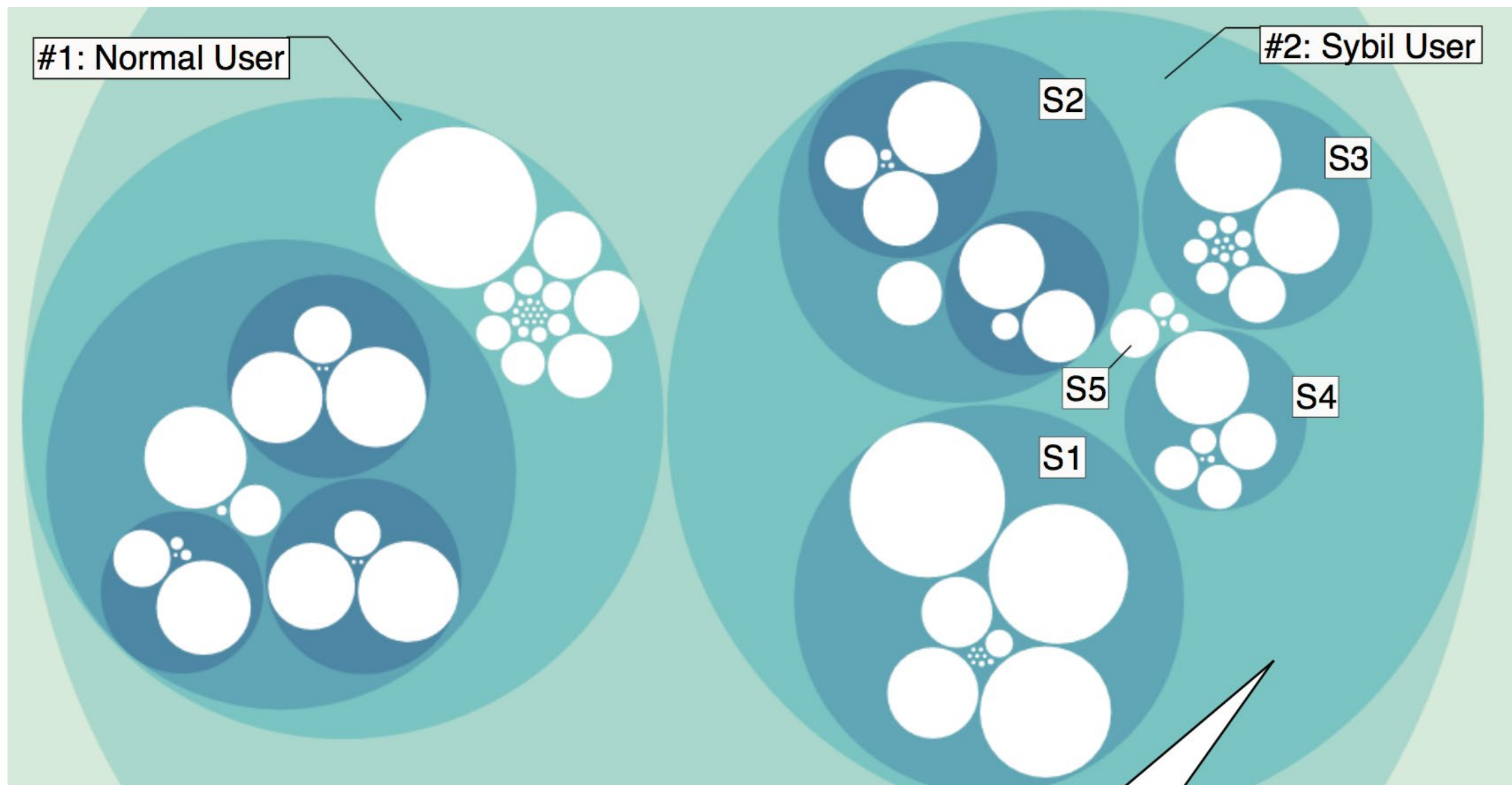


Self Organizing Map

Unsupervised Data Clustering



Unsupervised Clickstream Clustering



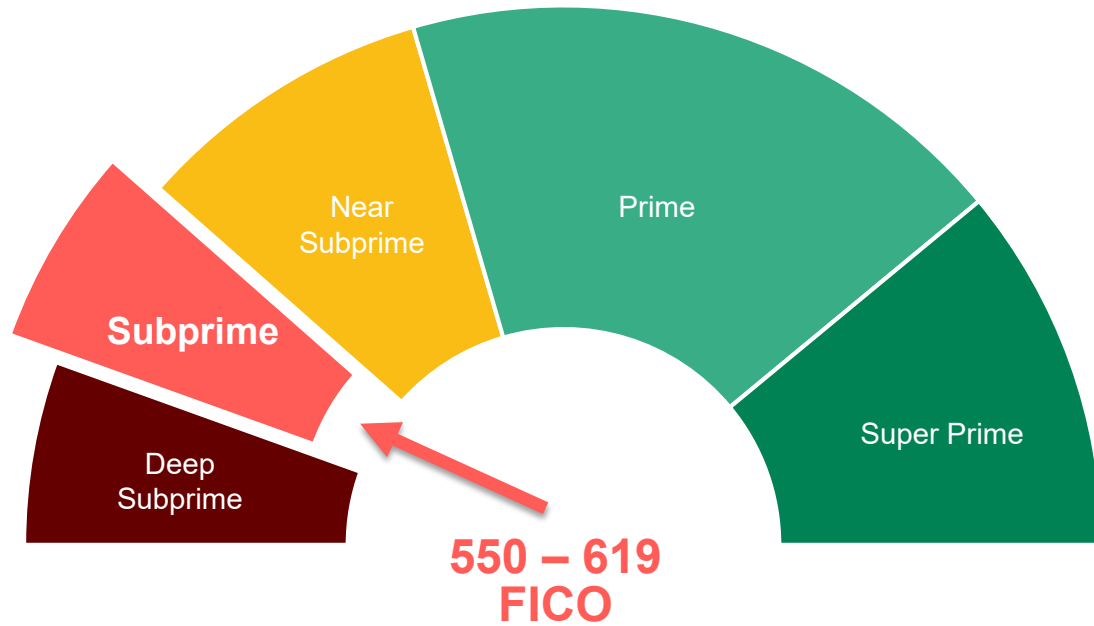
Data

From Credit to Willingness to Pay

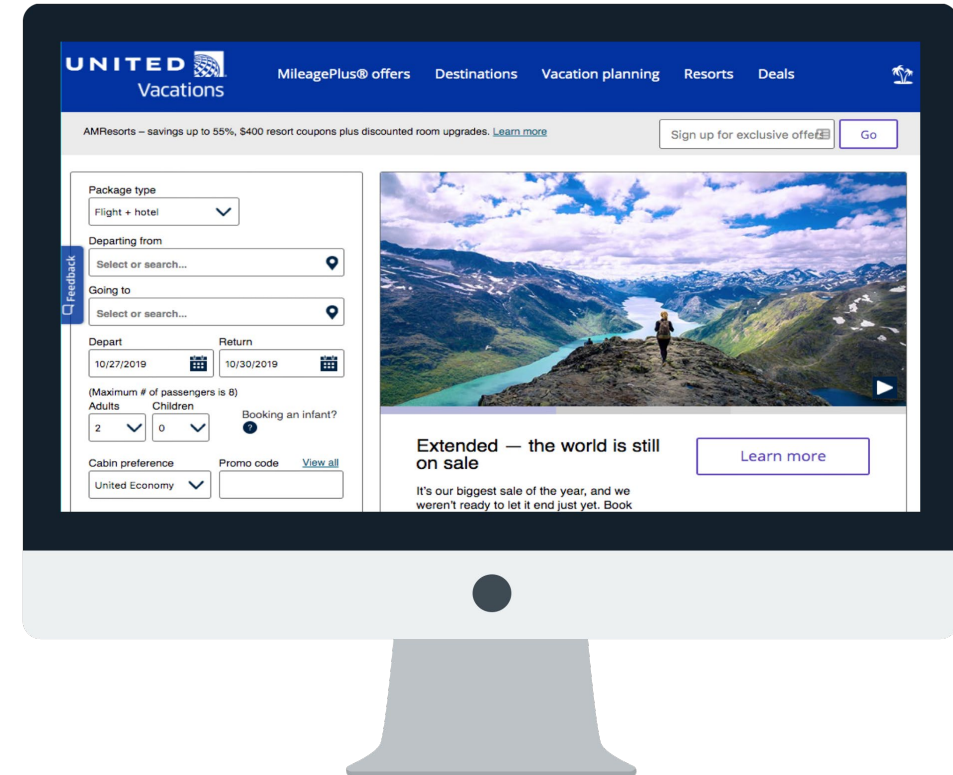


Predicting BEHAVIOR

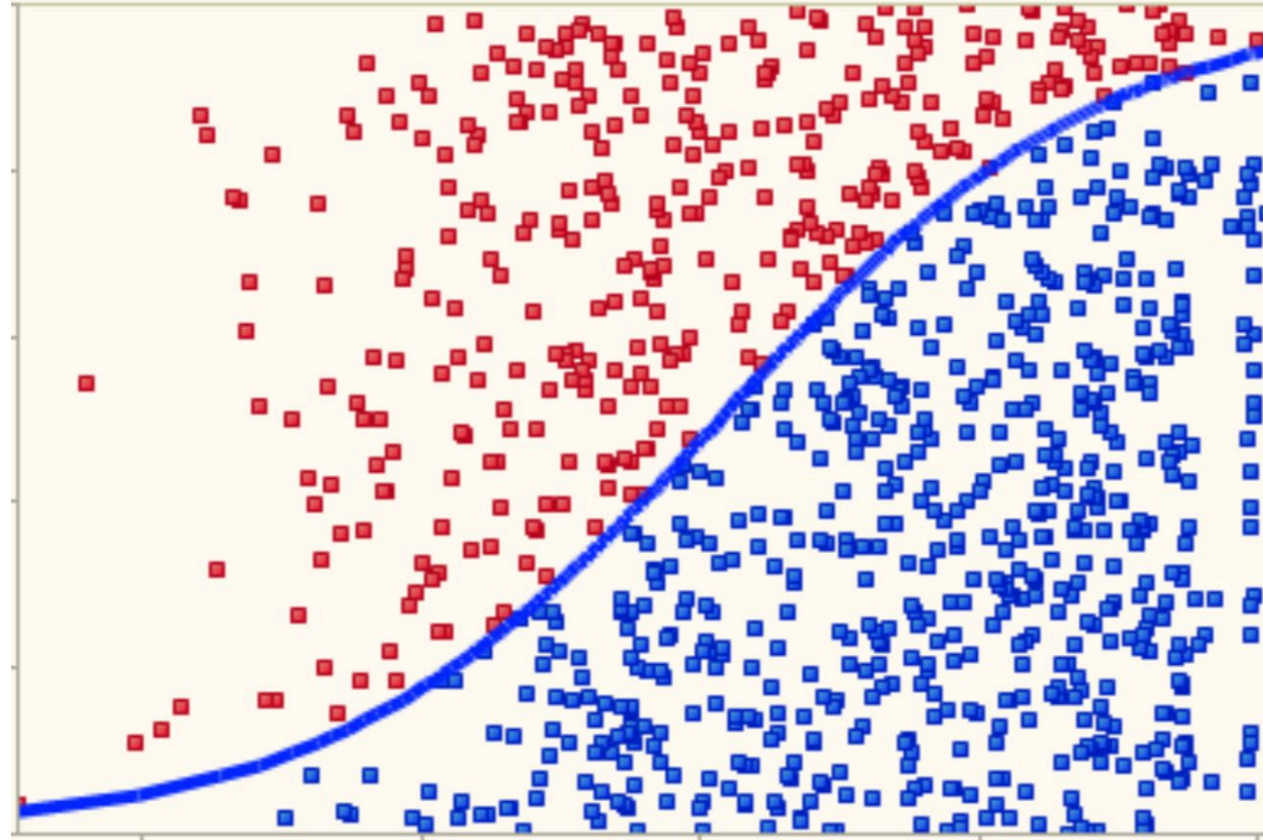
Best Proven Performance



56% Approval
of Subprime Applicants

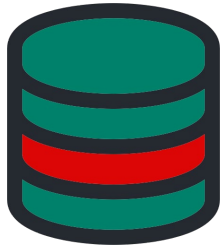


Subprime 550 – 619 FICO



Use non-credit SIGNALS to separate the group

Offering Predictive Signals Unleashes Uplift's Capabilities



Restricted data, such as **age** and **marital status**



Restricted models, which must be **interpretable** and **explainable**

Ancillary Prediction from Vacations

- Ground Transportation
- Flight Choice
- Hotel Choice
- Room Category Upgrades
- Insurance
- Activities

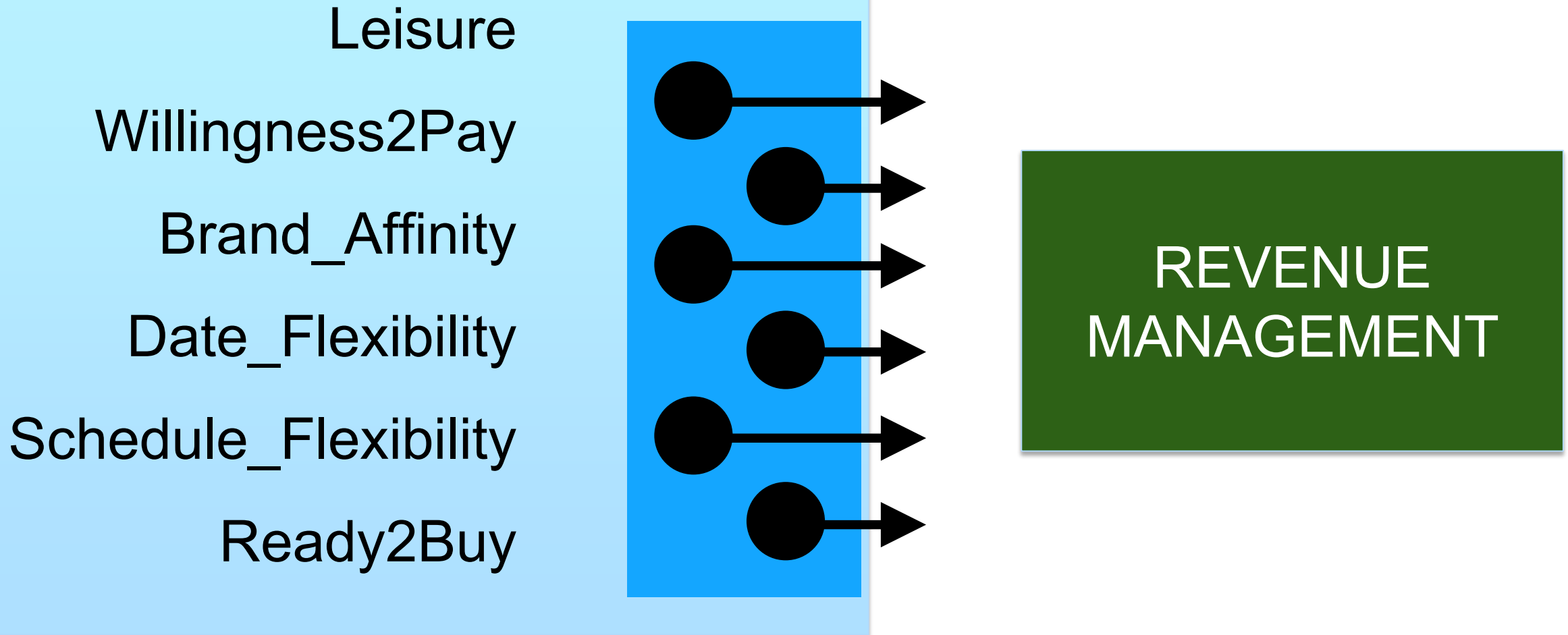
Immediate Focus

	Distribution	Direct
Leisure		Uplift
Business		

•com



Uplift Signals for Revenue Management



New Co-Brand Cardholder Acquisition

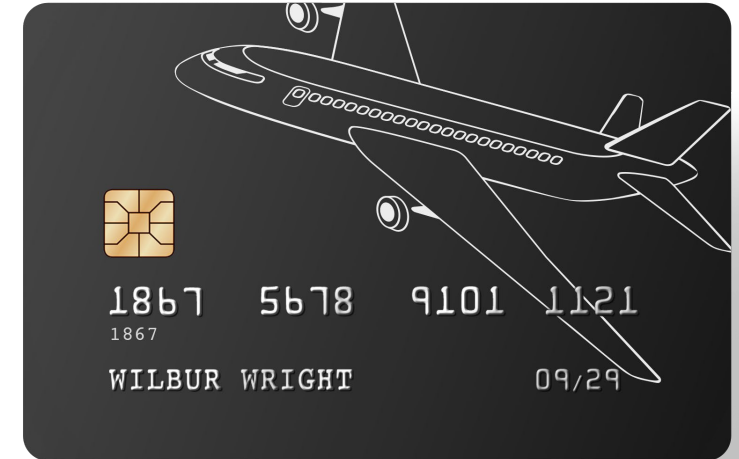
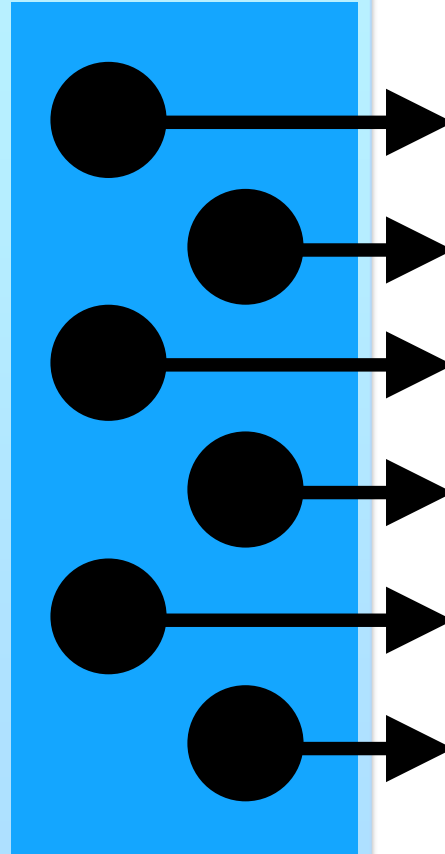
Payback_Performance

Spend_Level

Stability

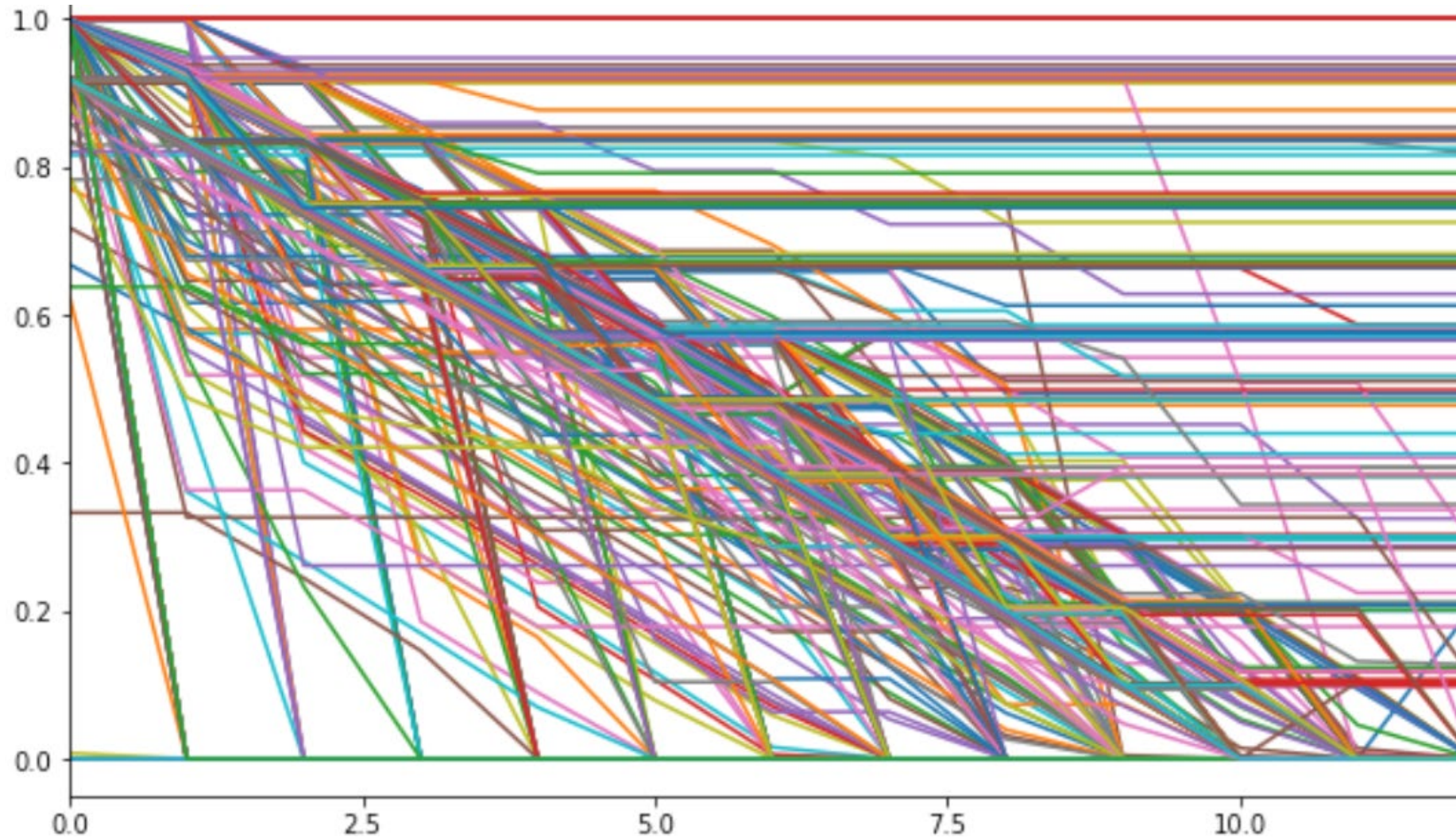
Spend_Concentration

Payback_Style



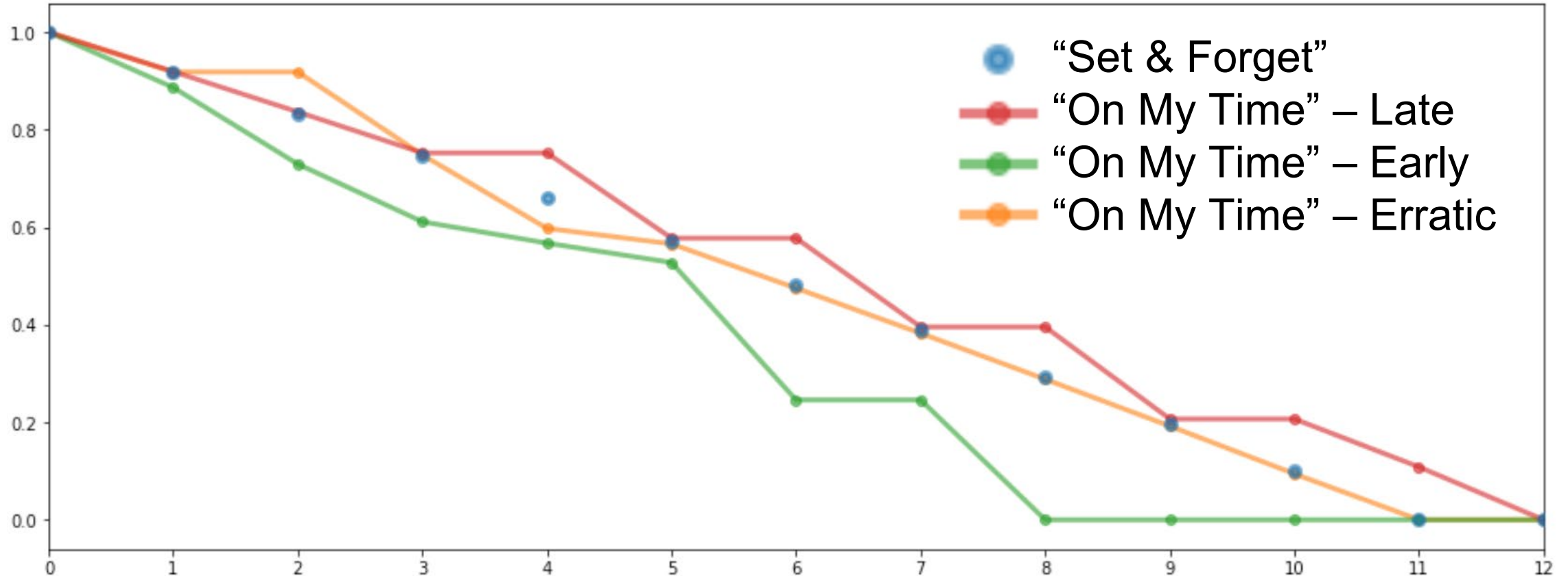
CARD OFFER
ALGORITHM

Loan Repayment Data



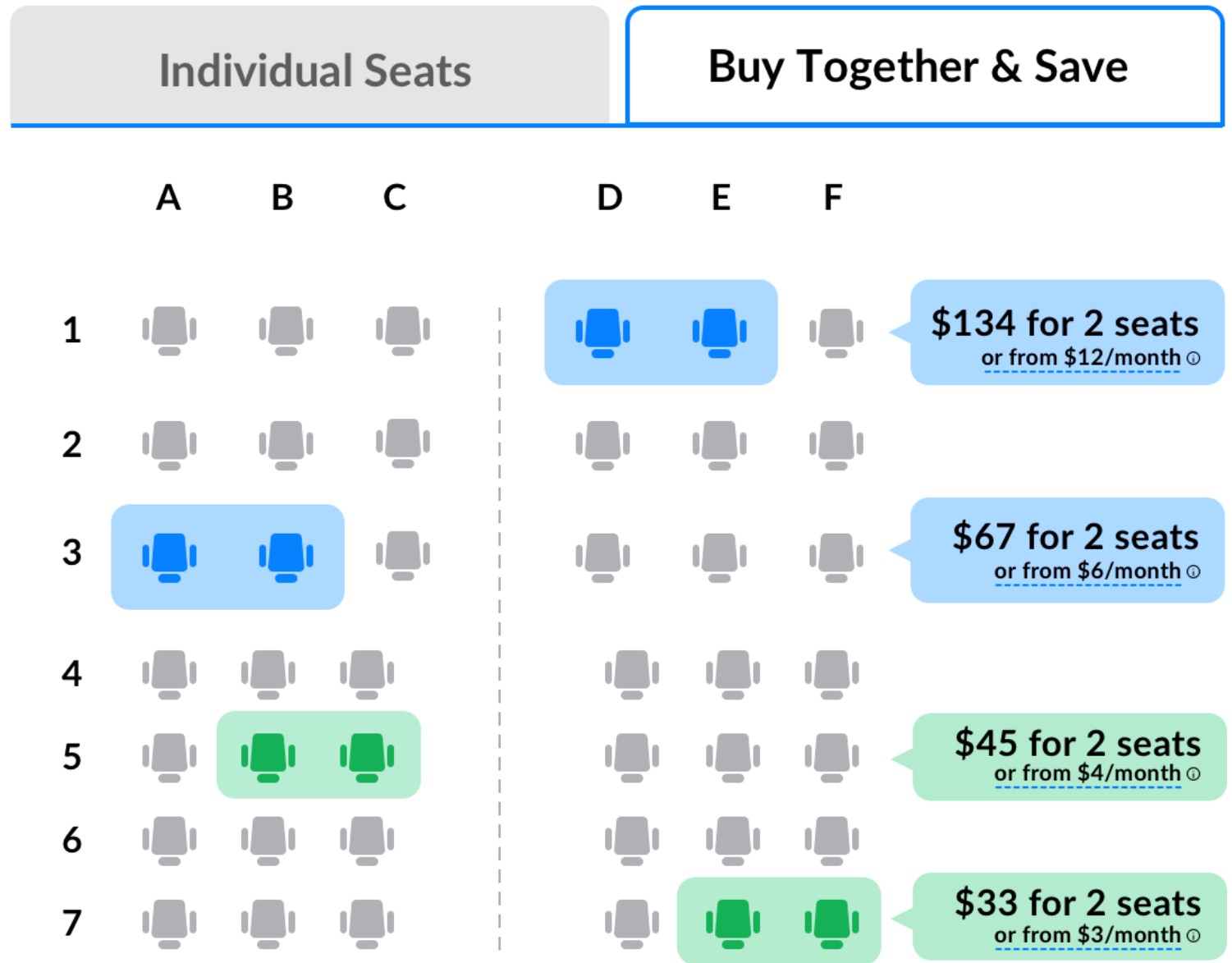
Clustered Co-Brand Acquisition Signals

SIGNALS



Bundling Seats

Seat_Willingness2Pay
Front_Preference
Extra_Legroom
Early_Boarding
High_Luxury



Personalized Dynamic Offers

[Seats]

Priority_Boarding

Carry_On_Bag

Bonus_Points

Drink_Coupons

Lounge_Access

Insurance

...

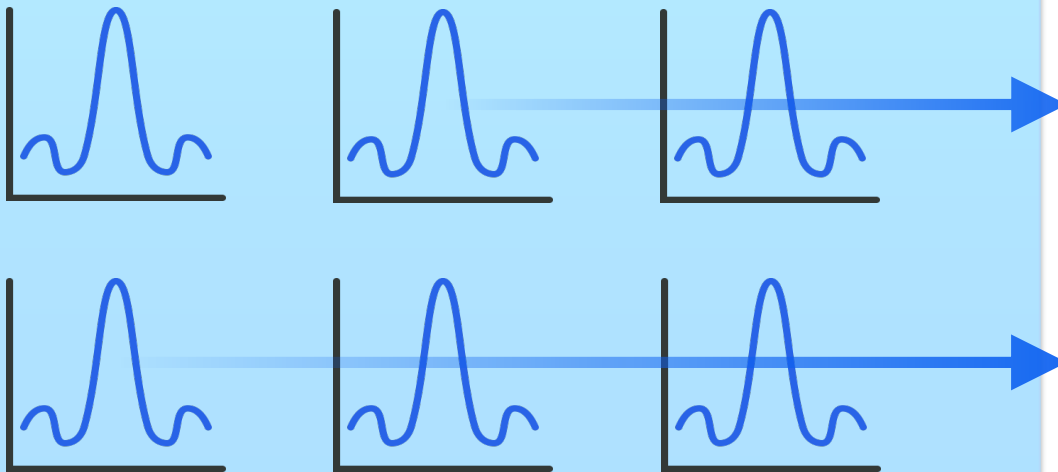


Basket_Size

Partner

Uplift Signals

- Growing library of predictive signals
- Support leading development in latest optimization methods



Partner Optimization Algorithms

- Internal or 3rd party systems
- Enable best business outcomes from best signals

