Global and Cross Border Payments—Challenges and Successes

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Agenda

- Market and Industry Trends
- Identifying Challenges
- Microsoft Case Study
- Solutions
Market and Industry Trends
2012 At A Glance

- 2.4 Billion Internet Users
- 900 Million Online Shoppers
- 1 Trillion Spent
Power of Mobile

Mobile Payment Flows 2012
$206 Billion

Mobile Payment Flows 2015
$644 Billion

eCom flows: $1,090bn
Mobile Flows

Mobile Flows

eCom flows: $1,747bn

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Customer Potential
Annual Ecommerce Spend per Internet User 2011 (USD)

- UK $1,145
- Australia $1,011
- US $715
- France $586
- Japan $550
- Italy $411
- Germany $394
- Canada $383
- Spain $299
- Brazil $158
- Russia $63
- India $24
- China $22
Large Amount of Unbanked in Undeveloped Nations

2.4 billion
Cash-reliant
Developing Countries

62%
Cash-reliant
Developing Countries
World’s Cash-Reliant Population

Total World 2.5 Billion

Top Countries, m
- China: 597
- India: 395
- Indonesia: 97
- Brazil: 77
- Mexico: 54
- Vietnam: 42
- Philippines: 40
Identifying Challenges
Total Cost of Ownership

Multiple Bank / Payment Service Provider Relationships

Reporting

Multiple Legal Agreements

Multiple/Costly Integrations

Security
Stages of eCommerce Development

1. ROOKIE
2. RISING SUPERSTAR
3. SEASONED VETERAN
Summary of Challenges

- Facilitating Payment
- Creating Positive Customer Experience
- Complexity of Expanding Customer Base
- Optimize Treasury and Operations
- High Cost of Payments
- High Days Sales Outstanding
- Slow Speed To Market
Critical Success Factors

- Simplifying Complexity
- Enhance Customer Experience
- Navigate Global Markets
- Broadening Payment Options
Microsoft Case Study
Evolving Business

Windows Phone

Microsoft Store

Windows Azure

Microsoft Advertising

XBOX ONE

Microsoft Office
Market Expansion

Consumer

Merchant

Market Expansion
Current Payments Ecosystem

- Local Banks
- Payment Service Providers
- Mobile Carriers
- Networks
- Digital Non-Banks
- Traditional FI

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What Financial Institutions Need to Offer

- Acquiring License
- Message Standardization
- Multiple Payment Types
- Collaboration between Banks and Mobile Carriers
Questions?