



Everywhere You Want to Be

# The Payment Landscape Ahead


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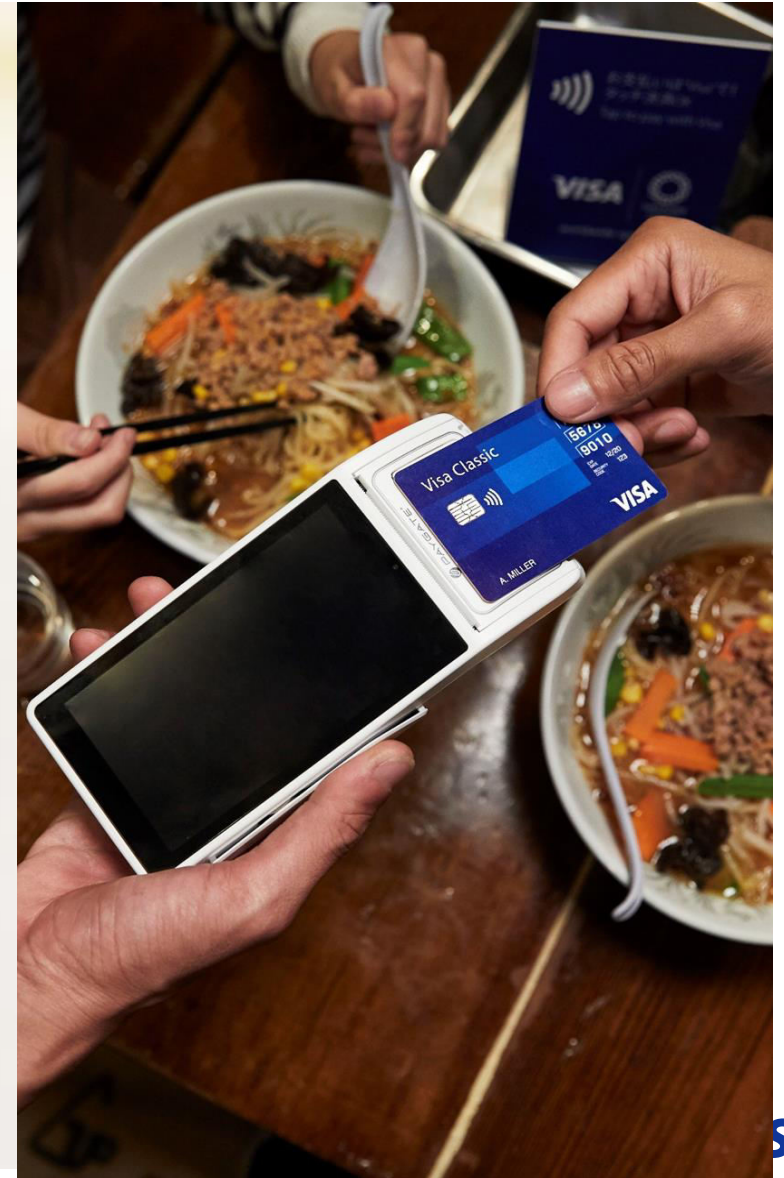
“ What if money became fully electronic? It would become nothing but electrons and photons that move around this world at the speed of light, that any individual could use at any time, wherever they happened to be seven days a week, 24 hours a day. ”

**Dee Hock**

Founder and Chairman  
Visa Inc.



# Innovation is about evolution





# Inflection Point

In 2016, digital payments surpassed cash worldwide for the first time.



5B

Mobile Subscribers  
Globally<sup>1</sup>

till May 20th traveling for business



2.5

Quintillion Bytes of  
Data Every Day<sup>3</sup>



20B

Devices by 2020<sup>2</sup>

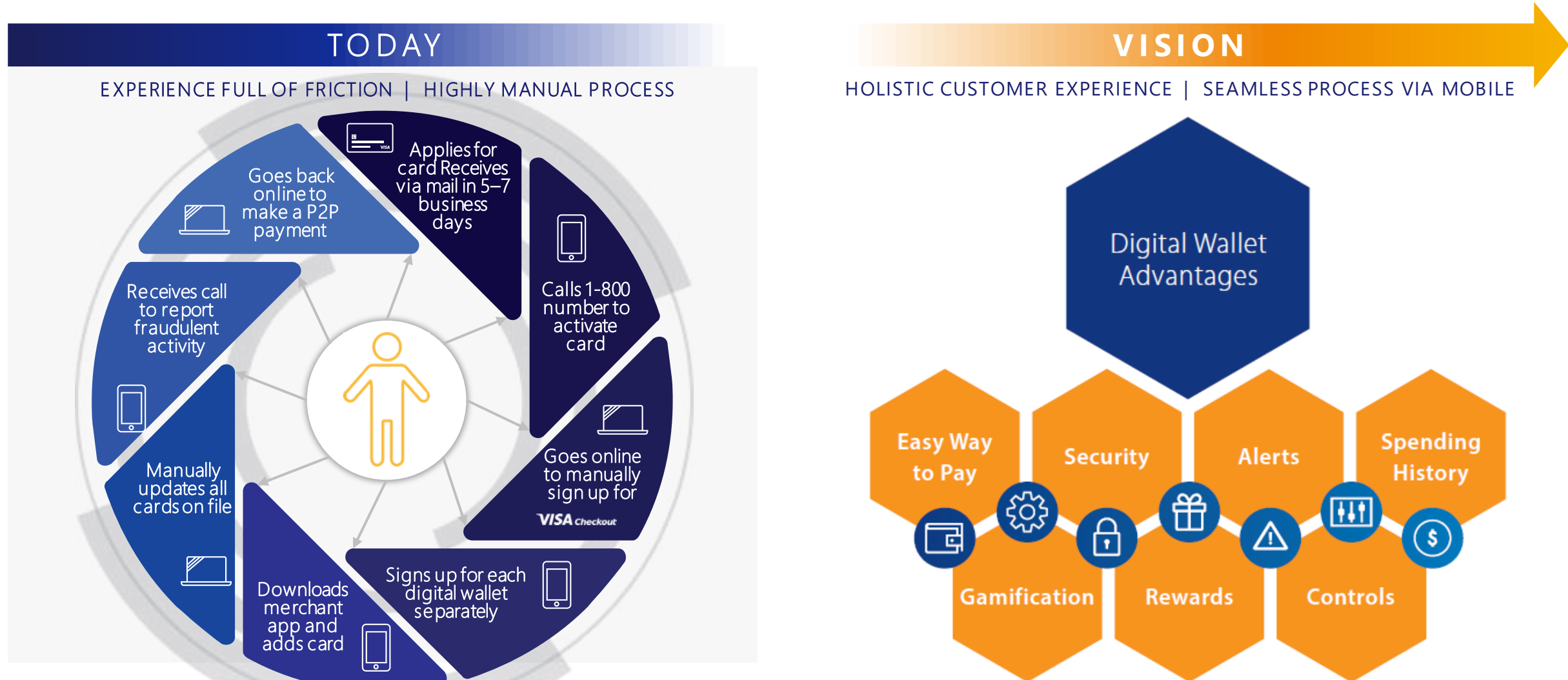


1/4

Of U.S. Workforce in  
the "Gig Economy"<sup>4</sup>

Sources: <sup>1</sup> Euromonitor; <sup>2</sup> GSMA; <sup>3</sup> Gartner; <sup>4</sup> McKinsey

# The future of payments is frictionless



# Symbiotic integration with Fintech



## Core Fintech Players

- Neo-Banks
  - PSPs
- MNOs
- Merchants

## Nurture and Orchestrate

- Fast Track Program
- Visa Everywhere Initiative
- Strategic Partnerships
  - APIs

## Traditional Banks

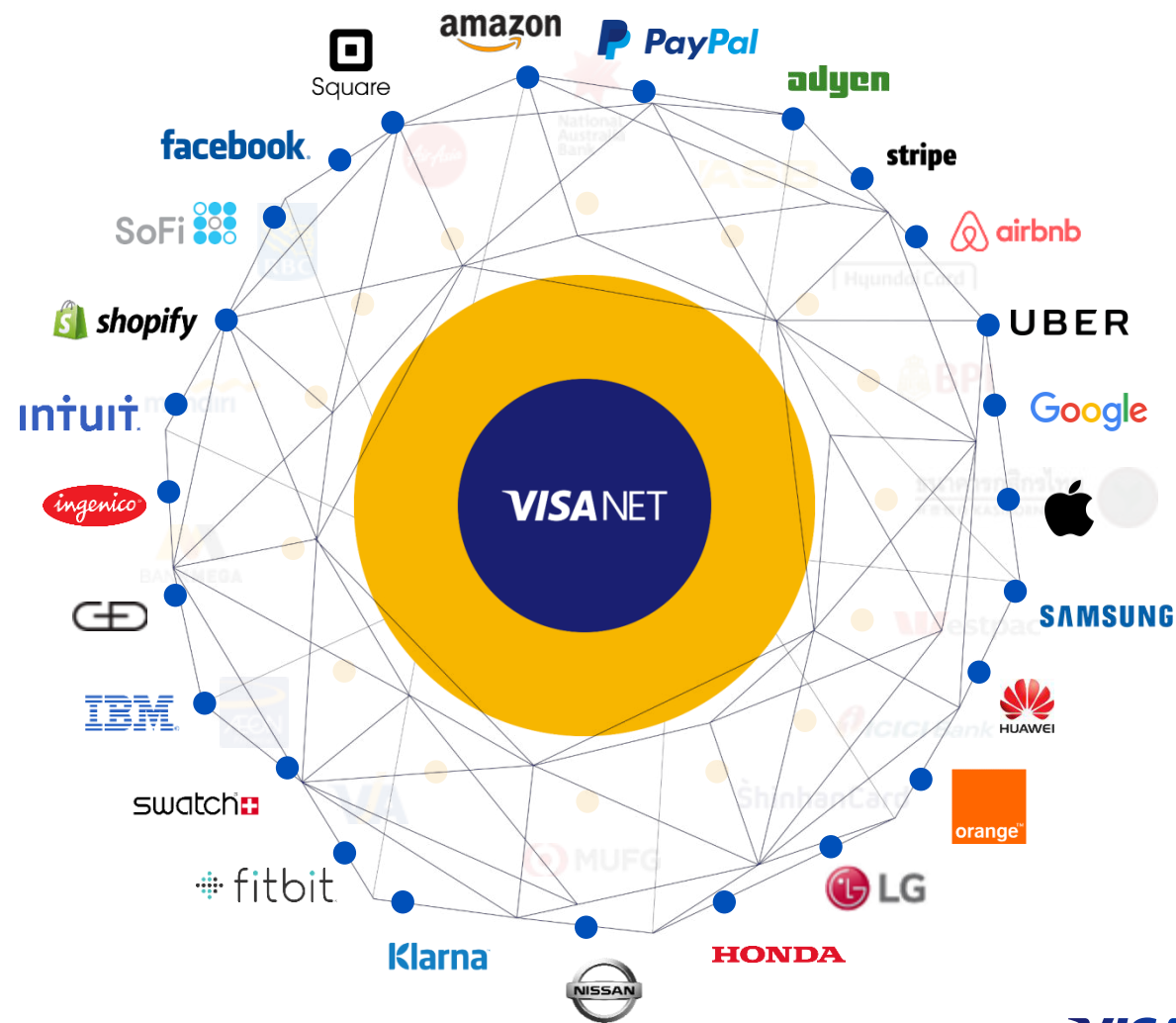
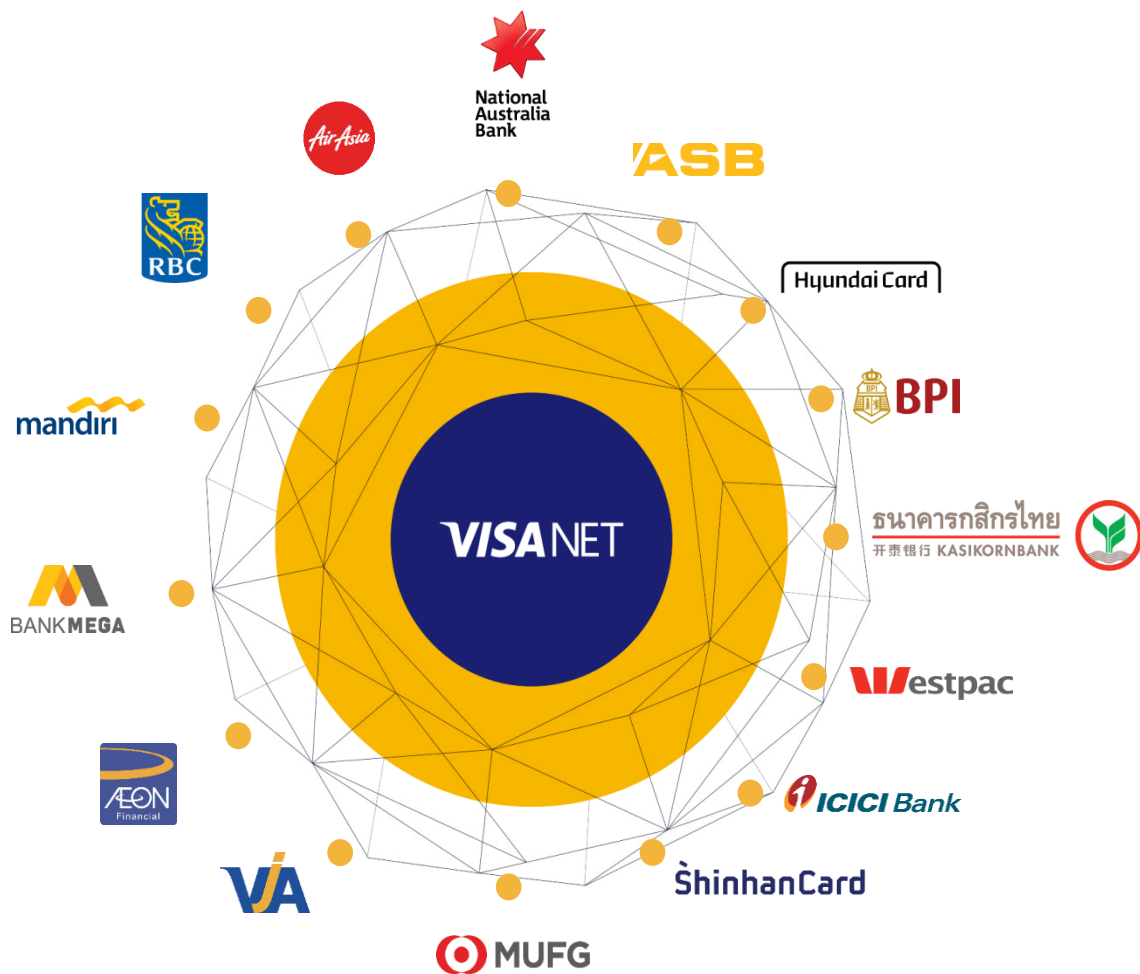
- BIN-sponsoring
- Revenue sharing
- Processing services
- APIs provisioning
- Principal coverage

Innovation remains a focal point of our success





# We are evolving our ecosystem from existing endpoints... ... and expanding connectivity to new Fintech players



# We are building a robust collaboration network

Creating multiplier effects through Ventures, Accelerators and Partnerships



Healthier Tech  
Ecosystem for all  
Stakeholders

A large, stylized circular graphic dominates the background of the slide. It features multiple concentric rings of varying shades of blue. The rings are composed of segments that are slightly offset from each other, creating a sense of motion or a spiral effect. In the center of this graphic is a solid dark blue circle.

# Consumer of the future



# Consumer expectations are changing



Mobile  
First

Instant  
Gratification

Asset  
Light

Seamless  
and  
Frictionless

Consumer  
Centricity

Transparency

Experiential

Hyper-  
Personalization

Convenience  
and  
Flexibility



# Consumers increasingly becoming digital...

Annual Digital Growth in Azerbaijan (Since Jan. 2018) – Key Measures

Internet Users



+1.3%

+99 thousand

Active Social  
Media Users



+15%

+400 thousand

Mobile  
Subscriptions



+4.4%

+457 thousand

Mobile Social  
Media Users



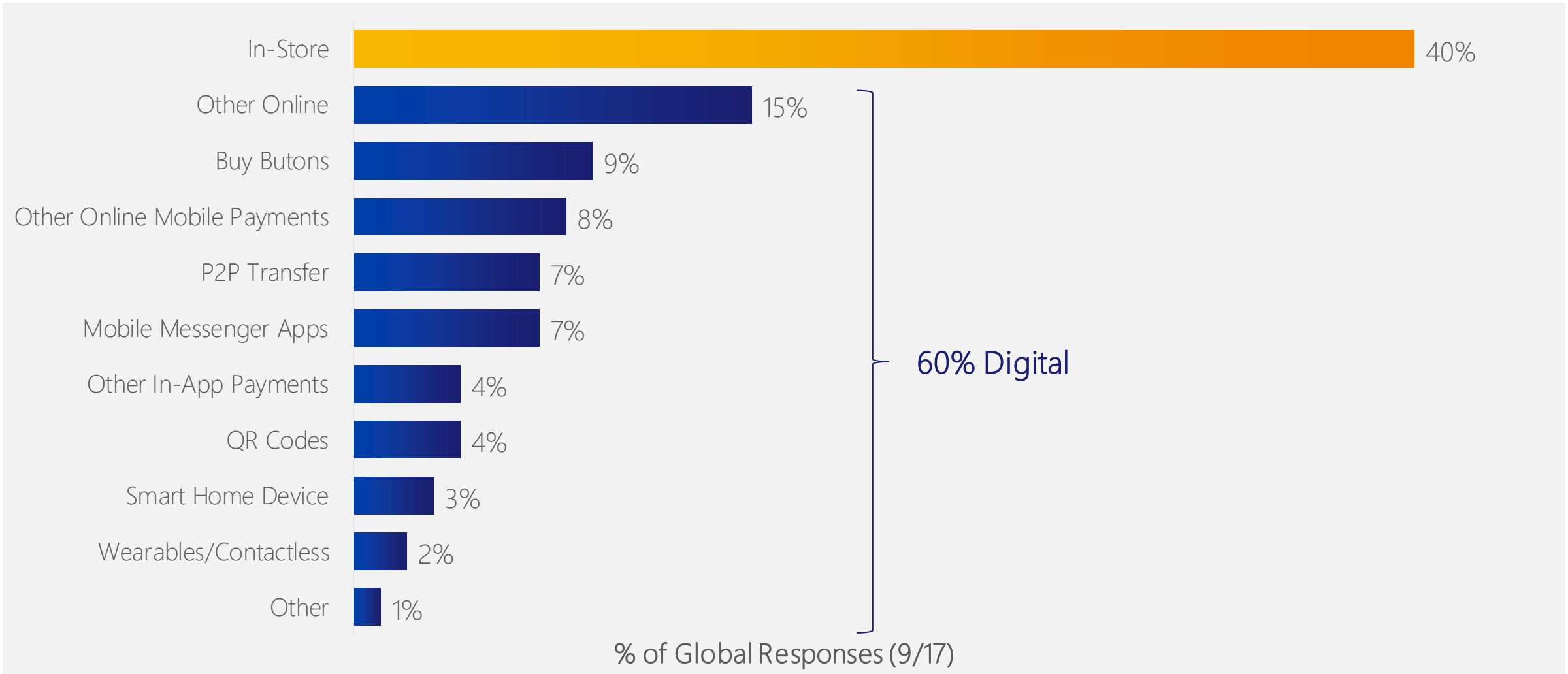
+11%

+200 thousand

# And turning towards digital channels for payment needs

## Transactions by Payment Channel

*Thinking of your past 10 everyday transactions, how many were made in each of the following ways?*



The background of the slide features a large, stylized graphic. It consists of a central yellow circle containing the text "Merchant of the future". Surrounding this central circle are several concentric, overlapping rings in shades of gold and brown. These rings are composed of various segments and lines, creating a complex, maze-like or orbital pattern that suggests a futuristic or interconnected theme.

# Merchant of the future

# Merchants need to evolve towards a value-based relationship with their consumers



Experiential



Social



Frictionless



Curated





# Hema by Alibaba



Experiential

Scan Product for Additional Info



Handpick live food



Cook to Order Chefs



Eat-in-Shops



Frictionless

Mobile Payments



Conveyor Belt/In-store Fulfilment/Delivery



Curated

SKU selection based on Customer Data



Curated Premium Range





# Technology will only accelerate the shift in commerce

Artificial Intelligence



Biometrics



Automation



Virtual Reality/Enhanced Reality





# The Road Ahead

## Challenges

- › Developing the right consumer interface
- › Integrating digital innovation into legacy systems
- › Developing and complying with new regulatory schemes
- › Maintaining data security while leveraging consumer data
- › Combatting fraud and identity theft as new payment use cases proliferate
- › Increased competition for established players from fintechs and other new players

## Opportunities

- › New technologies like APIs enable ecosystem collaboration to deliver innovative services
- › Proliferation of data and machine learning technologies allow consumer personalization
- › Biometrics and additional data sources provide identity seamless verification
- › Digitization of payments gives ecosystem players greater control over the entire experience
- › Rewards and partnerships offer potential to deliver greater value



An abstract graphic consisting of numerous thin lines of varying lengths and angles. The lines are primarily blue, with a few yellow lines at the bottom right. They originate from the top left and fan out towards the bottom right, creating a sense of movement and expansion.

Visa

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