

THE PAYMENTS SHOW

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E88:

Cash in the Cloud: Paysafe's Secure E-Money Services

GUEST

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HOSTED BY

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[Important]

- This transcript was produced with machine learning and has many *errors and omissions*
- These timestamps are for the *audio version* of the podcast

[00:00:00] Introduction

[00:00:00] **Satwant:** hi, I'm your host Satwant, and welcome to this episode with Megan Oxman from PaySafe. PaySafe offers capabilities in payment processing, digital wallets, and online cash solutions. If you'd like to watch the video version of this podcast, please click the link in the show notes. If you're new to the show, this podcast aims to help you increase sales and profits in your company through the latest payment technologies and platforms. Enjoy the show.

[00:00:29] Start

[00:00:29] **Satwant:** Megan, welcome to The Payments Show.

[00:00:31] **Megan:** Thank you so much. I'm very excited to be here.

[00:00:34] **Satwant:** Well, it's fantastic to have you on. You're joining from London, I believe, right?

[00:00:37] **Megan:** I am, yes.

[00:00:38] **Satwant:** Have you been here a while?

[00:00:40] **Megan:** Yes, we've lived in the UK for five years now. Yeah

[00:00:43] **Satwant:** we'll kick off by introducing PaySafe and yourself Megan, you are the president of digital wallets and the senior vice president of product at PaySafe.

[00:00:54] **Megan:** Yes, our product experience team.

[00:00:56] Paysafe Overview

[00:00:56] **Satwant:** Paysafe is a leading payments platform, which serves lot of different types of businesses, industries from entertainment to e commerce and everything in between. And you offer three main offerings, I guess, so payment processing, digital wallets, online cash.

[00:01:13] **Megan:** Mm hmm.

[00:01:14] **Satwant:** It seems that the company is very targeted around mobile transactions first and foremost, and then flowing on from that analytics and all the good value add stuff that a good, a great payment company can provide.

[00:01:27] So have I, before I carry on, have I got that accurate at a very high level of your company?

[00:01:32] **Megan:** Yeah, no, that's correct. I, I think it's the, we're about a 1.7 billion dollar company in terms of revenue, and we have about half of that business is mostly in North America with our

merchant solutions, so that's mostly payment processing, and then the other half is mostly in Europe, and that's our digital wallet business, and that includes the online offering of cash, which we call e cash.

[00:01:53] Yeah, so at a broad level, you, you have it right. Mm

[00:01:57] Stats: The Importance of Offering Diverse Payment Options

[00:01:57] **Satwant:** So I'd like to kick off with some stats and especially with which links into your role. So Retail Insight Network provided some interesting statistics saying that 73 percent of consumers expect large businesses to offer a variety, a large variety of payment methods 59 percent of consumers expect the same of small businesses.

[00:02:18] And. You guys offer 250 payment types which is very broad. Most of us in the UK or the US or anywhere think there's only three or four, there's the bank, Amex, MasterCard or Visa. So that was quite interesting stat to learn for me about your company. You, you have 25 years of experience in the payment space, your company, 40 plus currencies and over one and a half billion dollars in revenue.

[00:02:41] In wallet deposits. So some pretty impressive stats there. And one thing that PaySafe offers close to my heart, eCash, you're one of only, I think, two or three people I've had on previously that even talks about cash. That's fantastic to see. And I'm definitely going to delve into that because that's something very close to me in terms of financial inclusion.

[00:03:02] **Megan:** yeah, absolutely.

[00:03:04] Exploring PaySafe's Digital Wallets and eCash Solutions

[00:03:04] **Satwant:** So yeah, I mean, let's, let's start with talking some of those stats and how your brands fit in because you've got several brands under the Paysafe umbrella, I believe. So it'd be good to maybe mix those conversations together.

[00:03:16] **Megan:** Yeah, of course. So we do have many different brands. We have on the digital wallet side, we have Skrill and NETELLER, and these are both providing mostly the same product solution to our clients, which is essentially customers are able to deposit money into their wallet, and then they're able to use that, that money at 300, 000 plus merchants that we have connected to those wallets.

[00:03:37] So they can do one of the big value propositions that we have for the digital wallet is that money can be, we can transfer money seamlessly, right? From the, the wallet, the, the deposit, sorry, the balance that a customer has on their wallet to the merchant and then back. So particularly for industries such as financial trading, such as gambling, such as crypto, this is something where customers really do value the speed of money movement.

[00:04:00] And so this is a key reason why customers are using our digital wallet across the world. So, so that's a, a, you know, and our skrill and NETELLER businesses are largest in Europe and then Latin America and, and North America as well, where we're growing quite rapidly. On the The Paysafe Card side, so this is mostly our e cash business.

[00:04:21] This is a business where we have been able to have, there's about 500, 000 different distribution points where customers can go in and they're able to digitize cash. So they can walk into their local corner store and they can say here's 10 euros and they can get a 16 digit PIN and then they can go and deposit money online.

[00:04:40] So really an exciting value proposition, one that also feeds into our digital wallet. So this is a, customers can actually use cash to deposit onto the digital wallet as well.

[00:04:49] **Satwant:** That's fantastic. So a truly broad offering, not just digital through credit cards and debit cards.

[00:04:56] The Global Reach of PaySafe's Payment Methods

[00:04:56] **Megan:** And you mentioned earlier, we have the 250 local payment methods that we offer. And, you know, quite rightly, in US and UK, we think mostly about debit and credit cards, and sometimes bank transfers. But if you're in Poland, you want If you're in Portugal, you want to use MBWay. If you're in Spain, you want to use BZoom.

[00:05:15] And these are payment providers that a lot of companies don't think about that are truly important to those local customers. And so, you know, payments is, is very local, and you need to meet those customers where they are and you have to be able to allow them to pay how they want to pay. And so that's something PaySafe really excels at.

[00:05:32] **Satwant:** Yeah.

[00:05:33] Enhancing Sales Conversion with Diverse Payment Systems

[00:05:33] **Satwant:** I mean, that touches on the main reason I started the podcast. The podcast, which was to offer or educate listeners about lowering friction and increasing sales conversion. Because prior to me starting the show, I mean, okay, we had PayPal and maybe a few early examples of digital wallets, but e commerce vendors were losing sales hand over fist when.

[00:05:56] People were browsing on the phone and then they get to the card entry screen and then abandoning the card. So, Apple Wallet has been very successful. Apple Pay, sorry. Google Pay as well. So with all these, 250 odd payment systems, the conversion rate amongst your customers must be very, very high in general. Would I be right in assuming that?

[00:06:18] **Megan:** It is quite high and it's something that we Every, you know quarter we spend time on to try to get that payment success rate even higher and there's there's really two Conversion rates that we track religiously. So one is as customers want to deposit money into their wallet. How often does that work?

[00:06:37] and one of the big projects that we had last year was what we called next best action, which is sometimes just based upon the The country that you're in, the payment method that you're trying to use, we just don't have a high success rate. And so we're able to show those customers, you know, if you're in Portugal, for instance, and you are trying to deposit via bank transfer and it's not working, well, we also have all these local payment methods, you know, MVWay, Multibanco, and maybe try those instead.

[00:07:03] So it is something that we are constantly looking at and trying to improve. And then we also have the conversion rate between the, the wallet and the merchant, and that's something that is typically quite high just given that we already have the funds available in the wallet. And it really is a key reason that customers are using us, because they can rely on the success of their payments.

[00:07:22] **Satwant:** Yeah.

[00:07:24] Merchant Engagement and Solutions with PaySafe

[00:07:24] **Satwant:** That's one thing I want to dig into a bit deeper on the merchant side. So you've got enterprise focused solutions and you've got small, medium business solutions as well. And I wanted to understand how do merchants typically engage with you? Do you know, do they come to you first or do customers sort of want to spend a certain merchant and then they come up on your radar.

[00:07:50] I don't know. How, how does your organization typically work?

[00:07:54] **Megan:** Yeah, I, let me, there's, there's the two sides of the house. I'll cover them separately because it works slightly differently on each. On the wallet side, the, the, the exciting part about being a two sided network is that you see demand from both sides. So on the customer side, you see a lot of customers saying, Hey, I like Skrill.

[00:08:12] I want to be able to use Skrill at all types of merchants. So kind of putting pressure on the merchant to be able to accept Skrill. And then on the other side, you have the merchant saying, Scroll, wow, that's, you know, two and a half million customers. I want to be able to get some of those customers and and, and be offered, be able to offer them the local payment method that they want to be able to use.

[00:08:33] And so we see demand from that side as well. So it really is, you know, we have a sales team going out and finding new merchants for us, but we also then have customers who are just asking merchants to be able to accept the pay, Paysafe payment methods as well. So that's the digital wallet side. We also have the merchant solution side of the house and mostly payment processing.

[00:08:52] This is mostly a North America business for now, although, you know, expanding into Europe, and this is more of a sales led business that we have. And so this is really sales going out and making sure that we can drive those enterprise clients and also the S& B merchants by being able to offer them payment solutions.

[00:09:08] The Evolution of PaySafe's Offerings and Customer Focus

[00:09:08] **Satwant:** If we look at the industries that you serve amongst your brands your travel and airlines, retail and hospitality, and there are some financial services, focused products as well, and gaming, is it an even 30, 30, 30 split amongst those, or, where do you see the most business as a company?

[00:09:30] **Megan:** So, PaySafe has historically, especially on the digital wallet side, we were one of the original digital wallets, and the reason that it really started was to enable payments where payments was hard. And so when you think about the history of that, a lot of that is on iGaming, so the gambling industry.

[00:09:48] Financial trading in certain markets was also a part of that as well. So those are Historically the largest and continue to be the largest segments that we have in terms of the verticals that we serve. On the digital wallet side, on the merchant solution side of the house, it really is across all sectors that we have seen new growth or it actually is hard to find You know still within that entertainment verticals, but we are much more diverse and one of the areas that we're trying to Continue to diversify is in those verticals of recognizing where our history is where we have been strongest But also where the value proposition is that allows us to grow into other verticals, particularly on the entertainment side.

[00:10:32] So travel and entertainment, e commerce and video gaming. We've also been historically very big in as well, especially on the paysafe card side. And how do we continue to offer this product and features that video gamers want as well?

[00:10:46] **Satwant:** Yeah, yeah. A lot of gamers don't like, Microsoft points or whatever the big companies use.

[00:10:52] **Megan:** Yeah, and the ability to use cash, you know, especially when you think about the young customers who might not even be on the banking system yet. They want to just be able to take their 20 euros and, and, you know, go play on Xbox.

[00:11:05] **Satwant:** yeah, absolutely. It would be great to talk about some of your customers, potentially. I saw lots of case studies on your website, your building stack in Canada, policy expert in the UK. are there any examples that you particularly would love to talk about, some really great stories that you have? Yeah.

[00:11:22] **Megan:** Yeah.

[00:11:23] Innovations in PaySafe's Product Line

[00:11:23] **Megan:** Let me tell you a little bit about a new product that we launched last year, which I'm particularly excited about, and this is on the PaySafe card business. So we, we were, started to interview a lot of our customers who were, just not coming back as frequently or becoming dormant and realize that the number one reason that they were leaving or not using PaySafeCard nearly as much as we wanted them to is that we didn't meet their payments needs.

[00:11:48] They told us that all you do is digitize cash. We want to do a lot more with you, but you don't really have the right offerings for us.

[00:11:55] **Satwant:** And just to clarify, when you say our customers, you mean the end users?

[00:11:59] **Megan:** Yes,

[00:12:00] yes, the end users. So, so these end customers were saying, you know, basically, PaySafe isn't providing me the payment methods that I want. And so with that in mind, we, you know, worked backwards from there to understand we need to be offering them a much wider suite of products. And so worked with a a third party to be able to offer banking as a, as a solution.

[00:12:19] So now we're able to offer those customers an IBAN so they can deposit their money. They can transfer that money anywhere. They can pay now with any merchant that accepts PaySafe card, but then also, you know, anywhere else that they want to for groceries, you know, at other merchants, et cetera. So we're really able to, we're seeing our ARPU is going up tremendously.

[00:12:40] We're, we're able to see a much longer customer tenure than we had in the past. And also, and this is where I get most excited. Being able to go after new customer segments. So really offering this cash bit, cash based neobank in many ways where we're able to go after different types of customers than we have had in the past.

[00:12:58] The Impact of User Experience (UX) on Payment Solutions

[00:12:58] **Satwant:** Yeah, would I be right in assuming that a lot of people are looking for alternatives because not just payments might've been difficult in the past, but just better, you know, UX, user experience, because I can tell you from my side, my personal financial situation, I, I've moved several banking products and credit cards, just purely because of the apps and the user interfaces are much better than my, what my existing banks were offering.

[00:13:24] Do you see a lot of that?

[00:13:25] **Megan:** Absolutely. Yes. I think the, the bar for consumers has gone up tremendously in terms of what they expect in terms of a frictionless, intuitive journey. And they are, they're not very loyal. And you know, it is very important that payment providers are able to offer that frictionless

journey. And it's, it's one thing that we have, you know, last year, especially on the digital wallet side, we You know, set up some really great metrics around the customer funnel and are able, we're able to see, you know, at a very low level of detail when and why customers are dropping out.

[00:13:58] And therefore, you know, under better understanding what's going on in that journey, how do we fix it? How do we make it more intuitive? How are we able to you really just make sure that it's seamless journey for them and that we're able to answer the questions without even, you know, Nobody wants to contact customer service.

[00:14:14] So how do we actually just make all of the solutions available for them? to self service as well

[00:14:20] The Role of UX Design in Payment Platforms

[00:14:20] **Satwant:** You must have a big UX and design team I'd imagine.

[00:14:23] **Megan:** We do UX design and research, which is pretty tremendous that we have an in house research team. And they have been absolutely tremendous in helping us, you know, get in front of the right customers and the merchants understanding their pain points. We're doing some, you know the better understanding and really getting into their heads.

[00:14:41] **Satwant:** Do you find that in projects where, businesses, initially might've come to you for a payment solution and then your teams have to educate them on linking the payment process into their website, which might be really old and clunky.

[00:14:55] **Megan:** Yes so certainly developer experiences is another, you know, very important experience that we have to make sure that the integration for Immersion is as automatic as it possibly can be. And Making that quick and seamless to the greatest extent possible. And then also that we're able to provide the right information to them.

[00:15:13] So with the, with the portal that the merchants are seeing, are they seeing all of the transactions that they need to? Do they understand where there's chargebacks or holds? And, you know, making sure that they can contact us as well when they need to. Yeah.

[00:15:30] Addressing Fraud and Security in Payment Solutions

[00:15:30] **Satwant:** amount of fraud and security issues, and now it's getting even worse with AI. An alarm bell will start ringing when you're talking about e cash solutions, which is fantastic. But then on the, on the other side, that could be a nightmare too.

[00:15:44] So it'd be great to understand where you're seeing problems and issues arising from the criminal side and, and, and how you're addressing it.

[00:15:55] **Megan:** Yeah I mean, I think AI is both a blessing and a curse, really. What we are, are really seeing is that the, on, on the, on the one hand, the tools get better, right? Now you, with AI, you're able to go through just vast amounts of you know, the frequency of transactions, where they're coming from, any information you can possibly gather, doing it really at, at lightning speed.

[00:16:17] The, the, the The second problem though is that the bad actors also get a lot better because the same tools are available to them. And so, you know, we, we have seen that it's, it's getting harder and harder. And it absolutely is a need for Paysafe to continue to invest in AI and our, our risk and compliant teams are already very Very robust and very, you know, PaySafe has had a higher risk appetite, I would say, than most payment providers in the past, and that really has been an advantage for us, that we're able to stay ahead of some of the trends that have been going on.

[00:16:50] You mentioned eCash earlier. I would say that our risk and compliance has always been very tight, you know, cash has always been a challenging area to be in, and so we do have various friction points that we have to introduce along the journey for regulatory and also just to, to make sure that we are serving good actors so that that continues to, to be an important part of the customer journey. What we try to do though is make sure that it's as frictionless and seamless as possible and therefore using AI to whatever extent that we can to really make that journey easy for folks to be able to continue using third parties to be able to match back data in the background if we can, but still stay very much ahead of that curve.

[00:17:30] **Satwant:** Yeah. So yeah, on the cash side, because in the UK you can't pay for something in cash more than 2000 pounds, I think from memory so you, you mentioned you have tiers, what, what kind of tiers are we talking that you can only deposit so much in so much time or what is it,

[00:17:48] **Megan:** Yeah, it varies based upon country, but essentially you have, you know, under 50 euros, pounds, you're able to deposit and use that money. And then as you go up, you know, 200 pounds or euros, roughly, you need to provide more due diligence. So basically explain who you are, address verification, and as you try to go Using the lifetime when you hit those lifetime thresholds, you provide more and more information.

[00:18:14] So eventually needing to provide source of wealth, bank statements, you know, et cetera, essentially to, to make sure that, you know, we're, we know our customers and we, we know how they arrived at the cash that they're presenting to us.

[00:18:28] **Satwant:** so you'd have to provide the equivalent of if you're opening a bank account

[00:18:31] **Megan:** Yes, yeah.

[00:18:32] and beyond. If you're going, you know, higher thresholds, you get to 000 euros, and it's more than what you need to provide for a bank account.

[00:18:41] **Satwant:** Oh, that's interesting. What, why is that? Is that because you're under more scrutiny as sort of e money institutions?

[00:18:48] **Megan:** It's really for money laundering, you know, to prevent money laundering, to be able to truly know your customer and understand how they came across that wealth.

[00:18:55] **Satwant:** Yeah, One thing I wanted to ask earlier, but I didn't, my fault.

[00:18:59] Understanding PaySafe's Brand Ecosystem

[00:18:59] **Satwant:** So you've got Skrill and NETELLER as two brands and then you have

[00:19:03] **Megan:** are our digital wallets. Mm hmm.

[00:19:05] **Satwant:** those, you do, okay, so, and then PaySafe is the payment processing side. Is that right?

[00:19:10] **Megan:** Paysafe is the overarching, the company name. And yes, but when we are merchant processing, we go by Paysafe. It's the brand that we present to merchants there.

[00:19:20] **Satwant:** Okay. So that's the three key brands. Okay.

[00:19:23] **Megan:** Yes, and PaySafeCard as well. That's what the, our e cash business. So it's mostly a European based business, but it's very popular, particularly in Central and Eastern Europe. People know PaySafeCard brand. You know, it's on a bunch of logos, for instance, at those distribution points that customers know that they can go in and deposit cash and basically get that 16 digit PIN so that they can go play video games, for instance, online.

[00:19:49] **Satwant:** Sure.

[00:19:49] **Megan:** Mm hmm.

[00:19:51] The Advantages of PaySafe's Digital Wallet for Merchants

[00:19:51] **Satwant:** I wanted to ask from the merchant side chargebacks are obviously a huge headache for retailers, especially the smaller ones. Cause that 20 pound or 10 pound charge each time it adds up. So if merchants out there are thinking of implementing your solutions, Is it quite an easy sell?

[00:20:10] I mean, first of all, they have to know about your brands and I'm not sure how, how brand aware in the UK anyway, they are about your solutions. But I'm talking just generally how, how open are merchants to looking at other things or maybe, maybe they just don't know about alternatives.

[00:20:27] **Megan:** You mean specifically for chargeback solutions?

[00:20:31] **Satwant:** That's a big one, but just in general too.

[00:20:35] **Megan:** So I, I do think a lot of merchants don't consider a digital wallet necessarily for payment processing. And so what, this is what we offer in Europe so merchants can actually settle into a wallet and see their funds. Immediately and then be able to, if another for instance, if they wanna pay payroll or if they want to transfer money elsewhere, they can do so immediately as well through digital wallet.

[00:20:57] So this is slightly different model of payment processing than I think most merchants typically look at. And I do think it's something that makes Paysafe quite unique on the payment processing side of the house most more in North America, it is it's, it's. More of a standard solution. And there we, you know, in the portal we show merchants their chargebacks and they're able to ask us questions and we can go back and and try to get them, you know, resolved as soon as, as soon as possible.

[00:21:23] **Satwant:** Okay.

[00:21:24] **Megan:** the, what we actually are working on in North America as well is a, what we're calling a business wallet, essentially, which is customers in North America can essentially do what I just described. They're able to settle their payments into the wallet, and then they can also do those wallet to wallet transfers immediately.

[00:21:41] So somewhat of a more unique proposition.

[00:21:44] **Satwant:** And these are brand new, modern payment rails versus yeah, going through the banking system.

[00:21:49] **Megan:** It's, yeah, it's basically just using the PaySafe digital wallet, so wallet to wallet.

[00:21:54] **Satwant:** I just sort of had a thought there that maybe the only wallet type that businesses are familiar with and the functionality you just talked about is effectively PayPal, but a lot of merchants, as we know, don't like PayPal for various reasons. So it would also be more logical for businesses dealing with smaller transactions to consider your digital wallet products as businesses.

[00:22:16] Because then obviously you mentioned the verification tiers. So you've got that tension of speed versus convenience.

[00:22:23] **Megan:** And the cost of payments as well, especially if you're doing a wallet transfer. That's, you know, for us, it's just an on us transaction, which is, you know, quite economical.

[00:22:31] **Satwant:** Yeah. Oh, yeah. Okay. So it'd be a lot, yeah, a lot lower than, than your typical card transaction. Yeah. Was it 2.5 percent plus 30 cents?

[00:22:39] **Megan:** In the, in the U. S.

[00:22:40] for debit, it's, uh, was it 21 basis points was 5 cents, I think, for debit. Mm hmm.

[00:22:45] **Satwant:** excellent. So we covered a lot there. Is there anything that you wanted to cover for merchants and businesses looking at, faster converting payment solutions that I might've completely missed something you wanted to get across?

[00:22:57] **Megan:** Yeah, I think we covered a lot of it that the business wallet is really where we're most excited, especially with our emergent clients in North America to be able to offer those faster payments rails. And then one of the other area we're really excited for is being able to. within this wallet. So, you know, they can deposit their funds, they can and then we can introduce them to a lot of other payment providers as well.

[00:23:20] So if they're, you know, we know that 90 percent of SMBs essentially fail in the first year, mostly because of cash flow issues. So how could we within their wallet be able to introduce them to players who might be able to help bridge some of those gaps, or maybe they need payroll providers, etc.

[00:23:37] **Satwant:** Yeah.

[00:23:38] **Megan:** Really looking for essentially being a one stop shop for these businesses to be able to process payments, but also run their business which we're super excited by.

[00:23:46] **Satwant:** And if they did want to look at one of your solutions, how long is, what does the engagement process look like and how quickly can a merchant be up and running with your solutions or any one of them?

[00:23:58] **Megan:** Very quickly so we are, we can automatically onboard merchants both in North America and in Europe. So we're looking at, you know, it's a matter of making sure that we agree on the terms, pricing, etc. But you know, within a matter of weeks, really they can be up and running.

[00:24:12] **Satwant:** And in terms of your pricing in general, does it tend to be on a transaction basis or monthly or annual contracts or a bit of a mix of both?

[00:24:22] **Megan:** It really depends if it's more of the merchant solutions side of the house, so U. S. acquiring, and that, in which case it's a, it's a mix of per transaction plus a monthly fee and the transaction level. In Europe, it's more of a they pay for what you use because a lot of our local payment methods, they vary quite considerably in terms of cost, and therefore it's, you know, a lot of transparency for the merchant to understand.

[00:24:48] You pay for the type of transactions that your consumers are demanding.

[00:24:52] **Satwant:** com and on Twitter, you guys are at paysafe. It'd be great to know where customers or prospects can potentially meet you, any conferences or anything like that, or events coming up.

[00:25:05] **Megan:** we have the Digital Assets Solutions in London this week, actually. We're a number of Paysafers are there so if anyone's at the, the Digital Assets Conference, you can meet some of our team there. And we are always at many of the payments events, so certainly do look out for us and, you know, just look for someone from Paysafe and we are happy to talk to you about our solutions.

[00:25:25] **Satwant:** and you offer demos and things online for merchants if they're interested in seeing what the solution looks like or

[00:25:31] **Megan:** We're happy to

[00:25:31] take them through some demos. Yeah, absolutely. If you just go to paysafe.com, we're very happy you can find out. Someone from our sales team would be more than happy to walk you through that process. And, you know, one of the things PaySafe is really known for, and we've recently just we're ranked number three in J.

[00:25:47] D. Power Associates for merchant solutions, is our customer service. And we really are very happy to walk customers through, understand you know, what our solutions are, and really be there for the whole journey. So, we're very proud of that, and absolutely happy to continue that for prospective clients as well.

[00:26:05] **Satwant:** Excellent.

[00:26:07] Future Predictions and Trends in the Payment Space

[00:26:07] **Satwant:** I'd love to ask you about predictions that you've got in the payment space for the coming year. I read some really interesting things in your article. If you have any questions, please feel free to reach out to me, and I'll be happy to answer any questions that you have in your future of payments report that's available as a download on your website.

[00:26:18] It would be great if you could maybe talk about some of those points or if you have something even, even newer that you can share in terms of what you think is going to happen in the payment space in the next six to 12 months.

[00:26:29] Frictionless, Intuitive Journeys

[00:26:29] **Megan:** Yeah, of course. I think this is probably not much of a prediction, but more of a reality, is that customers just continue to demand frictionless, intuitive journeys, and the payment providers need to be there. Keep up with that. You know, customers get more and more demanding. Understandably so. And being able to use AI and other tools as part of that is really just going to become table stakes for being a successful payment provider.

[00:26:51] So I think that's one trend.

[00:26:55] I'm super excited about digital wallets. I do think that, you know, some of the data that we've seen is that customers who use digital wallets are using them 40 percent more often than they did last year, and particularly, you know, based upon our conversation earlier about fraud and some of the You know, bad actors out there.

[00:27:13] Consumers Trusting Fewer Providers

[00:27:13] **Megan:** I do think there will be a trend for consumers trusting fewer payment providers than they did in the past, really making sure that they, the people who they're going to give their financial information to, that they trust and that they know are doing a good job of keeping them safe. So I do, I do expect that digital wallets kind of as Barrier between customers financial information and the merchants will continue to grow in in popularity really also in conjunction with Google and Apple Pay of having paved the way.

[00:27:42] Growth of Cash

[00:27:42] **Megan:** Maybe a third prediction and you know, it sounds like we are somewhat connected on this is cash. You know, I think everybody thinks that the world is becoming more digital and cash becomes irrelevant. I am a naysayer in, in that opinion. I do, the data that we have seen is that cash actually just becomes more and more popular.

[00:28:01] You know, we, we see more usage than we ever have in the past. And, you know, there's a number of reasons for it. And when we do our customer research and try to better understand why customers are using it. So, one is budget. You know, I It's so easy to whip out your card and potentially spend a little bit more than you expected you did.

[00:28:20] But what we hear from a lot of our customers is that they really like to budget themselves with cash that they have in their pocket. And also being able to keep money separate is another reason that customers have really, you know, enjoyed cash. And from a financial inclusion perspective, cash has really been a either customers don't want or don't have access to a formal financial support.

[00:28:41] And so for these reasons, cash, you know, in my opinion, is going to continue to be a very relevant form of payment and something that we need to make sure to continue to consider. And as merchants, you need to make sure that you have cash acceptance because otherwise there's quite a few customers out there who, if you're not able to pay with cash, they're not going to be able to pay at those merchant sites.

[00:29:05] **Satwant:** the one thing that it seems that businesses seem to have forgotten is resiliency. So you'd know being in London that this week Tesco and Sainsbury's and for some of the international listeners who don't know, they're two of the biggest grocery chains in the UK. They had a meltdown of their IT systems for a day or so.

[00:29:23] And there were signs up on Twitter, pictures that customers are taking, you know, with cash only. I just find it amazing that businesses have just ignored the most basic premise of tech that it all fails. It will all fail at some point.

[00:29:38] **Megan:** Mm-Hmm.

[00:29:38] **Satwant:** You know, you're going to, your hard drive on your PC is going to die at some point, your car's going to break down and communications are going to go down. So payments are not going to work. I just don't understand why nobody seems to understand this. And, well, they've just abandoned this, this, this concept of resiliency.

[00:29:54] **Megan:** Yeah. Very true. Very true. I mean, it's a kind of a shock. I, as a Londoner, I don't even know the last time I went to the ATM to U to, to get cash, but it, it's not going away.

[00:30:05] **Satwant:** I mean, I've, I've always got a hundred pounds cash with me all the time. It's just because this has happened so many times over the years where you've maybe not a whole national chain go down, but.

[00:30:15] **Megan:** Yeah.

[00:30:15] **Satwant:** Various scenario where a shop says, Oh, this doesn't work or that doesn't work. It just happens all the time.

[00:30:19] I just don't understand why people don't think like that. Maybe it's just me.

[00:30:25] **Megan:** Yeah.

[00:30:25] **Satwant:** Great.

[00:30:26] Close

[00:30:26] **Satwant:** Well, thanks so much, Megan. Really appreciate your time today

[00:30:28] **Megan:** Absolutely. Thank you so much.

[00:30:30] **Satwant:** and wish you all the best. And hopefully we'll meet at some point in the future at a conference or something.

[00:30:35] **Megan:** Sounds great. I look forward to it. Thanks a lot, Satwant.

[00:30:38] Take care. Bye.

[00:30:40] bye.