


MasterPass 

# MASTERPASS™ Global Digital Platform

LÁSZLÓ SZETNICS, MASTERCARD EUROPE  
CEESCA CONFERENCE, ROVINJ - JUNE 2014



MasterCard





TREVICA



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# MasterCard – Innovation

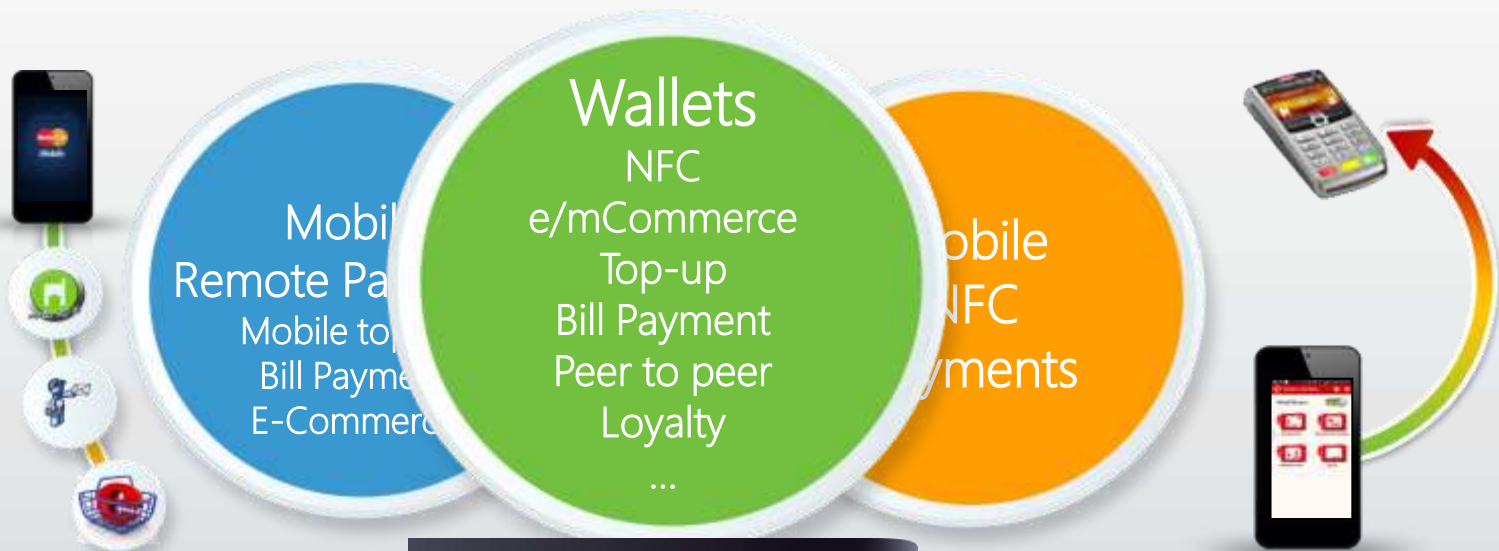
## Mobile in focus



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# MasterCard – Innovation Mobile in focus



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MasterCard



# Mobile NFC



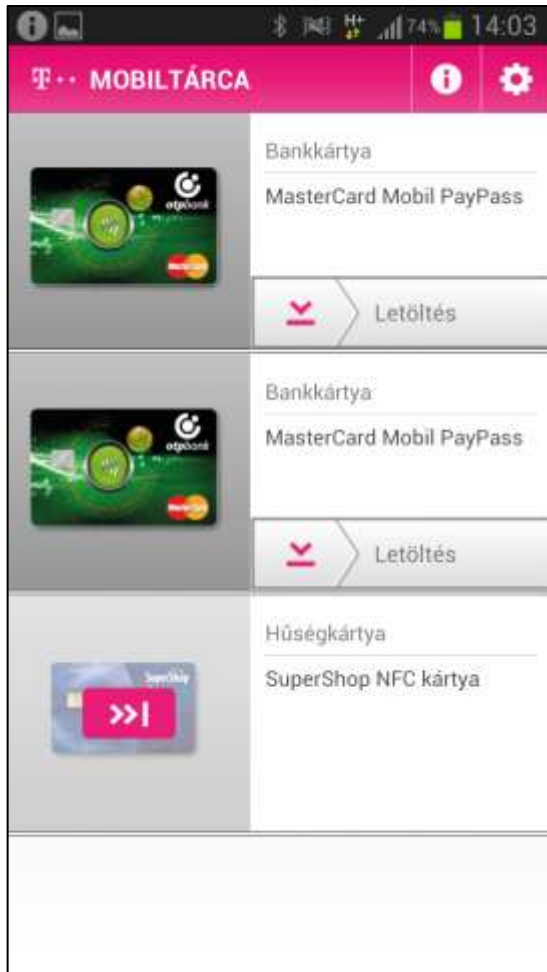
# Mobile NFC Hungarian Mobile Wallet Association 3 Telcos - 1 Bank – 1 Loyalty Provider





# MobilTárca Wallet – 3MNOs' wallets

## Same structure – different design





# MobilTárca pilot in Hungary Achievements

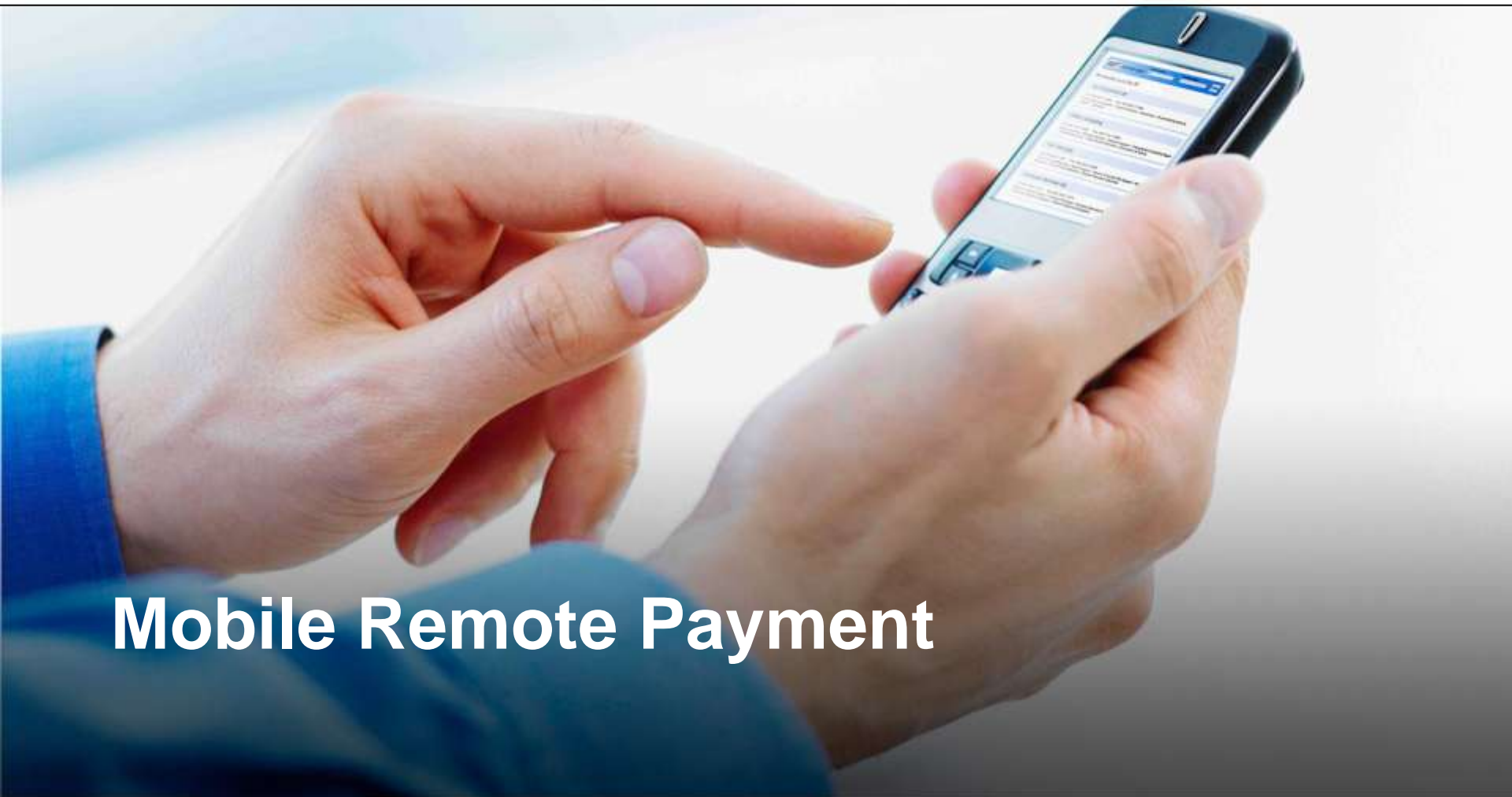


- All the local MNOs are participating
- In addition to payment,
  - loyalty point collection and
  - purchases from loyalty points are tested
- 2,000 users in the pilot
- OTA personalitisation from the beginning
- Commercial implementation by November 2014





**MasterCard**  
Worldwide



**Mobile Remote Payment**

# MasterCard Mobile Hungary – October 2011



**Mobile Top Up**



**Bill Payment**



**Shopping**

**E-Commerce**



**Smartphone OS**



**SIM tool kit**



# OTPay – April 2014





# INTRODUCING MASTERPASS





# User Experience (Demo)



# What is MasterPass™?

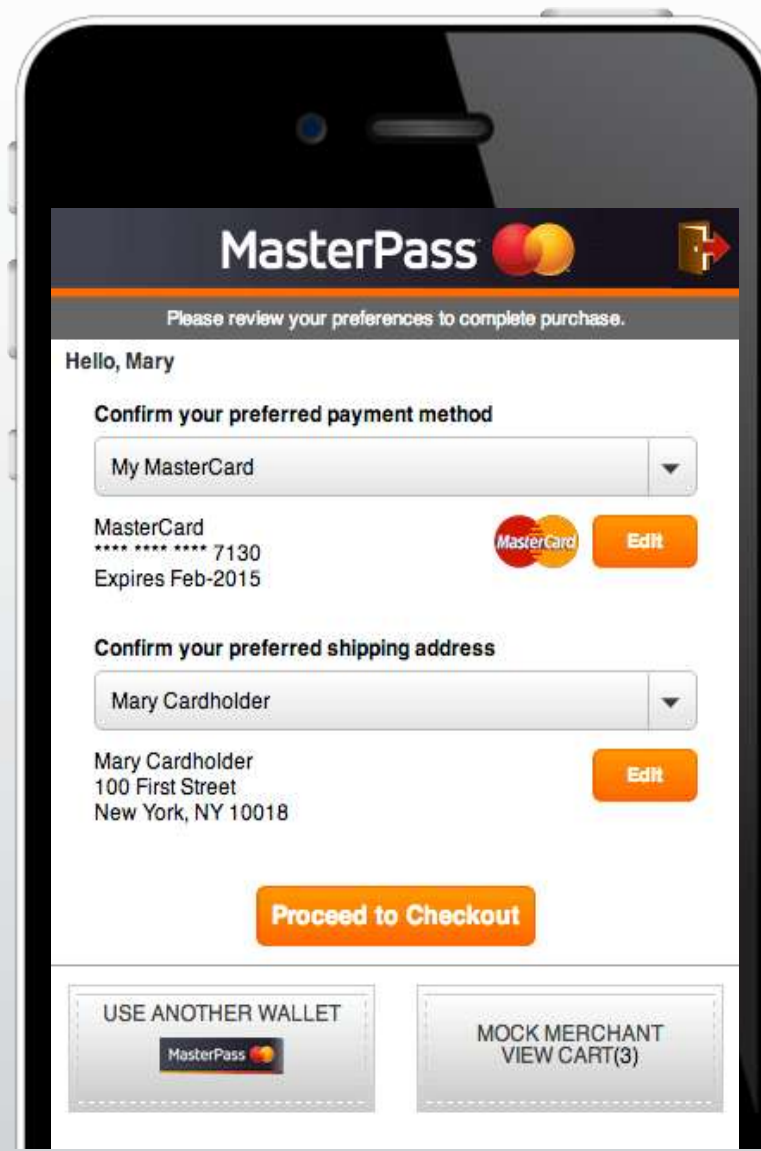
MasterPass by MasterCard® is a **free digital payment solution** that makes online shopping **quick, easy and safe** by storing all payment and shipping details in **one convenient and secure** place:

- Works with credit, prepaid and debit cards from any issuer and **from any card scheme**
- Simplifies the checkout process whether shopping on a computer, smartphone or tablet.
- Allows consumers to pay in store, online or on the go.

Source: [www.masterpass.com/](http://www.masterpass.com/) 25072013



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## MASTERCARD

STATIC

CARD

ONE-SIZE-FITS-ALL



## MASTERPASS

DYNAMIC

DIGITAL

PERSONALIZED



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# One User Experience Enables a Network of Wallets for Shopping at Home, in Stores, and on the Go

Connected digital wallets/apps from wallet providers and retailers

**Merchant Apps**

**Wallets**  
MasterPass  
Connection +  
Value-Added  
Services

MasterCard  
Network

BUY WITH  
MasterPass

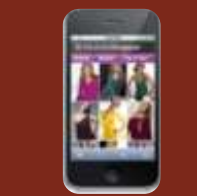
**At home**  
Smartphone  
Tablet  
PC, Laptop  
Fridge\*  
TV\*  
Game Console\*



**In store\***  
Tablet  
Kiosk  
Mobile in Aisle  
POS via NFC, QR



**On-the-Go\***  
Store Window  
Bus Stop  
Subway Platform  
Airport  
Anywhere



\* Illustrative only, functionality not yet available

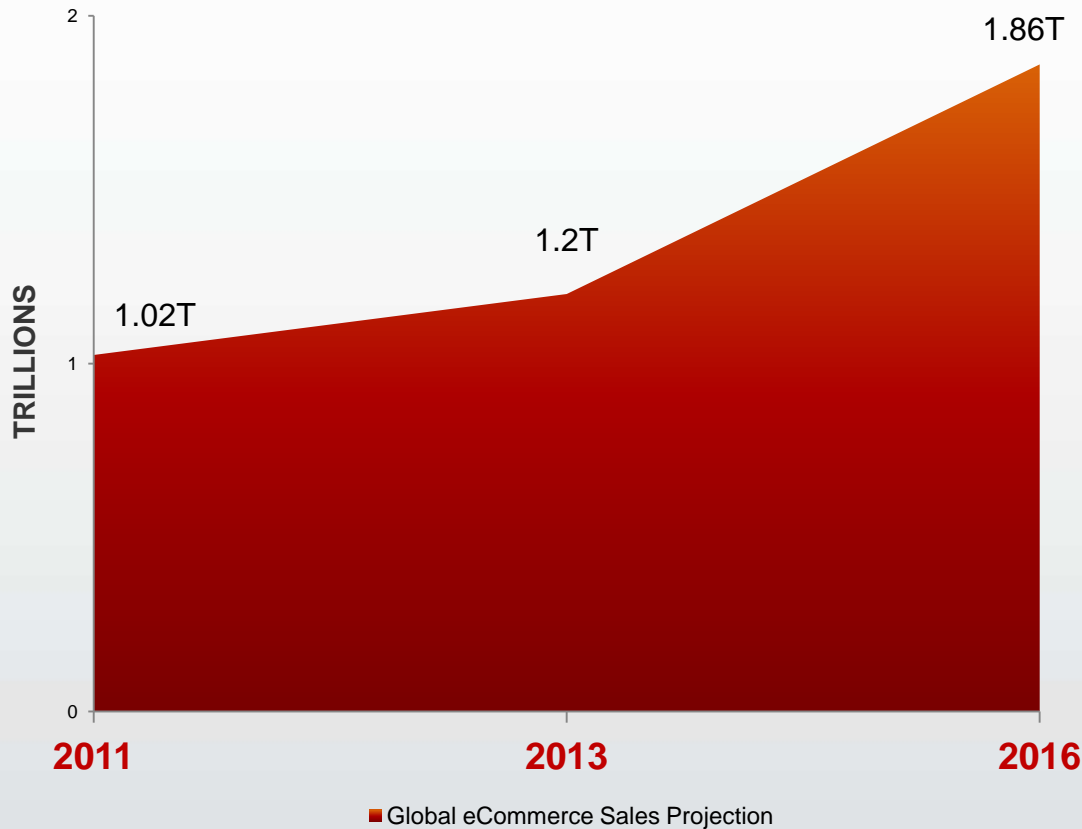


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# Why e-commerce?

## E-commerce Spend Continues to Climb Globally



Global B2C e-commerce sales are projected to rise 17.1% to more than **\$1.2 trillion in 2013**. Nearly \$400 billion is expected to come from Asia-Pacific.\*

By 2016, B2C e-commerce sales are expected to grow to **more than \$1.86 trillion.\***

\* eMarketer, "B2C Ecommerce Climbs Worldwide, as Emerging Markets Drive Sales Higher," June 27, 2013.



# Retail Sales Are Shifting to Smartphones, and Merchants Need to Be Prepared

37% 95%

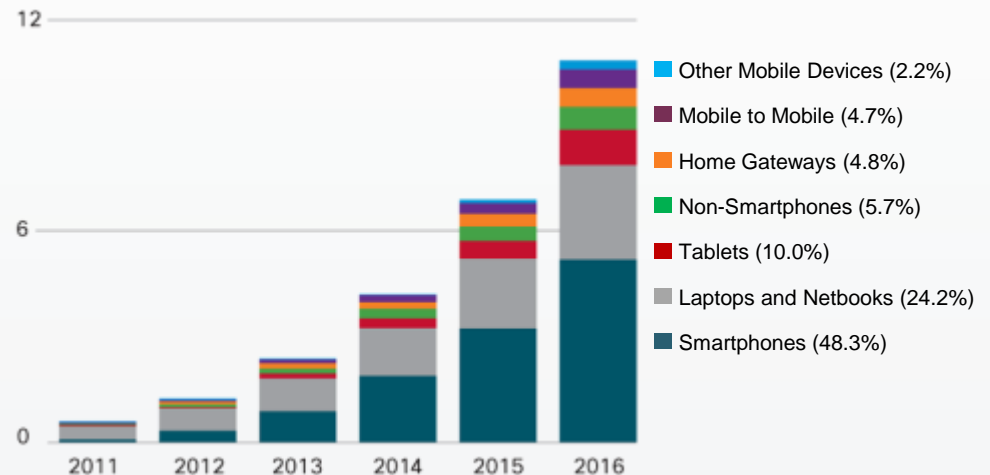
2011

2013

Percent of top 450 Internet retailer sites optimized for mobile phones<sup>2</sup>

## Smartphones, Laptops, and Tablets Connect the Digital Consumer – Both Today and in the Future

Smartphones and Laptops Lead Traffic Growth<sup>1</sup>  
(Projected Exabytes per Month)



1 Source: Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update, 2011–2016 February 14, 2012 (Figures in legend refer to traffic share in 2016.)  
2 Acquity Group, 2012 M-Commerce Audit Summary, Q3 2012.



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# Consumers Want to Pay Using Smart Devices, Often Funded by Payment Cards



**42%**  
of smartphone  
holders who have  
at least one  
mobile wallet use  
them one to three  
times per week

**25%**  
of global  
smartphone  
users have  
at least one  
mobile wallet

**50%**  
of mobile wallets  
are funded directly  
by a payment card

Source: Datamonitor, "Digital Wallets: Defining the Wallet," April 2013.



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# An Easier Checkout Can Reduce Cart Abandonment and Increase Revenue

## Top reasons online consumers abandon their shopping carts include<sup>1</sup>

- » Complicated registration/login process
- » Checkout problems
- » Website security

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Today's customers are looking for convenience, security and a seamless shopping experience.

**38%**

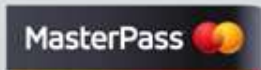
of online shoppers abandoned their transactions due to complicated registration/login.<sup>1</sup>

**65%**

of online retailers reported improved conversion rates due to site testing, improved checkout procedures, and other enhancements.<sup>2</sup>

1. LivePerson, "The Connecting with Customers Report: A Global In-depth Study of the Online Customer Experience," January 2013

2. Forrester Research, "The State of Retailing Online 2011," September 2011.



# Optimizing the Checkout Experience Can Contribute to Increased Sales

## SPEED

MasterPass provides a swift, seamless, consistent checkout experience across all channels—computer, tablet, mobile—and, over time, will extend to POS and offer value-added services

## SECURITY

Multi-tiered security helps minimize fraud and protect consumer data

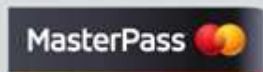
## SIMPLICITY

Streamlines checkout process and reduces the number of steps to complete the purchase



## Delivering a Streamlined Consumer Checkout Experience

No need for merchants to request or consumers to re-key card details, including CVC2/CID, shipping address, billing information.



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# MasterPass: Shop with Speed, Security and Simplicity on Any Connected Device

1. **MasterPass – Global Acceptance mark at ~ 50k merchants**



2. **MasterPass-Hosted (web based)  
MasterPass Wallet  
White Label Wallets**

3. **Partner-Hosted Wallets (mobile based)**

**Available in:**



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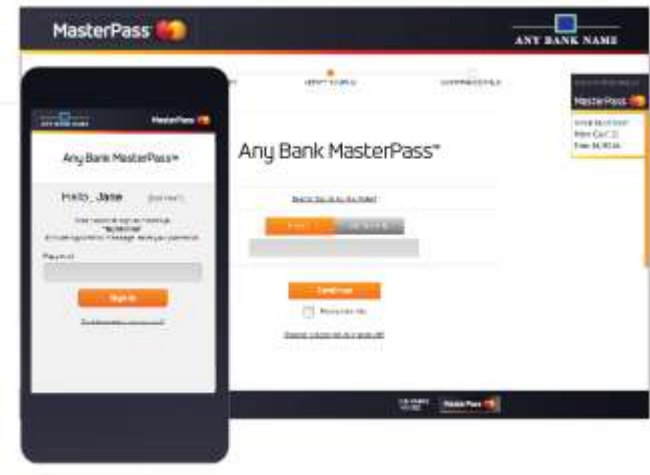


# Branding within user interface

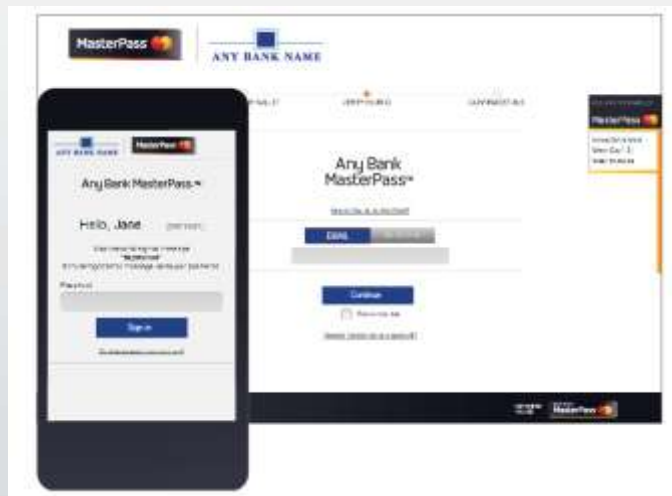
## MasterPass-hosted Wallet



## MasterPass-hosted Co-Branded Wallet



## MasterPass-hosted Co-Branded Wallet



## Partner-hosted API Wallet



# With the MasterPass Partner-hosted Wallet APIs, You Can Build Your Wallet to Your Specification



## Partner-hosted API Wallet

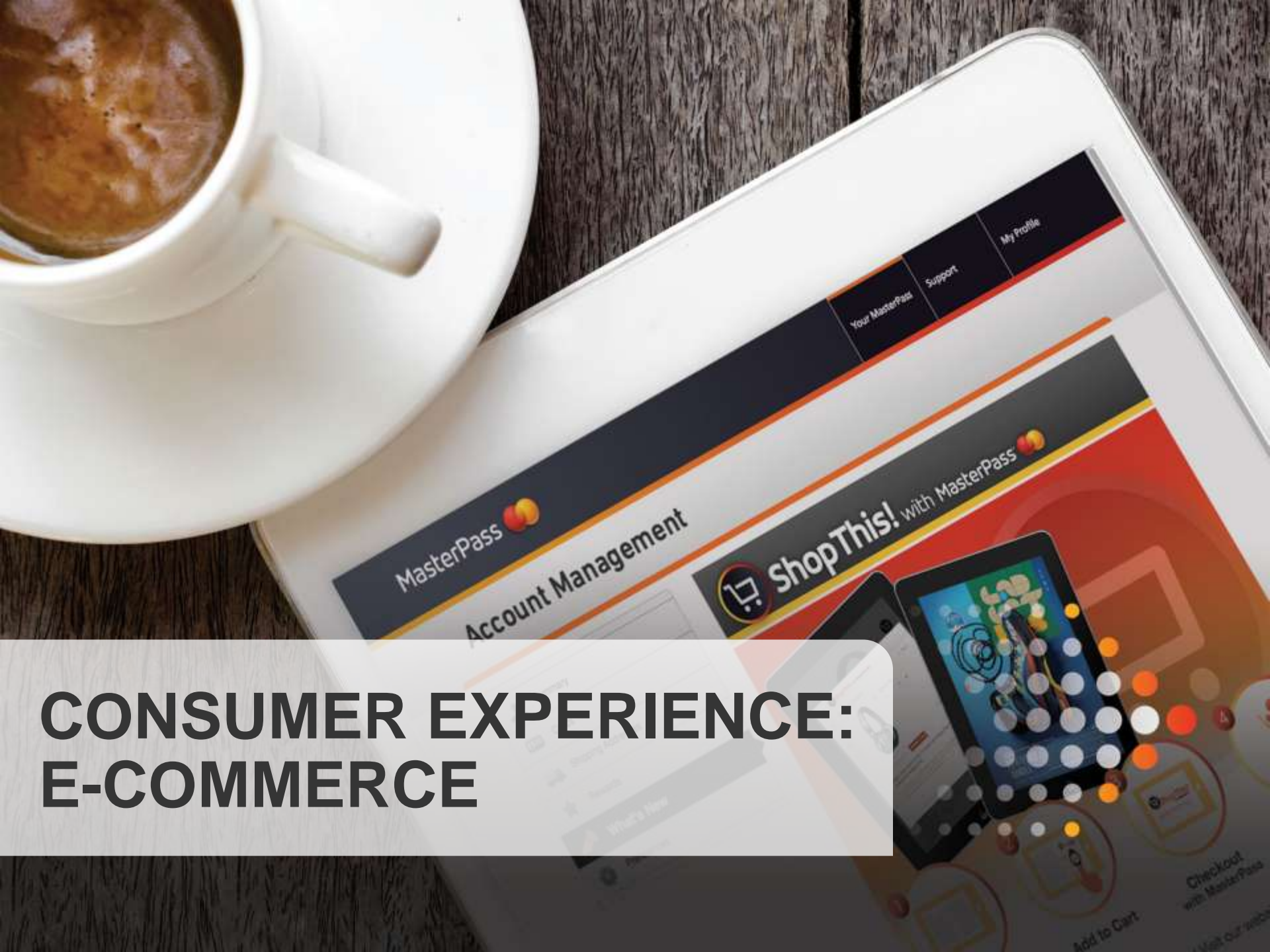
- Enables you to **connect your partner-hosted wallet into the MasterPass acceptance network** to leverage checkout and future value-added services such as fraud detection and authentication\*
- Tailor **your digital wallet to meet your needs** with options from an ever-expanding list of payment-related services
- MasterCard can also handle the **hosting of data to ease the burden of PCI compliance**

\* Future functionality.



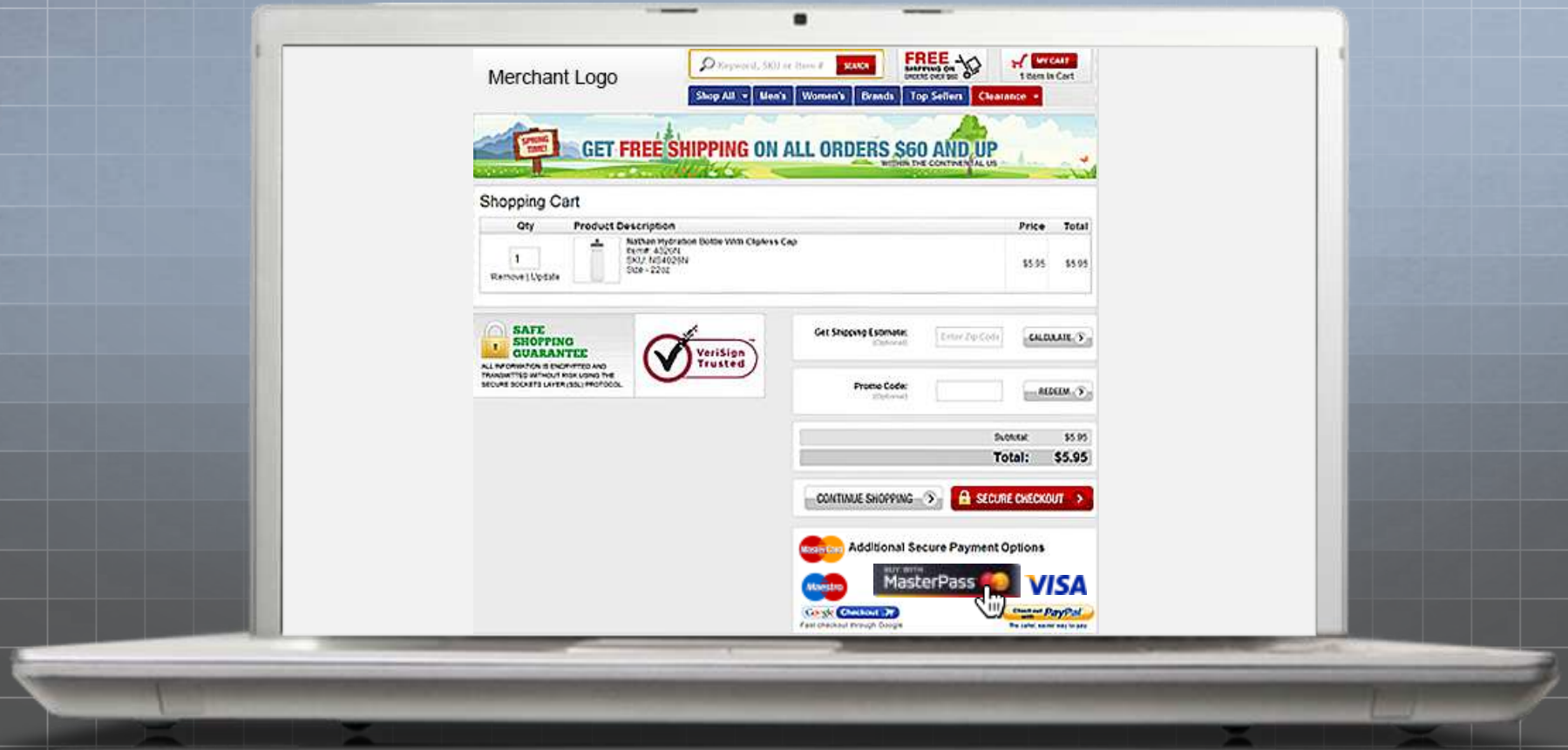
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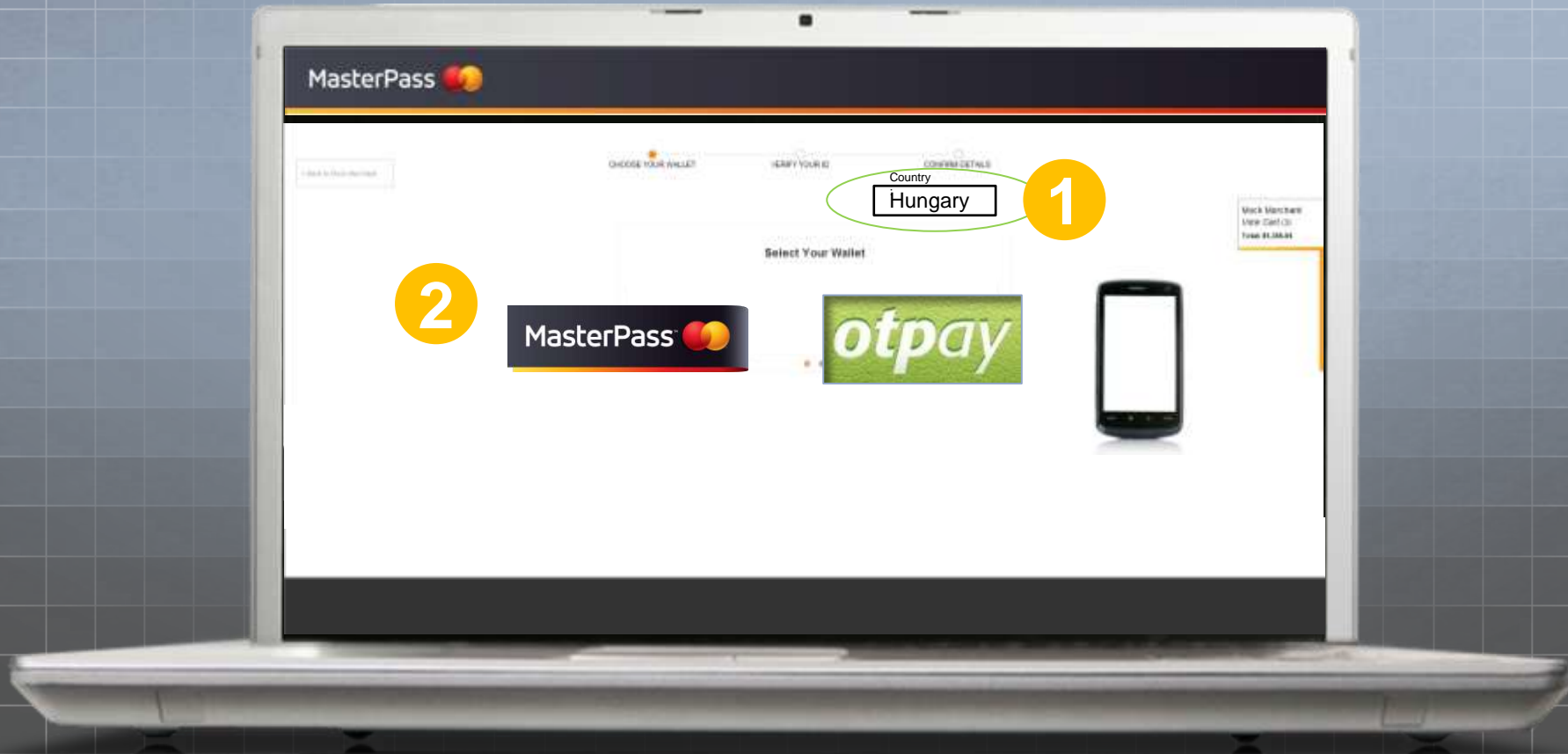


# CONSUMER EXPERIENCE: E-COMMERCE

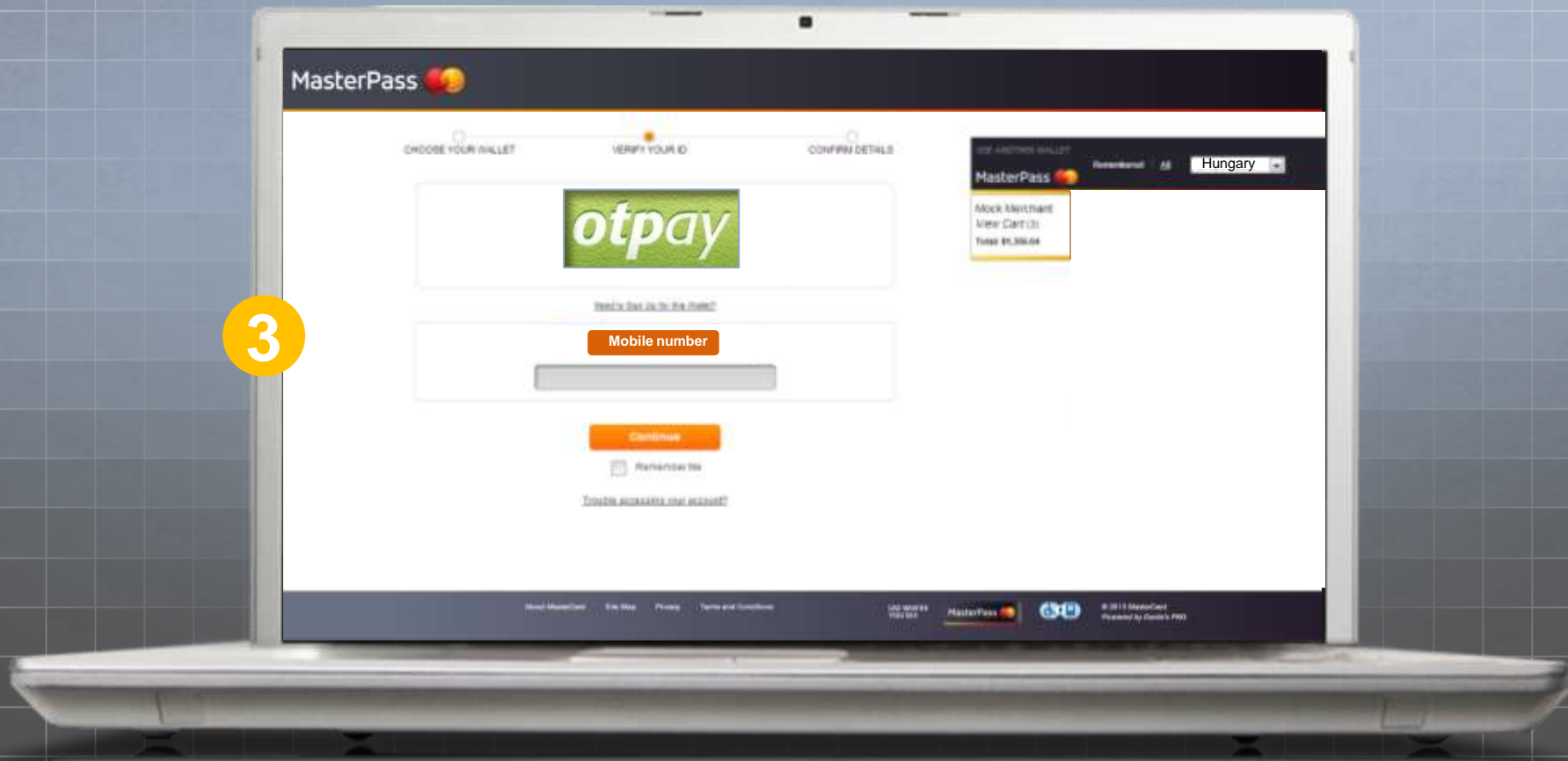
# Consumer Checkout: Merchant Shopping Cart



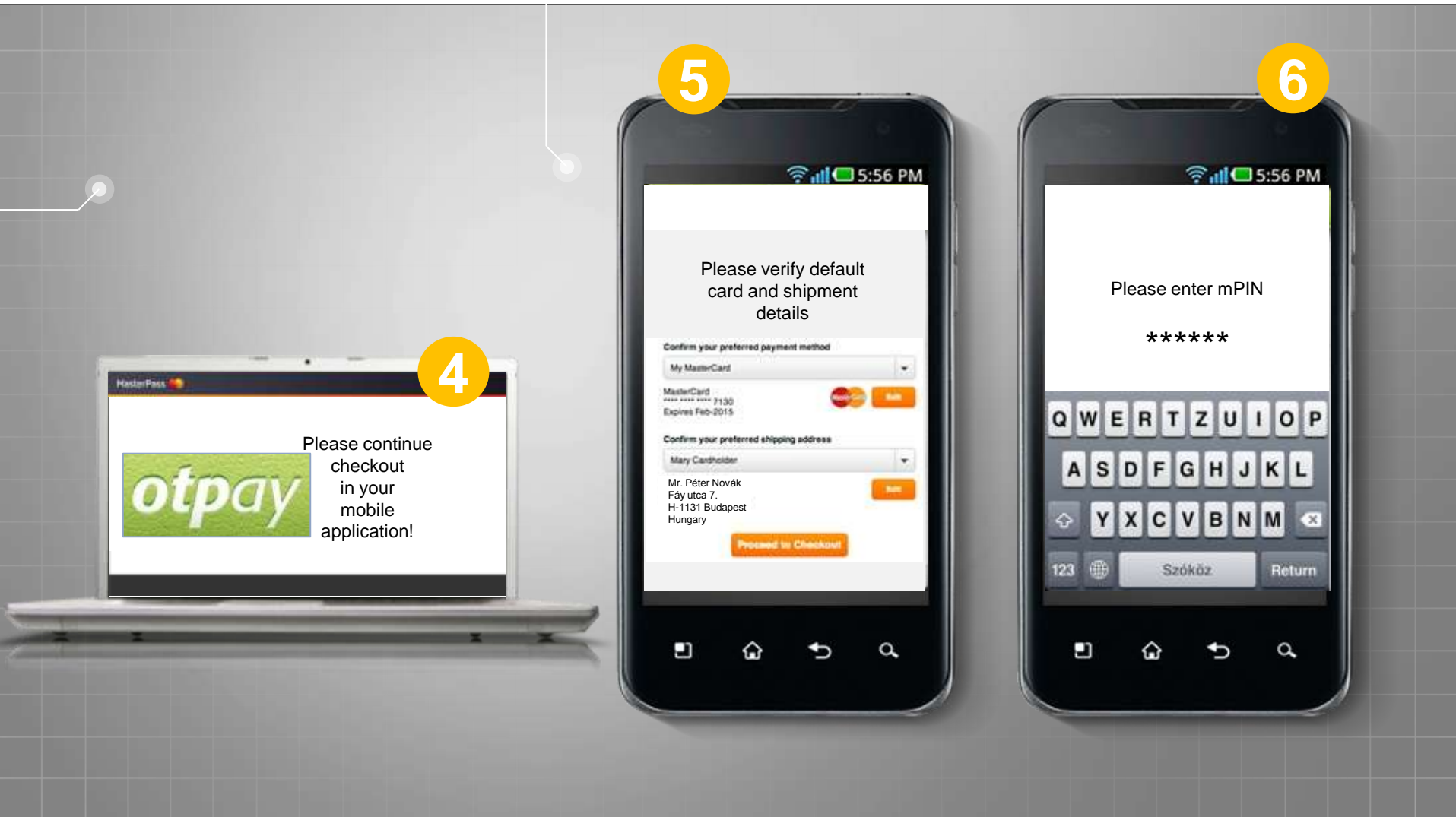
# Consumer Checkout: Wallet Selector Page



# Consumer Checkout: Wallet Login Page



# Mobile Checkout: Choose Payment and Shipping Details, Complete Checkout



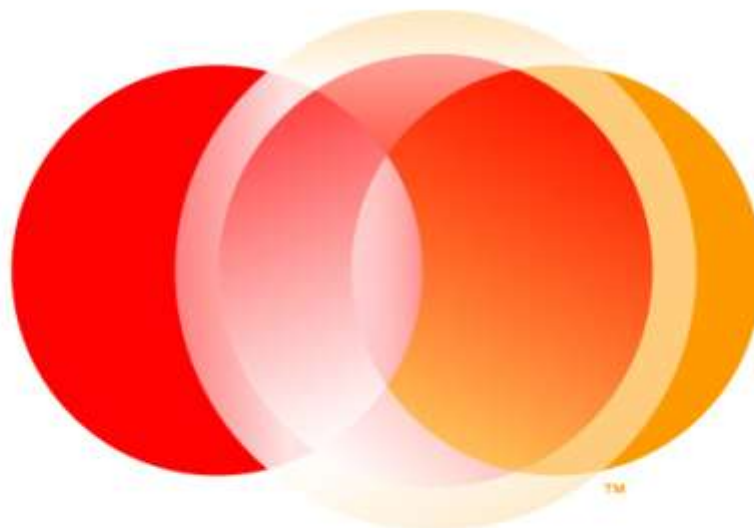
# How It Works: Consumer Checkout via Mobile

Consumers sign into their account directly from the merchant's mobile website/app.



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# MasterCard