

Optimizing payments to increase revenues

8 Best Practices to enhance consumer experience and payment processing



Online



Point of Sale



Mobile

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INTRODUCTION - OPTIMIZING PAYMENTS HAS BECOME KEY FOR MERCHANTS

The advent of the Internet with the swift adoption of smartphones and tablets has rapidly changed consumer behavior and expectations. Consumers expect simplicity, convenience and relevance when shopping online or via their mobile. Just as importantly, they are looking for a multichannel and personalized approach to meet their specific needs.

Following this trend, merchants are improving their e-commerce and m-commerce capabilities to provide consumers with an enriched shopping experience. At the heart of this shopping experience, payments has become a key element that directly impacts online revenues. Many merchants focus on optimizing payment acceptance in order to strengthen their relationship with consumers and to increase their online revenues.

In other words, for many merchants, optimizing payments does not only mean reducing the total cost of payment acceptance (e.g. lower fees or fraud rate), but also increasing online revenues by enhancing the customer experience and improving payment processing.

How to optimize payments?

The objective of this Adyen Report is to share multiple best practices in order to answer one key question: how to optimize payments in order to increase online revenues?

In partnership with Adyen, Edgar, Dunn & Company (EDC), a global strategy consulting firm specialized in payments, has identified 8 best practices to increase online revenues. EDC based its research on in-depth interviews with online merchants and on actual payments data provided by Adyen.

These 8 best practices include:

- 4 practices related to enhancing the consumer experience: which consumer-facing initiatives can online merchants undertake to increase their revenues?
- 4 practices related to enhancing payment processing set-up: how can online merchants optimize payment processing to increase their revenues?



How can merchants navigate through key payment-related challenges?



4 best practices related to
enhancing consumer experience

4 BEST PRACTICES RELATED TO ENHANCING CONSUMER EXPERIENCE

Online merchants would like to provide consumers with a compelling experience on their website by streamlining the shopping process to make it simple, convenient and customized for each consumer. At no time is it more important than at the moment of truth, when consumers actually need to pay and complete the purchase.

As part of this study, Adyen and EDC have identified 4 best practices related to enhancing the consumer experience:

Best practice 1:

Increasing conversion rates by optimizing the design of payment pages

Best practice 2:

Unlocking customer segments with local forms of payment

Best practice 3:

Driving incremental sales with 1-click payments

Best practice 4:

Generating incremental revenues through segmented use of 3D Secure

¹ Conversion rate is defined by the ratio of the number of actual purchases divided by the number of consumers visiting the payment page



BEST PRACTICE 1: **INCREASING CONVERSION RATES BY OPTIMIZING THE DESIGN OF PAYMENT PAGES**

Consumers increasingly expect convenience and simplicity; make their life and their payment as easy as possible. Based on merchant interviews, it is clear that payment pages should be short, clear and user-friendly. In other words, the payment process should be intuitive for consumers while still feeling secure.

User-friendly payment pages

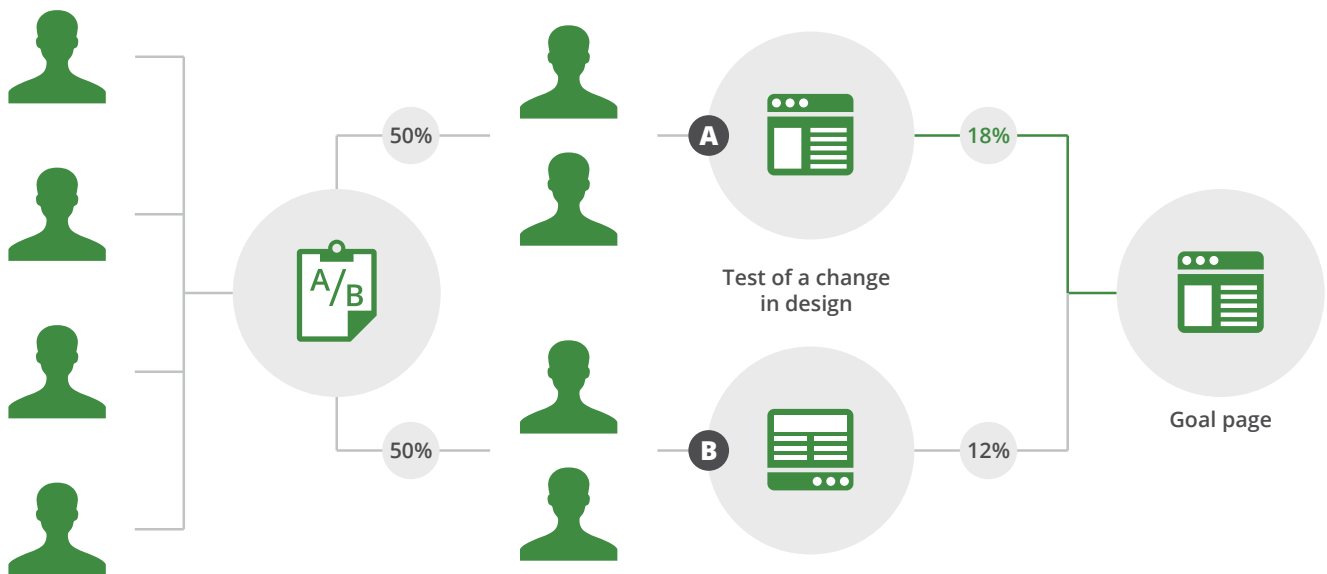
After consumers have gone through the whole purchase process, the worst possible scenario would be to make it difficult for them to conclude their shopping and finalize their transaction. Best practices include providing a short summary of all previous steps, including the list of selected items, delivery address and delivery costs, to provide reassurance that the consumer is not buying the wrong size or booking a flight on the wrong date. It is also important to display a relevant list of payment methods along with clear and standard data entry fields and instructions.

Reassurance about security

The payments page is also a crucial location where merchants need to reassure consumers about security, for instance by providing details on the type of encryption or the partners used to secure the payment information. With increased media coverage about online fraud, consumers are increasingly wary of sharing sensitive payment information, and the design of payment pages plays a significant role in reassuring consumers, increasing their confidence and encouraging them to enter personal payment details.

— Jon Lane, Head of eCommerce at Surfdomo.com —

“As Europe’s largest online lifestyle store, we wanted to make our payment page as simple and clear as possible for all users. We used Adyen’s A/B testing tools and its highly customisable payment page to optimise our payment page design, leading to a significant uplift in conversion. We are now using the A/B testing in the platform on a regular basis to consistently improve the customer experience and conversion rates.”



Using A/B testing to fine-tune the design of payment pages

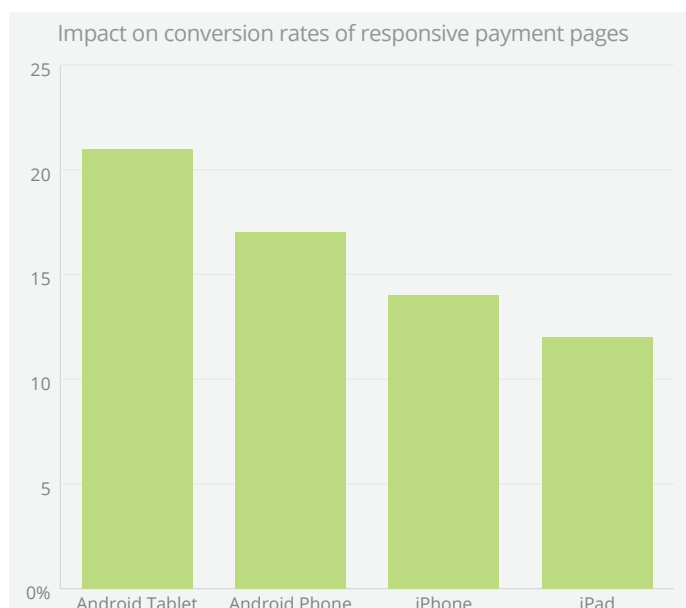
The design of this last step in the shopping process is often seen as “part science / part art”. A/B testing is an efficient and more “scientific” process to optimize the design of payment pages by measuring actual consumer behavior and preferences. It involves setting up two versions of the payments page whereby 50% of consumers (at random) see the standard payment page and the other 50% see a payment page with one or more potential change(s).

A/B testing has been used successfully by many online merchants to simplify the design of payment pages, strengthen consumer perception of security and increase conversion rates. Merchants working with payment partners such as Adyen have the option of running A/B tests on different features and continuously improving the design of their payment pages.

Importance of a specific design for mobile devices

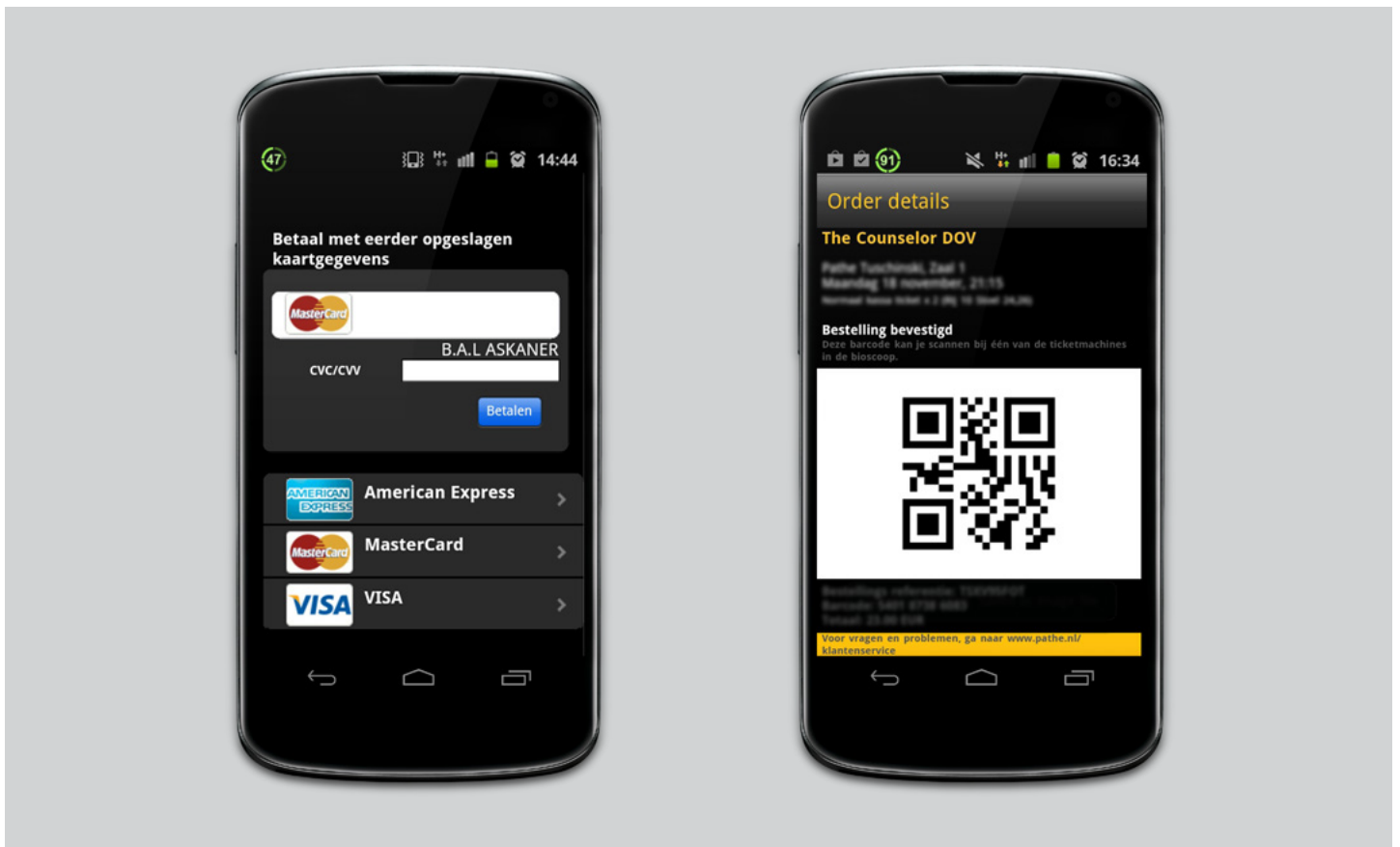
With the significant growth in m-commerce, optimizing the design of the payment page for mobile devices such as smartphones and tablets has become even more important. Consumers should not struggle to see the whole page or all the payment options on a smartphone or tablet. Merchants should implement responsive design, i.e. fully dynamic payment skins that automatically detect the screen size of the device used by consumers and adjust the payment skin accordingly.

The chart on the right highlights the large impact on sales when merchants offer a dedicated interface for each device. In this example that compares two online merchants in the same sector, a dedicated interface improved conversion rates by 15% - 20% for across multiple mobile devices.



After the implementation of responsive pages for tablets, De Bijenkorf department store (owned by Selfridges) has seen:

- Sales via tablets multiplied by 4
- Shoppers' time spent on the website increased by 50%
- The number of pages visited increased by 40%
- The average transaction value on tablet increased



Flexibility of in-app processing

The emergence of apps for both smartphones and tablets has led to new use cases and a need for specific payment solutions, such as a convenient, fast and easy payment process to make in-app payments.

Merchant interviews have revealed that online merchants expect a few key features for in-app processing:

- Full flexibility in look and feel
- The ability for consumers to complete the payment within the native mobile app
- Secured encryption of payment data in the app that is then passed on securely to the payment partner
- Support of different payment methods: all major cards as well as local forms of payment

————— *Johan Styren, CEO, LeoVegas* —————

“LeoVegas.com is the clear category leader in mobile games. When creating Leo Vegas, rather than looking at what payment methods were available for mobile, we asked ourselves – how would people like to do payments on mobile? Based on that together with our key payment partner Adyen we designed a deposit flow for mobile devices that emphasized speed, convenience and intuitiveness for superior usability. Mobile is a primary sales channels, and convenience and ease of use are the main drivers for adoption and continuous usage. Adyen’s solutions simply enable us to provide the best customer experience for mobile payments in the industry. This frictionless experience is key to our success.”

EDC’s perspectives:

Merchants need to pay special attention to the design of payment pages and focus on simplifying and optimizing all the different aspects of the payment pages to increase conversion rates. A/B testing is a very useful tool, and merchants should use it on an on-going basis to improve the design of their payment pages and to adapt to changing customer behavior and expectations.



Adopting a local approach for payments

BEST PRACTICE 2: UNLOCKING CUSTOMER SEGMENTS WITH LOCAL FORMS OF PAYMENT

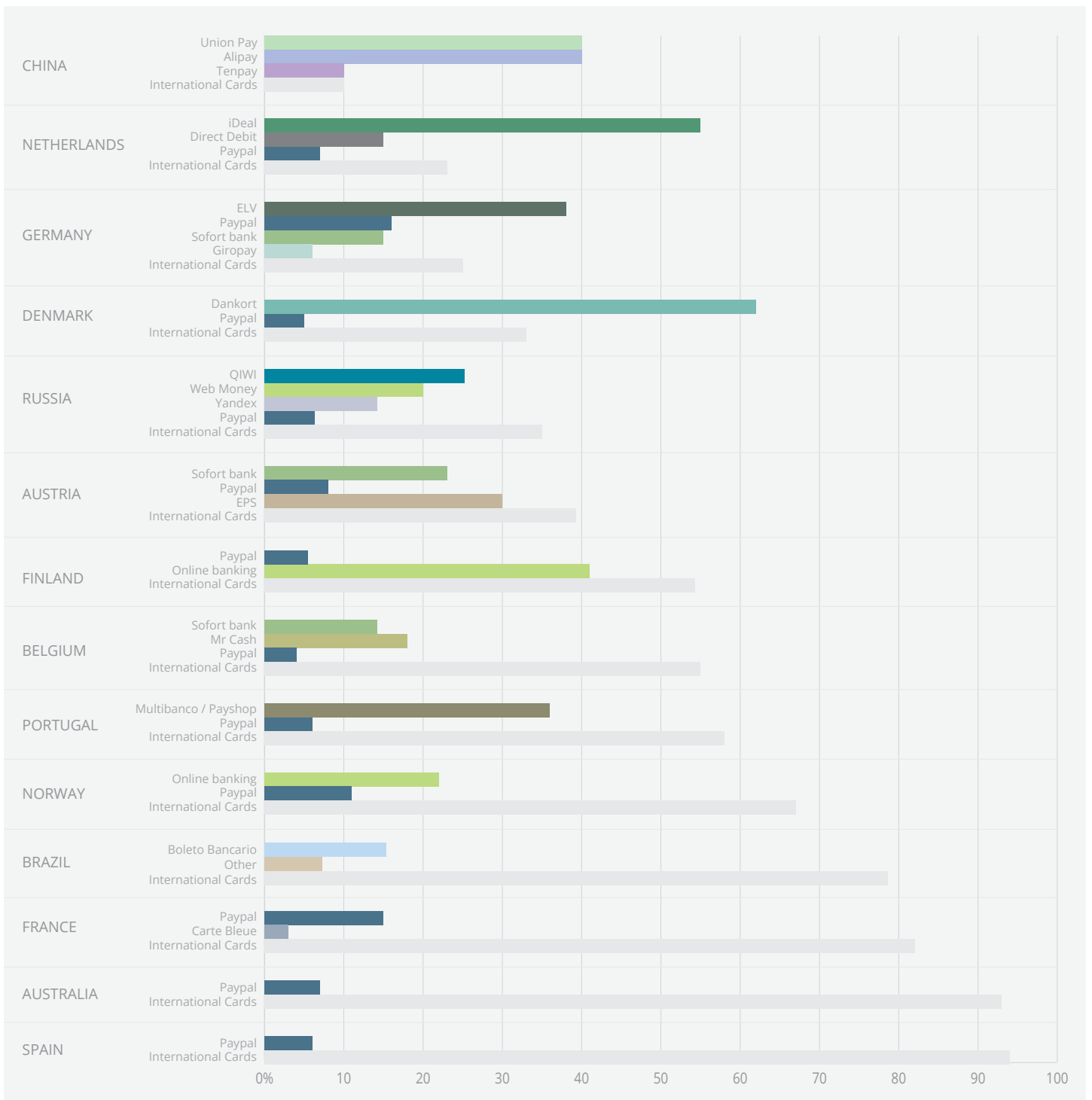
It is obvious but worth re-stating that online merchants need to take into account local specificities when expanding to other countries. Cultural differences both in terms of payments infrastructure and customer payment preferences may be significant, and a payment acceptance approach customized for each country is necessary.

Adapting to consumer preferences

It is critical to accept relevant payment methods based on criteria such as industry sector, customer segments and payment patterns (e.g. recurrent transactions, low-value vs. high-value transactions). Based on EDC's research, it is clear that accepting relevant domestic payment methods can unlock specific customer segments and result in incremental sales for online merchants. In other

words, merchants need to adapt to consumer payment preferences, not the other way around.

Some consumers also perceive local forms of payment as more secure than international payment methods. Fraud is a significant concern for consumers, and it comes as no surprise that many consumers prefer using local forms of payment based on security considerations.



Share of alternative payment methods in selected countries

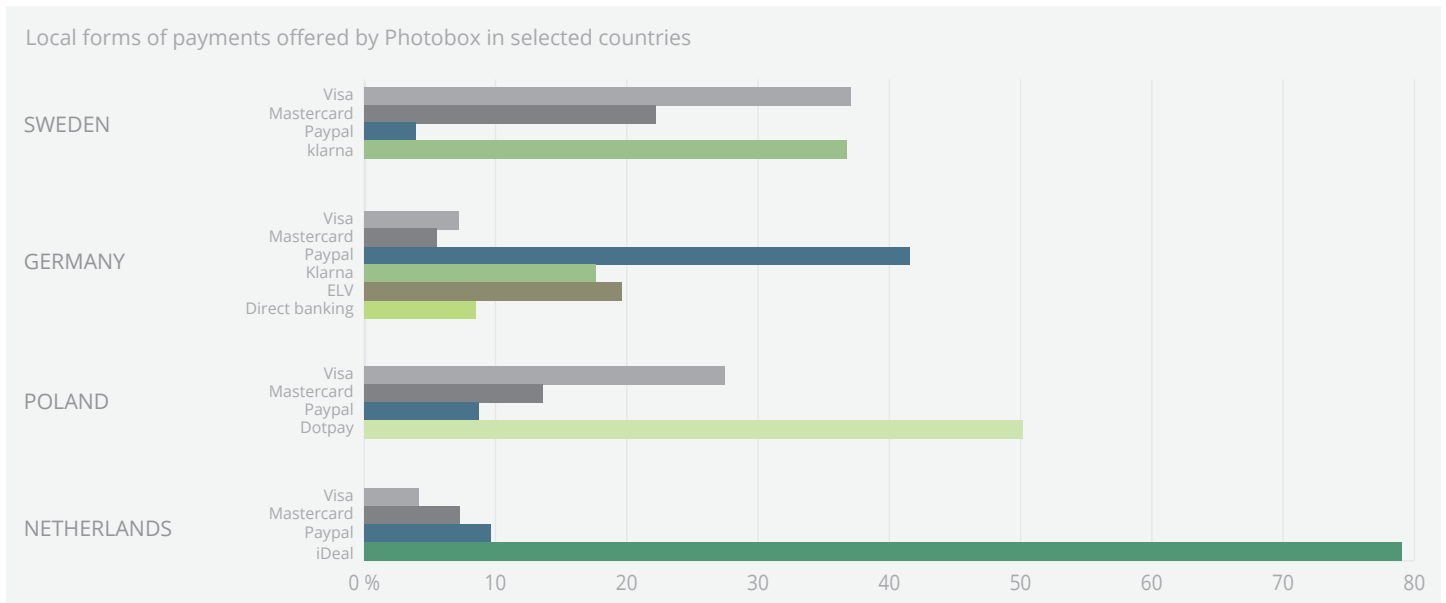
The chart above highlights the share of local and international payment methods in selected countries. In some countries like Australia and Estonia, card brands (e.g. MasterCard, Visa) account for more than 95% of online sales, and it may not be necessary to accept local or “alternative” forms of payment.

However, in other countries like the Netherlands and Germany, cards have a much lower market share, and online merchants would miss a significant number of customers - and therefore sales - if they do not accept relevant local forms of payment.



Generating incremental sales with local forms of payment

PhotoBox, Europe's leading personalised product printing company, operating in 20 countries, accepts local forms of payment in 18 countries. This has proved to be one of its key success factors, as highlighted below by the significant share of local forms of payment in Sweden, Germany, Poland and The Netherlands.



Breakdown of sales in selected countries by payment type

— **Clément Salvaire, Deputy Managing Director in charge of International Development, PhotoBox** —

"With the Adyen platform, we have significantly improved our payment funnel. We achieved a conversion improvement of 8% in average across Europe. Two main reasons for this are (a) that we now offer all the local payment methods in our 20 markets, and (b) that we have removed 2 pages from the checkout process."

badoo



— **Charles Damen, VP Billing and Payments at social network company Badoo** —

"We need to take into consideration the payment preferences of our consumers. We are now accepting over 45 different local forms of payment and we have benefited from significant additional sales thanks to our partnership with Adyen. In some countries, adding a local payment methods generated directly incremental sales. More broadly speaking, local forms of payment are used by consumers familiar with these payment methods and by people not willing to use credit cards. We are now working to make local forms of payment as friendly as possible, especially on mobile devices."



iDeal check out process not yet adapted to mobile pages

Going mobile with local forms of payment

For m-commerce, some local forms of payment that rely on online bank authentication such as Giropay and Sofort in Germany and iDEAL in the Netherlands have not developed dedicated solutions. The way local payment methods are presented on mobile payment pages is actually adapting quickly. For example in The Netherlands the Dutch bank Rabobank recently introduced an app enabling customers to pay with iDeal in a very customer friendly way. Outsourcing services to a payment partner able to remain on top of the rapid evolution of the mobile payment landscape is crucial.

Adyen's data analysis has revealed that mobile merchants experience a 15% to 20% drop in conversion if they do not offer local forms of payment in Germany and in the Netherlands. This means that even if the consumer experience is not optimized, accepting local forms of payment such as Giropay, Sofort or iDEAL on mobile devices still generates a significant uplift in conversion.



iDeal check out process using the Rabobank app

EDC's perspectives:

Merchants need to take into account consumer payment preferences in all the countries in which they operate. 'One size fits all' does not apply to payment, and it is very important for merchants to customize and localize their payment acceptance policy. Local forms of payment can unlock specific segments and generate significant incremental sales in countries such as Germany and the Netherlands.

Consumers' expectations for faster payments



BEST PRACTICE 3: DRIVING INCREMENTAL SALES WITH 1-CLICK PAYMENTS

Consumers' expectations related to speed have grown in the past few years. They have become more and more demanding, wanting a streamlined experience so they can focus on what actually matters: choosing the appropriate items when shopping online, and not wasting precious seconds at the time of payment. This is particularly true of loyal consumers that generate repeat sales for online merchants.

One Click / Recurring Payments Using Tokenized Stored Payment Data



Customer



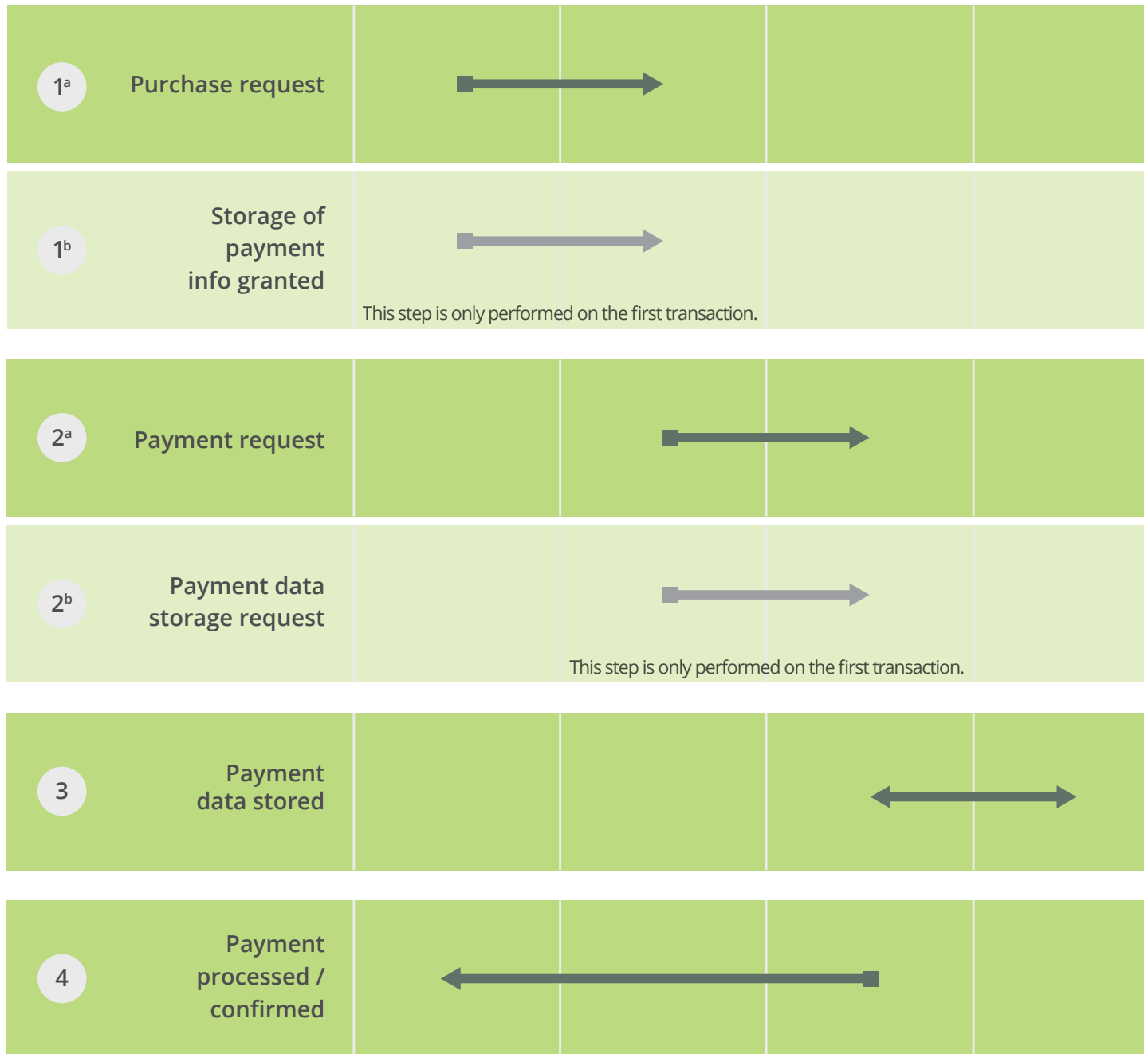
Merchant



Adyen



Stored Payment data



Faster purchases with stored payment details

Consumers do not need to enter payment details for every single purchase. Merchants can add a payment field in the consumer's profile, and payment details can be saved (by the merchant or a payment service provider) and loaded when consumers need it on the payments page.

identifiers called tokens to payment data such as payment card details. At the time of payment, the token of a payment card is sent from the merchant's website to the payment provider, who links the token to the stored payment details and sends the authorization request.

A best practice is the tokenization of stored payment data. Tokenization is the process of associating unique

Tokenization is often handled by payment partners such as Adyen on behalf of merchants, with benefits such as:

- **Costs savings** - Tokenization takes on the burden of managing cardholder data and encryption, removing the need for the payment transactions to be routed through the merchant's server thus reducing the costs involved with meeting and monitoring Payment Card Industry (PCI) compliance². Tokenization shifts most PCI compliance requirements from the merchant to its payment partner, which is why many merchants have chosen tokenization to reduce their PCI compliance burden.
- **Increased security** - if fraudsters manage to steal tokenized data, they cannot use the stolen tokens to pay online since they are unable to link the token to payment information stored securely by the payment partner.



Groupon uses Adyen 1-click functionality to enable consumers to pay on the go.

Incremental sales generated with 1-click

Once payment details are stored, consumers only need to log in and press the pay button to complete a transaction, hence the concept of "1-click". This means that consumers can focus on the purchase process and complete the transaction in a single click without re-entering their payment details, making the payment process as efficient as possible. Adyen is securely storing card data for Groupon across online and mobile sales channels enabling shoppers using Groupon's mobile app to easily make purchases on a mobile without re-entering their payment information.

————— *Joanne Soo, Head of Product Innovation for Groupon in Asia* —————

"Since the rollout of Adyen's payment solution across our online and mobile sites, functionalities such as single-click payments have been instrumental in increasing conversion and generating additional revenue for Groupon's business in Asia. Adyen has also tailored and accommodated the many different payment methods across each of our markets in the region, and we are very happy with their services."

² Payment Card Industry (PCI) compliance is the adherence to a set of specific security standards that were developed to protect card information during and after a financial transaction. PCI compliance is required by all card brands.



One click payment has proved to generate over 25% of incremental sales for merchants in the gaming industry.

Amazon has paved the way with its “Buy now with 1-click” feature, and interviews with merchants have revealed that the implementation of 1-click is directly linked to significant incremental sales. One downside that merchants may face is that it might become too easy for consumers to buy! A swift and flexible customer service is then required to address potential issues. As an example, Kindle users have the option to cancel a purchase immediately after it was completed in case they change their mind or made a mistake. After clicking “Buy”, users will see a thank you page that gives the option cancel the order.

Case study

A company in the casual gaming sector has used A/B testing to monitor the impact of 1-click. It directed 50% of its transactions to a standard payment process and 50% of its transactions to a 1-click payment process. Each customer was recognized with a reference number and would return to the same payment process (standard or a 1-click) for the following transactions. The A/B testing was performed during one month on more than 1,000 customers in 3 countries (Norway, the Netherlands and Slovakia), and the results were impressive:

- *An increase in conversion rates for consumers using the 1-click feature*
- *25% of incremental sales generated with 1-click compared to the standard payment process*

This significant uplift in sales may be specific to the gaming sector, which has a high number of low-value transactions. While other sectors may not realize as high a level of incremental sales, this example demonstrates that 1-click increases conversion rates and can generate a significant level of incremental sales.

From 1-click to 1-touch on mobile devices

Restrictions related to mobile devices need to be considered when designing payment pages and payment processes. It is important to use responsive check out page design that automatically detect the screen size of the device used by consumers and adjust the information shown on the payment skin accordingly.

The 1-click on computer becomes the “1-touch” on mobile devices, which creates a frictionless experience that meets consumer expectations and generates a higher level of sales for merchants.



Large ticketing operator

"We have implemented the 1-click / 1-touch feature with Adyen for computer and mobile devices. The implementation of 1-click made it very easy for our customers to buy tickets online. This is especially true for people buying tickets on the spot, deciding at the last minute which event they will go to and thereby avoiding the queues at the venue.

Comparing our sales 6 months before and 6 months after the implementation of the 1-click feature, we benefited from a 55% increase in incremental sales. While this is due to a combination of factors, we are convinced that 1-click played a significant role in generating these incremental sales"

EDC's perspectives:

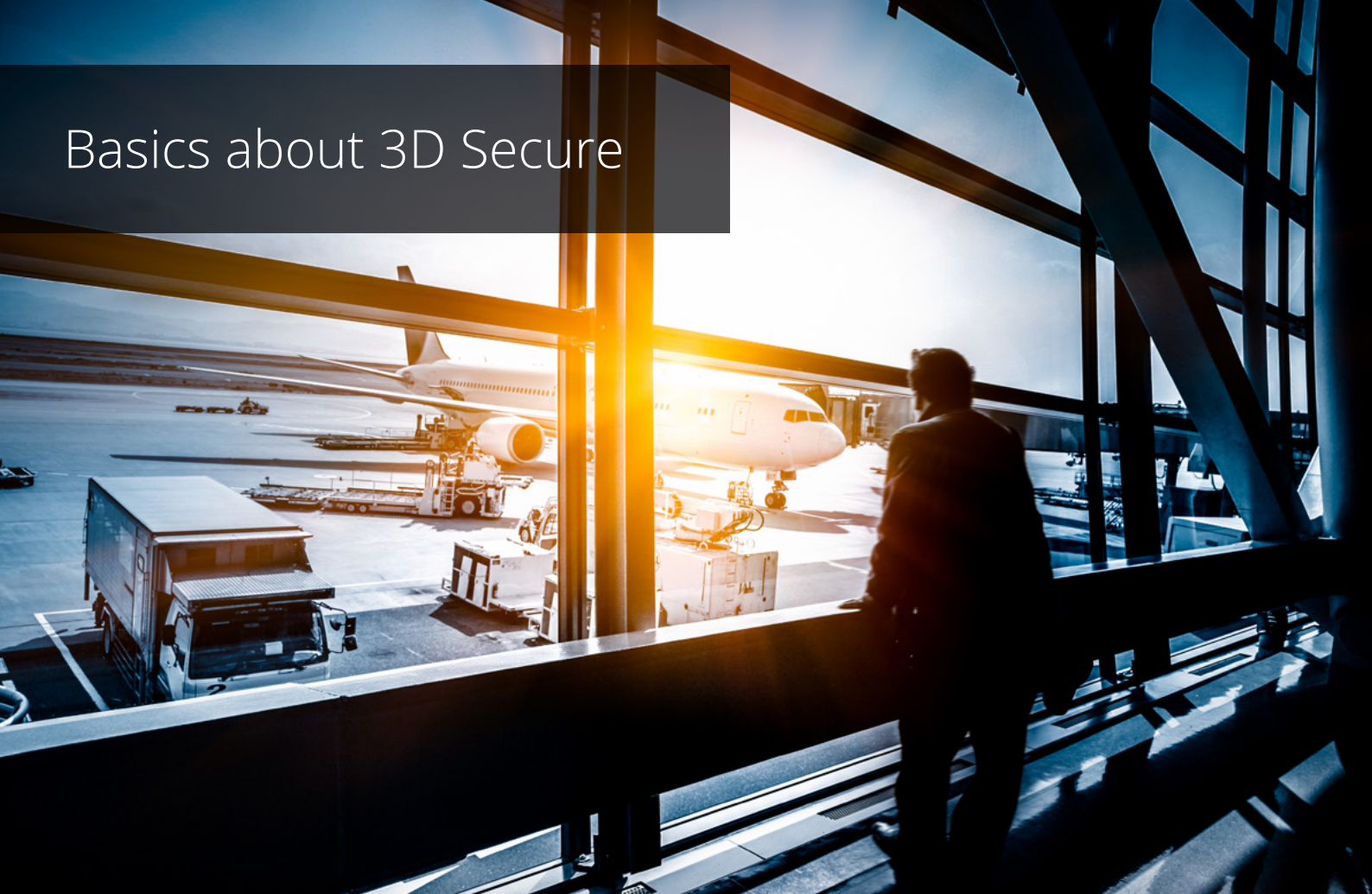
Online merchants need to consider 1-click payment to increase conversion rates and generate incremental sales, depending on their industry sector and customer segments targeted. They also need to assess the impact on risk management and customer service to mitigate risks and create a smooth consumer experience. This is particularly true for mobile devices where the 1-touch feature has the potential to significantly drive incremental sales.

Mobile Wallet



Online shopping





BEST PRACTICE 4: GENERATING INCREMENTAL REVENUES THROUGH SEGMENTED USE OF 3D SECURE

Developed by card networks, 3D Secure is an additional security layer for authenticating cardholders online. The two main implementations, Verified by Visa and MasterCard SecureCode, require consumers to provide an additional secret code in addition to their card numbers. Cardholders are redirected to a separate page hosted by their own bank where they enter this additional code. Additionally, 3D Secure involves a liability shift whereby card issuers become liable for most fraudulent card-not-present transactions, instead of merchants.

1 Merchant site
Checkout page

The screenshot shows a checkout page for 'Winkelmand' with a total order value of €193,90. The page includes a table of items, a list of services like 'Cadeauservice' and 'Bezorgen', and a summary of costs. A 'Veilig bestellen' button is visible in the top right and bottom right corners.



Merchant

2 Hosted Payment
Provider

The screenshot shows a payment page with four steps: 'Persoonlijke gegevens', 'Bezorgen', 'Betalen', and 'Bevestiging'. The 'Betalen' step is active, showing options for 'de Bijenkorf Card / Punten Verzilveren', 'IDEAL', 'Credit Card', and '(Webshop) Cadeaucard'. A 'Betalen' button is at the bottom right.



Adyen

3 3D Secure

The screenshot shows a 3D Secure authentication page with logos for 'VERIFIED by VISA' and 'MasterCard SecureCode'. It includes a 'Purchase Authentication' section with a warning to enter the password correctly. Below are input fields for 'Vendor', 'Purchase Amount', 'Date', 'Pin', and 'Password', followed by a 'Submit' button.



Issuing Bank

4 Merchant Site
Thanks

The screenshot shows a 'Winkelmand' thank you page with the text 'Bedankt voor je bestelling!' and a 'Veilig bestellen' button in the top right corner.



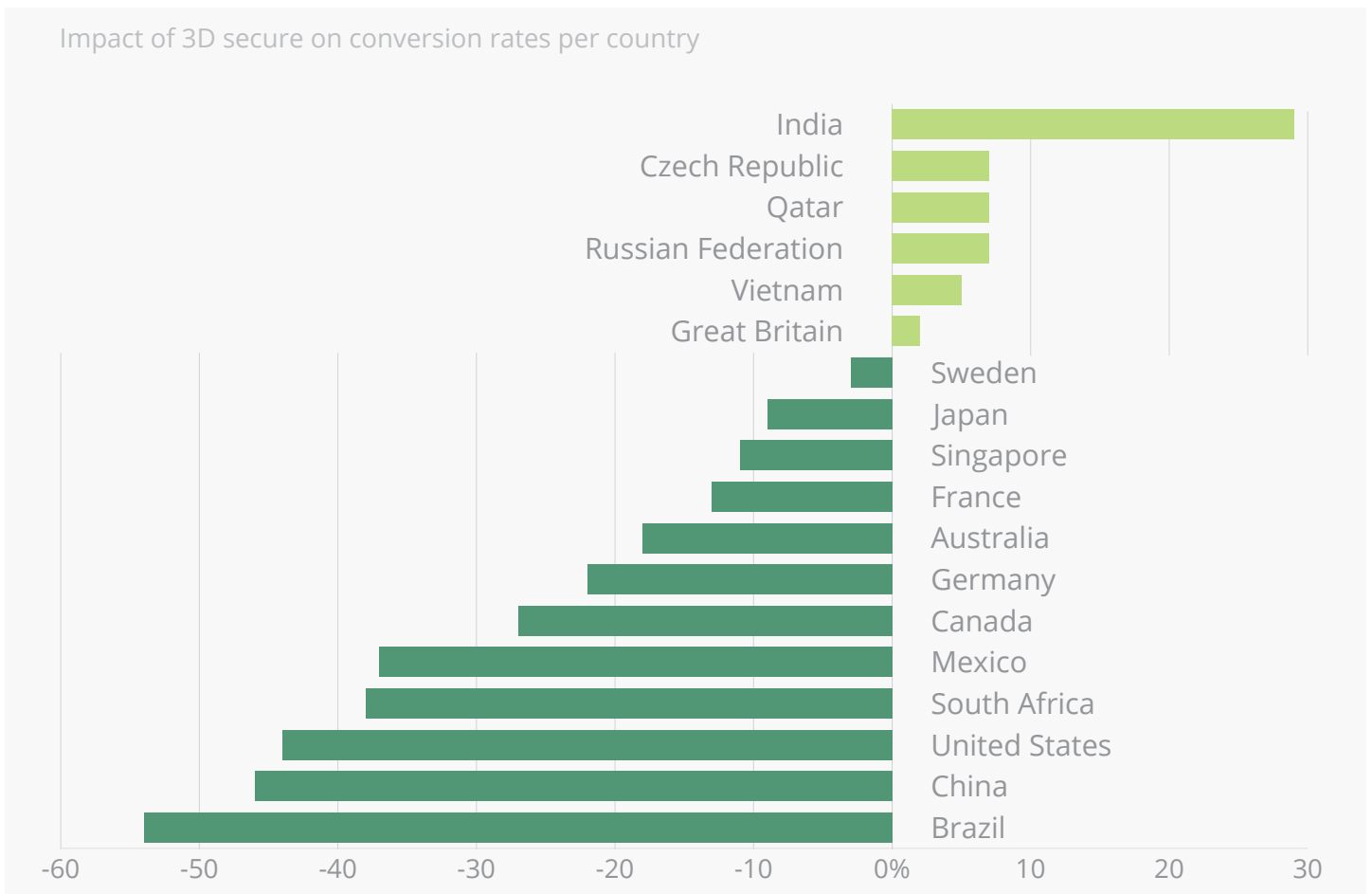
Merchant

Going beyond the traditional implementation of 3D Secure

Much has been said about 3D Secure, especially as a result of its initial implementations: the consumer experience is poor, it is difficult for merchants to implement and run, and it also has negative impact on conversion rates. 3D Secure does add a step in the purchase process, thereby creating additional friction and making it more difficult for consumers to complete a transaction, but it is a useful tool to authenticate cardholders and thereby reduce fraud risks.

Many merchants have complained that 3D Secure led to lost sales. In some cases, some merchants have removed 3D Secure a few months after implementing it, choosing to handle fraud risks in a different way.

Traditionally, online merchants have adopted a binary view: implement 3D Secure across all transactions, or not implement 3D Secure at all. However, merchant experience shows that it is worth going beyond this simple yes / no decision. 3D Secure can be used to mitigate fraud risks in a more segmented manner based on specific criteria such as the country of the cardholder, the transaction value and the risk level of a transaction.



This chart highlights major differences across countries when applying 3D secure to all transactions. The figures in the graph combine (a) the authorization rates from the issuers and (b) the abandonment rates during the check out.

- 3D Secure has a positive impact on conversion in selected countries such as India, Russia and the United Kingdom
- However, it has a negative impact on conversion for other countries such as France, Germany and the United States

Implementing 3D Secure in specific countries



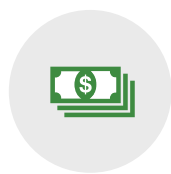
3D Secure has not been implemented in a consistent manner across countries. The deployment of 3D Secure at a national level requires a

high level of coordination between issuers, acquirers, payment schemes and merchants. This explains why there are significant differences in the impact of 3D Secure across countries. Other reasons contributing to the variance in impact of 3D Secure at a national level include the level of card-not-present fraud, the consumer enrollment process in 3D Secure and communication from issuers and merchants to consumers.

It is often difficult for merchants to assess if 3D Secure is an appropriate solution to limit fraud risks in a specific country without negatively impacting sales. As a result, close coordination with payment partners has proven to be useful to gain a better understanding of the potential positive or negative impacts of 3D Secure in specific countries prior to implementing 3D Secure.

Adyen has detailed data about the impact of 3D Secure on conversion rates across its portfolio in selected countries, comparing merchants that implemented 3D Secure to merchants without 3D Secure in specific countries.

Dynamic 3D Secure for high-value transactions



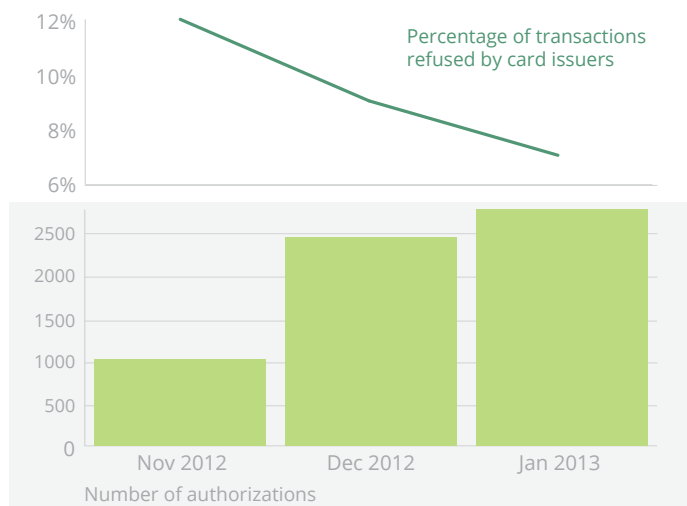
In general (without using 3D Secure), Adyen has found that card issuers have a higher likelihood of refusing transactions above a specific

threshold because high value transactions tend to be riskier. This means that conversion rates can be significantly lower among high-value transactions due to higher decline rates.

To solve this issue, Adyen has developed a Dynamic 3D Secure feature that allows online merchants to use 3D Secure for transactions above a specific value. Online merchants can fully customize this Dynamic 3D Secure feature and set a specific threshold for each country.

Merchant interviews have indicated that this feature has a direct impact on increasing conversion rates.

Impact of Dynamic 3D secure on high value transactions for eSail



Jurgen de Jonge, Managing Director at eSail

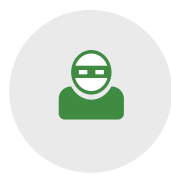
"Adyen offers eSail innovative tools to analyze and improve conversion rates. We have implemented Dynamic 3D Secure in France and Germany, with different thresholds:

- 3D Secure on all transactions above 400 € for German-issued cards*
- 3D Secure on all transactions above 100 € for French-issued cards*

Dynamic 3D Secure enables us to adjust settings to only apply 3D Secure for transactions above a certain amount so as to decrease the issuing bank's refusal rate, which is typically higher for expensive purchases. Results have been very positive and almost immediate between November 2012 and January 2013 enabling an increase of 5 percent of the authorization rates.

This also had a positive impact on chargebacks. At the end of November 2012, eSail was close to the ECP (Excessive Chargeback Program) levels. After 3D Secure was enabled, the chargeback rate decreased instantly to an acceptable level."

Dynamic 3D Secure for high-risk transactions



Fraud scoring tools are useful tools to monitor potential fraud cases. They typically generate a score for each transaction to help merchants better

decide whether to accept, manually review or reject transactions. No system, however, makes it possible to completely eradicate fraud, and merchants therefore need to balance fraud reduction with the issue of "false positives", i.e. rejecting "good" consumers. "False positives" has a negative impact on revenues by denying "genuine" consumers and it also affects brand reputation and loyalty.

To further leverage risk scoring tools, Adyen has engineered an innovative and dynamic use of 3D Secure. If a transaction is identified as high risk by the fraud scoring tool, the transaction can automatically be routed to 3D Secure. Since Adyen has a rich database of 3D Secure success rates per issuer in each country, this can be set up in a very dynamic way in order to reach the highest level of conversion.

The routing through 3D Secure of these high-risk transactions means that:

- the liability shift from the merchant to the card issuer applies in cases of actual fraud
- genuine consumers still have the opportunity to complete their transaction by authenticating with 3D Secure

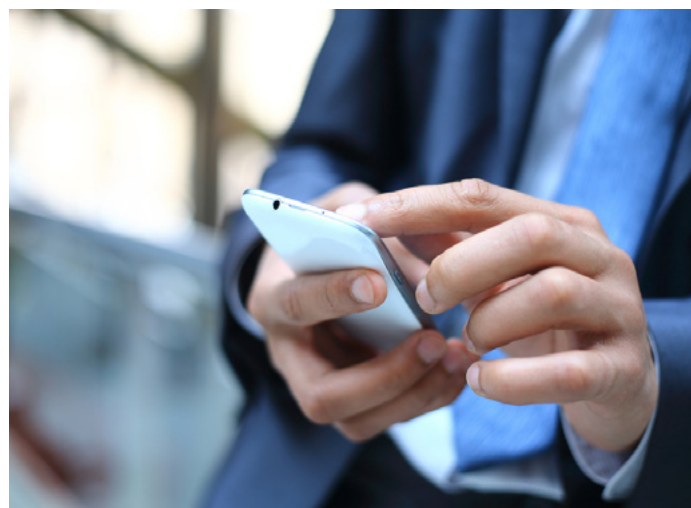
This mechanism has proven to directly impact online merchants' bottom line. If a transaction is authorized with 3D Secure instead of being rejected by the fraud prevention system, this generates pure incremental sales. It also strengthens the customer relationship and decreases the frustration of genuine consumers otherwise unable to complete a transaction.

Flexibility to use 3D Secure for mobile devices



Deploying 3D Secure for m-commerce does not provide a convenient customer experience since it was not designed for mobile devices.

Adyen can detect when a consumer uses a mobile device and thus offer merchants the possibility of using 3D Secure dynamically depending on the fraud risk level. For instance, merchants might decide to turn off the 3D Secure function for m-commerce in low-risk countries but activate it for higher-risk countries. This pragmatic approach to m-commerce risk management provides full flexibility to merchants.



————— **Charles Damen, VP Billing and Payments at social network company Badoo** —————

"Adyen has worked closely with us to offer an innovative solution to decrease false positives for high-risk transactions. We implemented 3D Secure for our transactions rejected by our fraud scoring tool. We were very pleased with the results with a direct increase in revenues: 4% of our total revenue is currently coming from false positive transactions successfully processed through 3D Secure!"



Implementing 3D Secure in specific countries



Dynamic 3D Secure for high-value transactions



Dynamic 3D Secure for high-risk transactions



Flexibility to use 3D Secure for mobile devices

EDC's perspectives:

Merchants should not consider the implementation of 3D Secure as a "black or white" question. "One size fits all" does not have to apply to 3D Secure, and merchants should consider a segmented approach based on factual data. Dynamic 3D Secure based on specific criteria such as the country of the cardholder, transaction value, level of risks, range of BINs (Bank Identification number) or consumer profile provides merchants with a compelling and flexible solution to mitigate fraud risks while increasing sales.



4 best practices related to optimizing payment processing

4 BEST PRACTICES RELATED TO OPTIMIZING PAYMENT PROCESSING

Merchant interviews confirmed that, in addition to enhancing the consumer experience, optimizing the payment processing set-up can increase online revenues even further.

Optimizing payment-related profitability

Online merchants want to sell more to more consumers. But at what cost? Some payment methods may be popular but involve high fees for merchants. Other payment methods, such as ELV, may generate a high level of exceptions that require time-consuming manual processes. Some online merchants have focused on optimizing overall payment-related profitability rather than trying to sell more at any cost. Local forms of

payment can unlock consumer segments and generate additional sales, but online merchants need to find the appropriate balance between incremental sales and various costs, including upfront integration costs, payment acceptance fees, level of fraud losses and time required for back-office activities such as manual reviews or financial reconciliation.

Using A/B testing to find the appropriate payment processing set-up

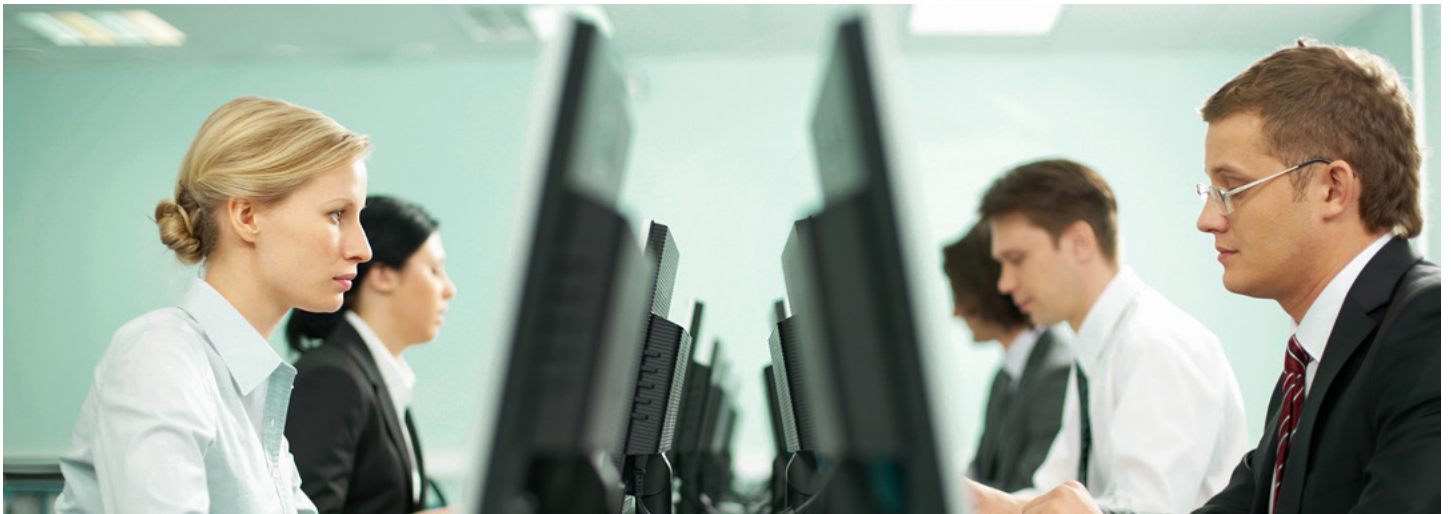
With best practice 1 we described how A/B testing was a useful tool to enhance the customer experience, Merchant interviews have actually revealed that A/B testing is also a useful tool to optimize payment-related profitability.

—— *Graham Hobson, CTO of PhotoBox, Europe's leading personalized product printing company* ——

"We use A/B testing regularly for most parts of our website but we never used to do it in the payment funnel because it was considered too risky. Adyen allows us to run A/B testing for payments safely and easily. The results have been used to optimize our checkouts for conversion, customer satisfaction and profitability.

For example, in Belgium we decided to discontinue one payment method because A/B testing results showed us it was reducing conversion compared to not offering it at all. In another country, we found out that we could optimize profitability by carefully selecting the right mix of payment methods. The optimal result was to remove one method, which decreased conversion rates by 2%. But by doing this we had a net saving on transactions costs, which more than compensated for the conversion drop and resulted in increased net profit for PhotoBox.

Conversion rate is not the only important factor, since payment acceptance costs vary considerably by payment method. For instance, Klarna is more expensive than cards in Sweden, and credit cards are more expensive than debit cards in the UK. We have used A/B testing to test consumers' ability to pay extra for a particular payment method to reduce the impact on profitability of more expensive payment methods. For instance, we tested consumer willingness to pay one additional euro for specific payment methods, and the A/B testing results showed us if they considered this premium to be acceptable."



As part of this study, Adyen and EDC have identified 4 best practices related to optimizing the payment processing set up:

Best practice 5:

Implementing a global acquiring strategy with a country-specific approach

Best practice 6:


Generating incremental recurring transactions with innovative use of local forms of payment

Best practice 7:

Using intelligent data-based risk management to turn fraud prevention into a profit center

Best practice 8:

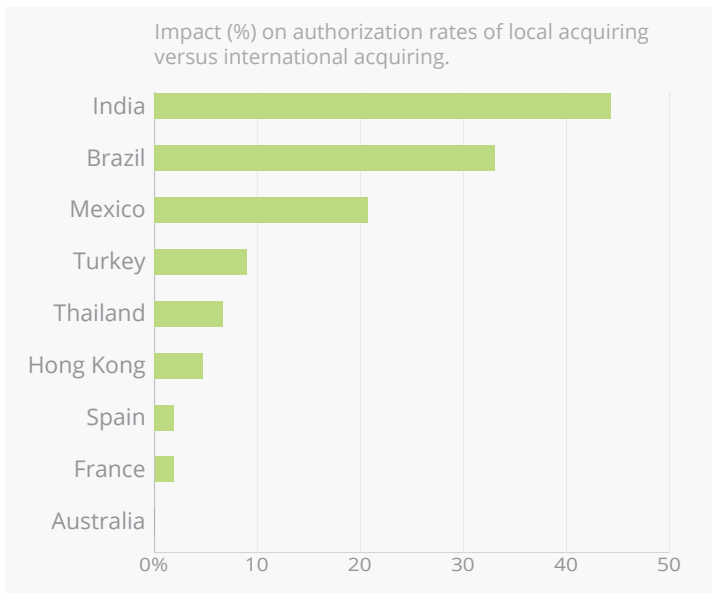
Increasing revenues by leveraging payment data insights



Where should you
consider local acquiring?

BEST PRACTICE 5: IMPLEMENTING A GLOBAL ACQUIRING STRATEGY WITH A COUNTRY-SPECIFIC APPROACH

Global online merchants need to take into account country-level specificities related to card acquiring, such as domestic regulations or national payments infrastructure, that can have a direct influence on authorization rates and therefore on conversion rates.



Difference in authorization rates between international and local acquiring

For instance, online merchants have two main options for card acquiring: (a) to utilize local acquiring (i.e. whereby the acquirer uses a local BIN / acquiring license), or (b) to utilize international acquiring (i.e. whereby the acquirer uses a multi-national acquiring license).

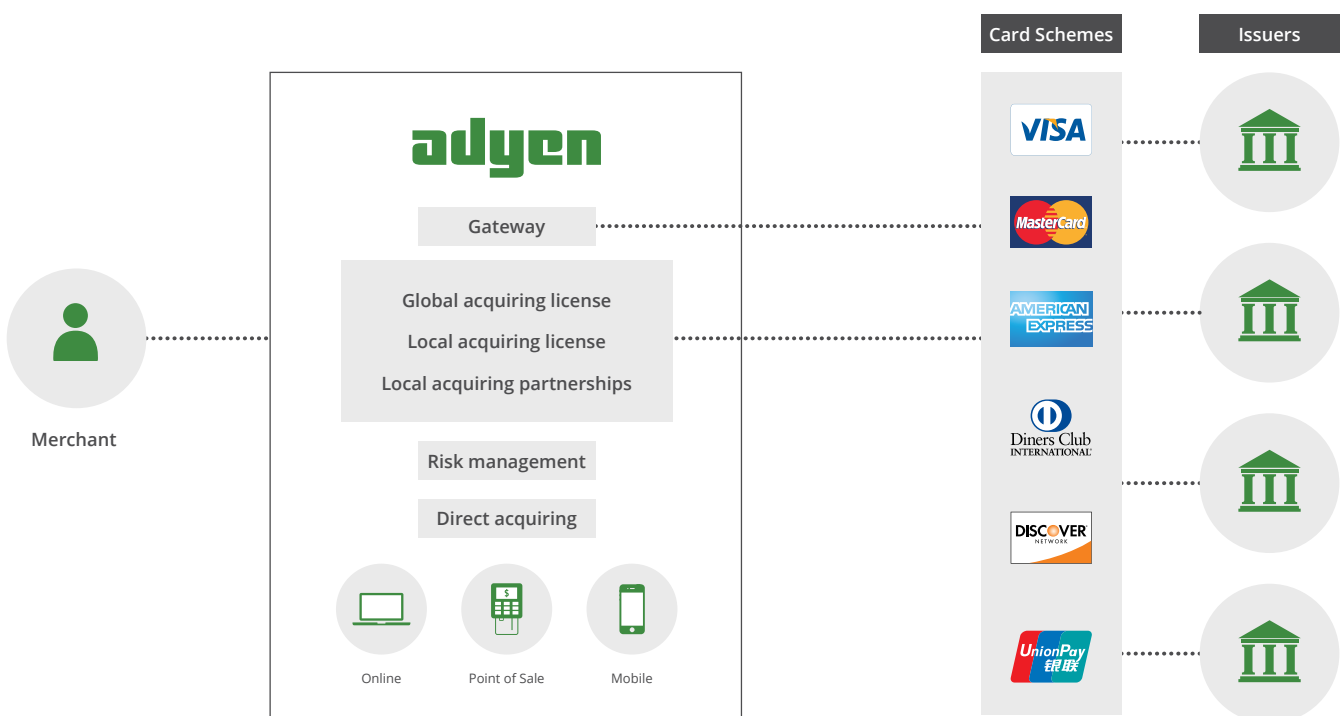
In some countries like Brazil, France and India, adopting a local acquiring approach will have a positive impact on authorization rates, as show in the chart on the left.

Rationalizing payments complexity by selecting appropriate payment partners

When considering card acquiring, online merchants need to engage with two key actors:

- PSPs (Payment Service Providers) that provide the technical gateway infrastructure connecting online merchants to acquirers and alternative payment providers
- Acquirers that provide the connection to international schemes such as Visa and MasterCard or to a domestic scheme such as Cartes Bancaires (CB in France), and provide settlement for the merchants.

The lines between these two actors are increasingly blurring, however. In addition to being a full service payment provider, Adyen also is an acquirer, with direct links to the major card schemes, including Visa, MasterCard, American Express, Discover, Diners and Union Pay. Adyen holds an international acquiring license for Visa and MasterCard in Europe, and has local acquiring capabilities in a number of countries, including Brazil, Spain, the U.S. and France. Adyen is continuously working on the expansion of its global acquiring network.



When considering their international footprint, online merchants ought to ponder an important question: how can we rationalize payment complexity and select appropriate payment partners?

Selecting a different PSP or acquirer for each country makes little sense due to the complexity of managing different partners and the need to reconcile financial data from different providers. This is why many merchants are in the process of consolidating their international payment providers.

Merchant interviews reveal that online merchants are increasingly considering a single payment partner providing both PSP and acquiring services, as long as that payment provider meets online merchants' key requirements around uptime, ease of integration, functionality (e.g. multichannel approach, reporting) and pricing. Based on merchant interviews, the decision to outsource payment services to one main payment partner for both gateway and acquiring services not only makes sense from a pricing point of view, but also from an uptime point of view (using a single partner reduces the number of steps in the transaction flow and therefore reduces the number of potential points of failure).



A tailored five-pronged acquiring approach

Payment solution providers such as Adyen are building global acquiring coverage, providing acquiring services on a worldwide basis for their online merchants. Adyen has adopted a tailored approach to acquiring with five key components.

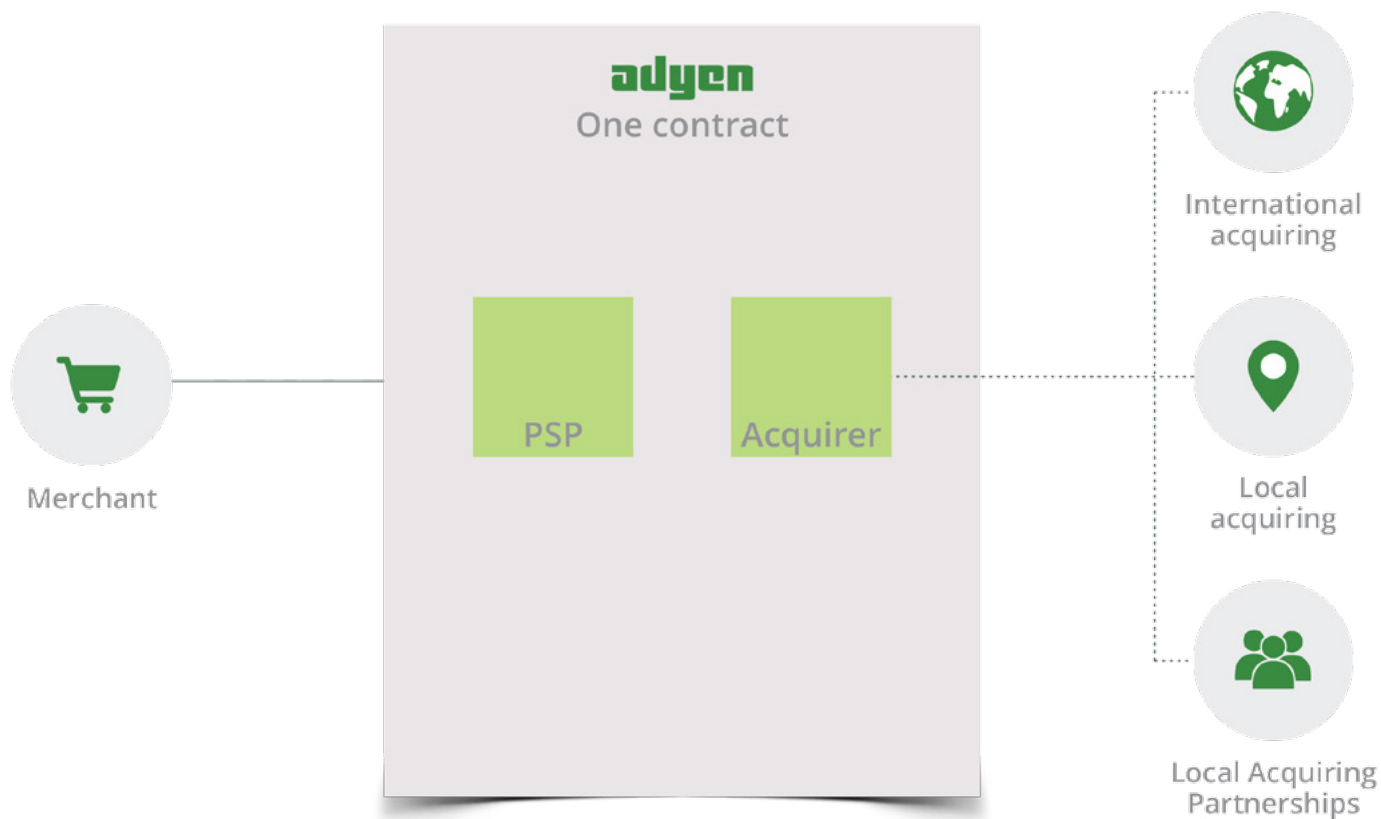
1) Global full Visa and MasterCard acquiring license: online merchants benefit from a single point of contact with one partner managing both PSP and acquiring services, and merchants also receive more data. For instance, more granularity can be provided for decline reason codes, up to 65 codes versus an average of five decline reason codes usually provided by PSPs.

2) Local license with domestic schemes in certain countries: in markets like France that have a domestic card scheme (e.g. Cartes Bancaires), merchant interviews have revealed that authorization decline rates are higher for card payments when acquiring is done with an international license instead of a domestic license. With a domestic license, transactions are treated as purely domestic transactions, which leads to higher authorization rates for card payments. By processing cards domestically, the number of card payments authorized can be nearly 2% higher than when processing French cards internationally.

When all card data is processed locally with a domestic

license, global online merchants can compete on an equal basis with domestic competitors and benefit from the same local market conditions, which can be more attractive.

3) Partnerships with domestic acquirers in selected countries: in selected countries like Brazil, Spain and the US, authorization decline rates can be substantially higher for card payments when acquiring is done with an international license instead of a domestic license. Payment providers such as Adyen have set up arrangements with local acquirers to "rent a BIN" (Bank Identification Number) so that online merchants can have their transactions processed as domestic transactions, resulting in a much lower authorization decline rate. This also translates into a better consumer experience, since card payments are processed in the local currency without any additional foreign exchange charges. For instance, social network merchant Badoo has used Adyen's local acquiring arrangements in the US and has benefited from a 20% increase in conversion.



Roberto Almeida, E-Commerce Manager, Crocs Brazil


"Local card acquiring is essential to our e-commerce sales in Brazil. First of all, it enables a seamless customer experience as our customers are charged in Brazilian Reals and see the same currency on their bank statement. That would not be the case if we would use an international acquiring solution, where typically a currency conversion to EUR or USD would need to be made and additional taxes would be charged to our customers. This contributes to enhancing our customer's experience, improving retention and increasing our sales in the long term."

4) Multi acquirer set-up: in the case of an authorization request being declined due to a down-time at a primary acquirer, Adyen can run a new authorization request through an other acquirer using a multi-acquirer set up, maximizing online conversion by avoiding unnecessary outages. Adyen's Dynamic Payment Switching functionality which has been developed for airlines enables merchants to control directly themselves the switch of online credit card processing between card acquirers.

5) "One-stop shop" contract with the payment provider: Many large international online merchants have signed a single contract with Adyen. They only had to complete one technical connection and also benefited from a single centralized back-office for all sales in all countries. This is very beneficial for online merchants, since they do not need to integrate with different payment partners across multiple countries and do not need to waste time performing financial reconciliations in order to have a single, global reporting structure that covers their e-commerce and m-commerce activities.

EDC's perspectives:

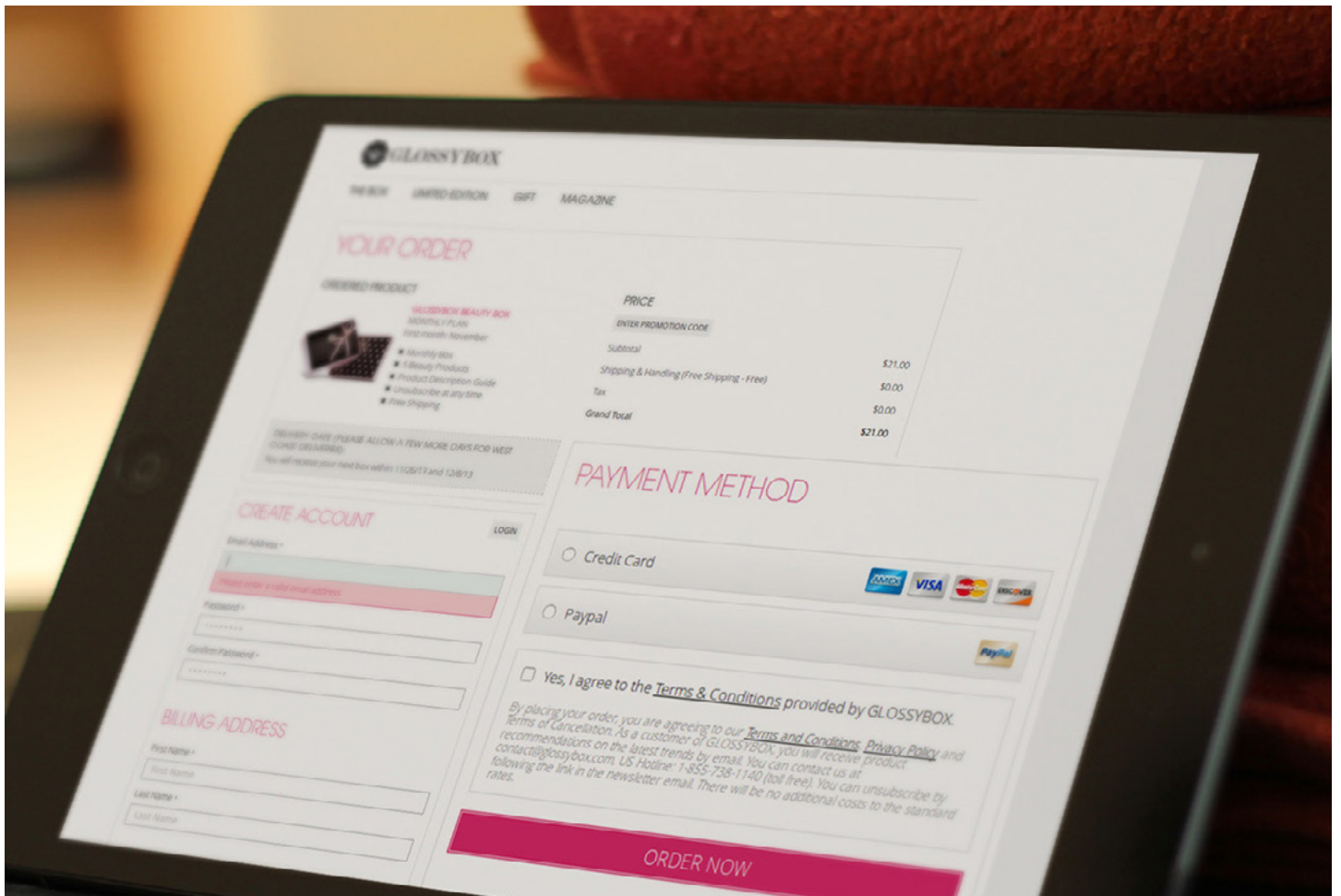
Based on EDC's experience, there is a lot of benefit to selecting a payment partner that can adopt an international or local acquiring approach that is customized for each country. This has proven to lessen card payment complexity, improve consumer experience, increase authorization rates and reduce merchant fees.



Payment challenges for recurring transactions

BEST PRACTICE 6: **GENERATING INCREMENTAL RECURRING TRANSACTIONS WITH INNOVATIVE USE OF LOCAL FORMS OF PAYMENT**

Recurring transaction models go beyond traditional use cases such as utility services or magazine subscriptions. Many verticals are currently using a subscription model (e.g. news, retail such as GlossyBox, fashion such as JustFab, grocery such as Hello Fresh, social networks such as Badoo, music services such as SoundCloud, e-learning such as Babbel, and casual gaming). Payments can be made online, and the services purchased can be used either online (ex: social network) or in the real world (ex: yoga classes).



Optimal registration process for recurring payments.

Many online merchants would like their consumers to pay via recurring billing, in order to provide services on an on-going basis and “lock in” consumers over the long term. To support this, payments need to be simple and fast for the first transaction (which also involves a registration process) and transparent for subsequent transactions.

Optimizing authorization rates for recurring transactions

Recurring transactions using direct debit, cards or local forms of payment may face high rates of declined transactions, depending on the merchant’s category or rules within issuing or originating banks. Payment partners such as Adyen have helped to generate a significant uplift in conversion rates by retrying initially-declined transactions:

- Analysis of refusal reason codes provides an understanding of the root causes for declined transactions
- Experienced payment partners have a good understanding of when and how often to retry a transaction depending on refusal reason codes.

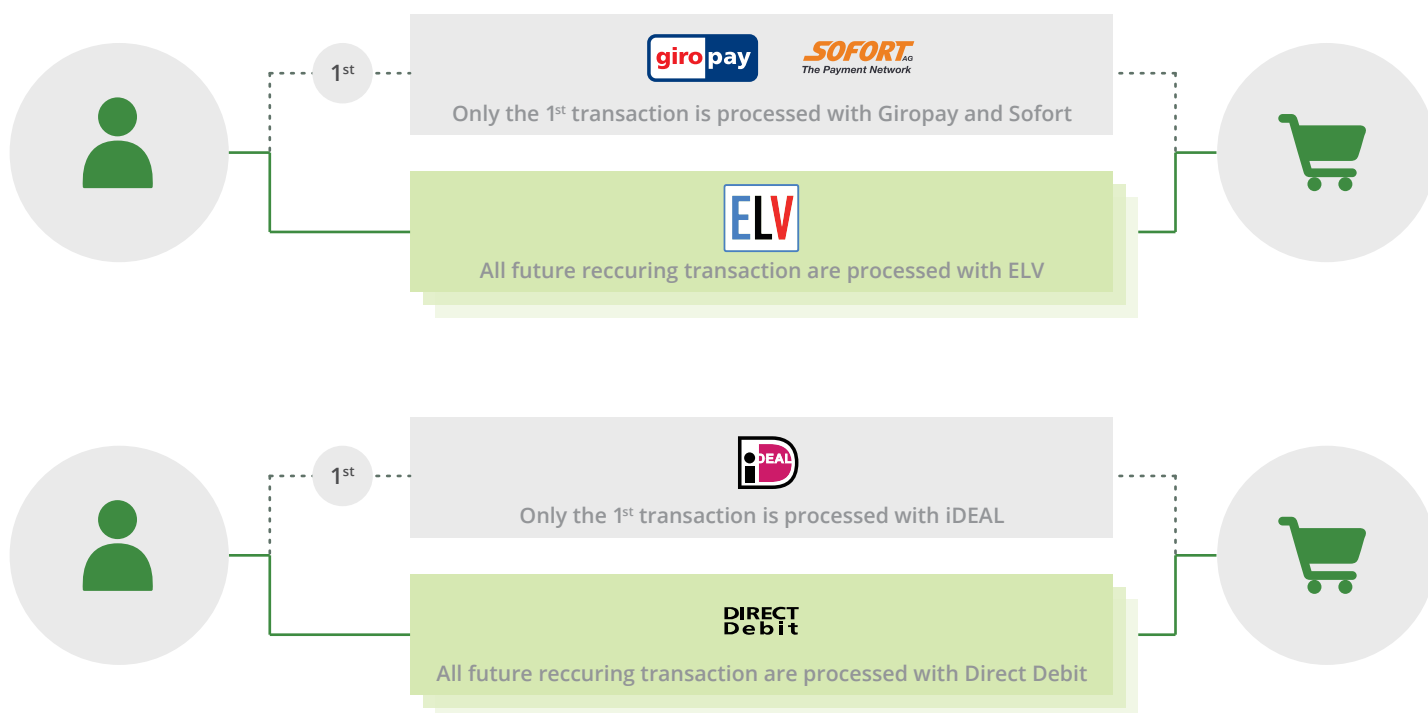
————— **Gerrit Mueller, President Europe at fashion retailer JustFab.com** —————

“We have a subscription business model, it is therefore key to have high authorization rates so we can increase the life time value of a customer. Adyen continuously works with us to analyse our refused transactions and build payment strategies. Thanks to this we have seen an increase in authorization rates of 3% across the board”.

Using local forms of payment for recurring transactions

Direct debits (i.e. a “pull” bank account transfer whereby merchants “pull” funds from the customer’s bank account) can be considered as an alternative to cards for recurring online payments in several European countries. However for Direct Debit or other local forms of payment that directly leverage bank account details (such as ELV in Germany), online merchants may face difficulty in handling recurring transactions. Issues include checking a consumer’s identity and bank account details (i.e. determining whether it is an active bank account and confirming it is the bank account for this specific customer) as well as high decline rates for the initial transaction.

It is estimated that decline rates for transactions in sectors such as telecom can be as high as 6% in markets such as Germany or the Netherlands, due to wrong bank account details or insufficient funds in the consumer’s bank account.



Recurring payments set-up using alternative payment methods

Engineering new mechanisms for recurring transactions in Germany and the Netherlands

In Germany and the Netherlands, Adyen has addressed these specific issues and engineered specific mechanisms for recurring transactions using local forms of payment. This new approach is based on two steps:

Step 1:

The initial transaction relies on online banking authentication to verify bank account details and the consumer’s identity. For instance, Adyen would use Giropay and Sofort in Germany, and iDeal in the Netherlands. This provides the additional benefit of a payment guarantee for online merchants.

Step 2:

Subsequent transactions use another payment method such as ELV in Germany or direct debit in the Netherlands. As bank account details and the consumer’s identity have been validated in step 1, decline rates are much lower for sub-sequent ELV and direct debit transactions

Adyen estimates that the implementation of this new mechanism in the telecom sector has led to a significant decrease in decline rates, from an initial decline rate close to 6% down to a rate of as low as 0.3%, depending on the merchant and on the country. This innovative approach generated two positive impacts for online merchants:


- increased revenues due to increased conversion rates
- reduced costs due to fewer manual processes for merchants

————— *Brigitte Wittekind, CEO at GlossyBox* —————

“Germany and the Netherlands account for two large markets for our company so we had to offer local payment methods there. German and Dutch consumers are using alternative forms of payment such as ELV and iDEAL on a regular basis. Adyen suggested an innovative approach, using ELV and iDEAL for recurring transactions.”

EDC’s perspectives:

Merchants should consider all payment methods when enabling recurring transactions, including direct debit, cards and local forms of payment. Working closely with payment partners, online merchants can benefit from best practices and use local forms of payment to significantly increase conversion rates for recurring transactions.



Fraud: not only a cost linked to fraudulent transactions, but also an issue of lost revenue due to the rejection of genuine customers

BEST PRACTICE 7: USING DATA-BASED RISK MANAGEMENT TO TURN FRAUD PREVENTION INTO A PROFIT CENTER

The significant growth in the number of fraudulent transactions and fraud attempts in the last few years has highlighted the need for online merchants to focus on risk management. For instance, the fraud rate (as reported by the Observatoire de la sécurité des cartes de paiement) among online card purchases in France has increased from 0.23% in 2008 to 0.29% in 2012.

In addition to these fraud losses, there is a second issue for online merchants. Using fraud prevention tools can lead to cases of “false positives”, i.e. genuine customers

that are declined. The rate of “false positives” is specific for each merchant, but cross industry average rates are estimated to be as high as 5%-10%.

Finding the right balance between optimized acceptance and security

In their quest to providing consumers with increased convenience, online merchants may also have increased their fraud risk. For instance, requiring very little shopper information on their checkout pages. Does it mean that online merchants have opened the doors to fraudsters? It may be the case in some instances, but most of the time, online merchants have actually strengthened risk management while providing increased convenience for consumers.

Merchant interviews have shown that the key aspect is to balance optimized acceptance and security, providing maximum convenience to consumers while keeping fraud at low levels. This is not an easy task, and it requires (a) multiple fraud prevention tools, since there is no “silver bullet”, and (b) constant monitoring and fine-tuning of rules, since fraudsters are constantly evolving and becoming more and more organized.



Fraudsters vs. genuine shoppers

Fraud detection is a difficult process, as highlighted by two extreme but relevant examples:

- Transactions flagged as “bad” by fraud tools, because they appear to be fraudulent transactions (e.g. English cardholder buying on an Australian website from an IP address located in the US), could actually come from genuine consumers. This issue of “false positives” has a negative impact on revenues, and it also creates a customer service and brand reputation issue.
- Transactions flagged as “good” or low risk by fraud tools, because they appear to be genuine transactions, could actually come from fraudsters. For instance, some merchants have reported fraudulent transactions even among fully-authenticated 3D Secure transactions

With these two examples in mind, how can merchants prevent fraudulent transactions while decreasing false positives as much as possible? There are many fraud prevention tools in the market, many of which rely on transaction scoring along with black lists and velocity checks.

Adyen has adopted an intelligent data-based risk management approach based on two key principles: (a) risk management should not deny genuine payment attempts, and (b) the behavior of high spenders is sometimes very similar to fraudsters’ behavior.

Guiding principle for risk management: a segmented and data-based approach

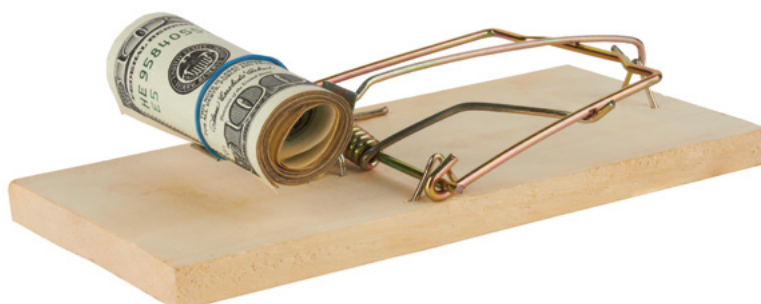
One single word can summarise best practices related to fraud prevention: data, data and... data. The more data is used/linked/checked or collected, understood and analyzed, the more likely it will be that merchants can stop genuine fraudsters. As a result, stakeholders that play a greater role in the payments value chain (e.g. combining the role of PSP and acquirer) can make sounder decisions related to fraud, because they have access to more data.

Storing a large volume of data is the cornerstone to performing advanced fraud analysis using a segmented and analytical approach. Based on the significant volume of collected payment data, Adyen has developed advanced tools for online merchants to identify and analyze consumer behavior and payment patterns to better distinguish genuine consumers from fraudsters.

————— *Roelant Prins CCO at Adyen* —————

“By designing intelligent dynamic screening based on real-time analysis of shoppers’ data, Adyen offers a powerful tool that has, for example, enabled merchants in certain verticals such as Social Gaming and Retail to decrease “false positives” by 50%, i.e. transactions that would be flagged as fraudulent by a classic system were transactions made by genuine customers.”

By putting a lot of effort into reducing false positives, Adyen has managed to get risk refusal rates of 3% down to 1.6%, leading to an average conversion gain of 1.4% platform-wide with no increase in chargebacks.”

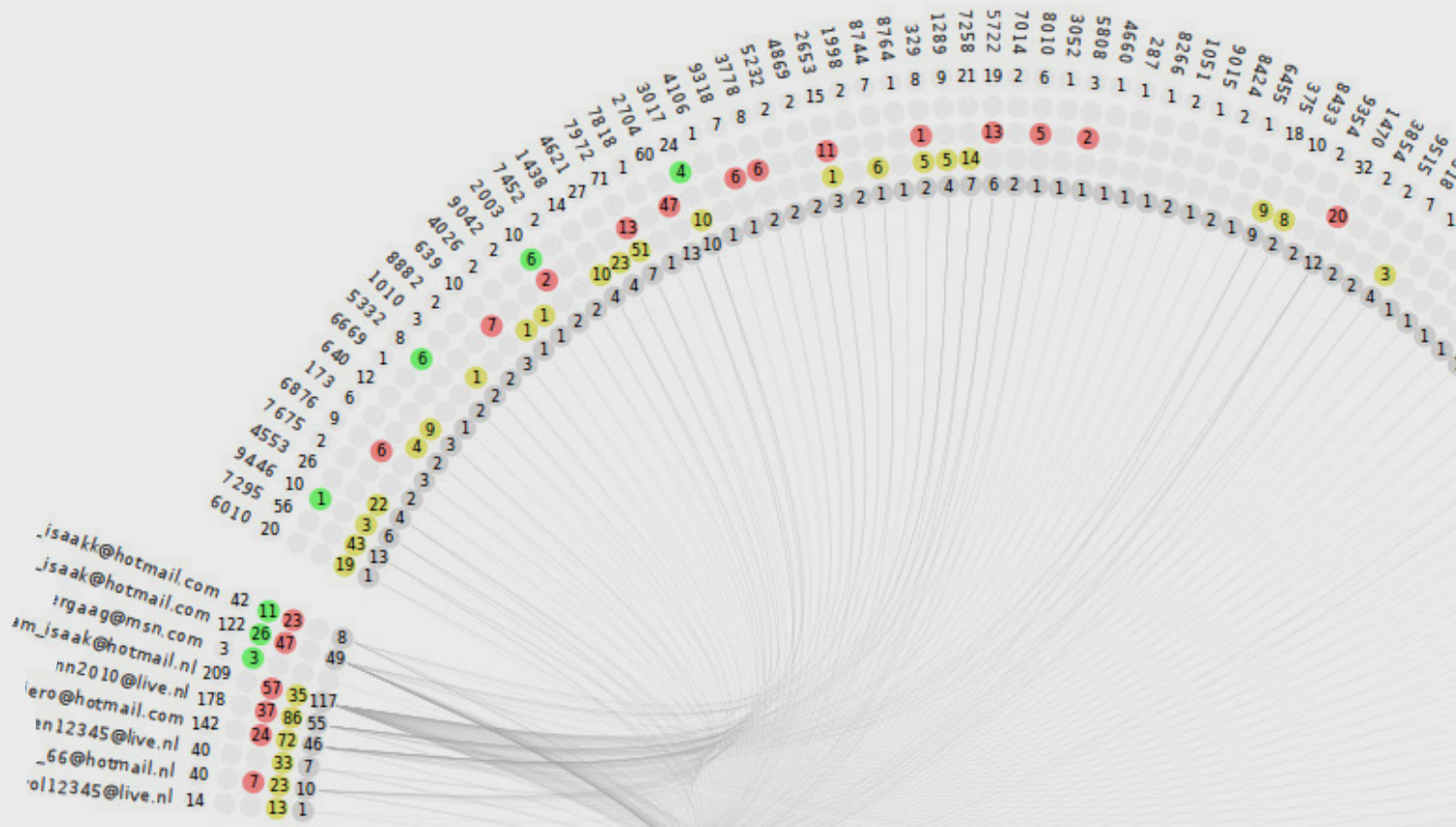


————— *David Colley, Revenue Manager of Twoo* —————

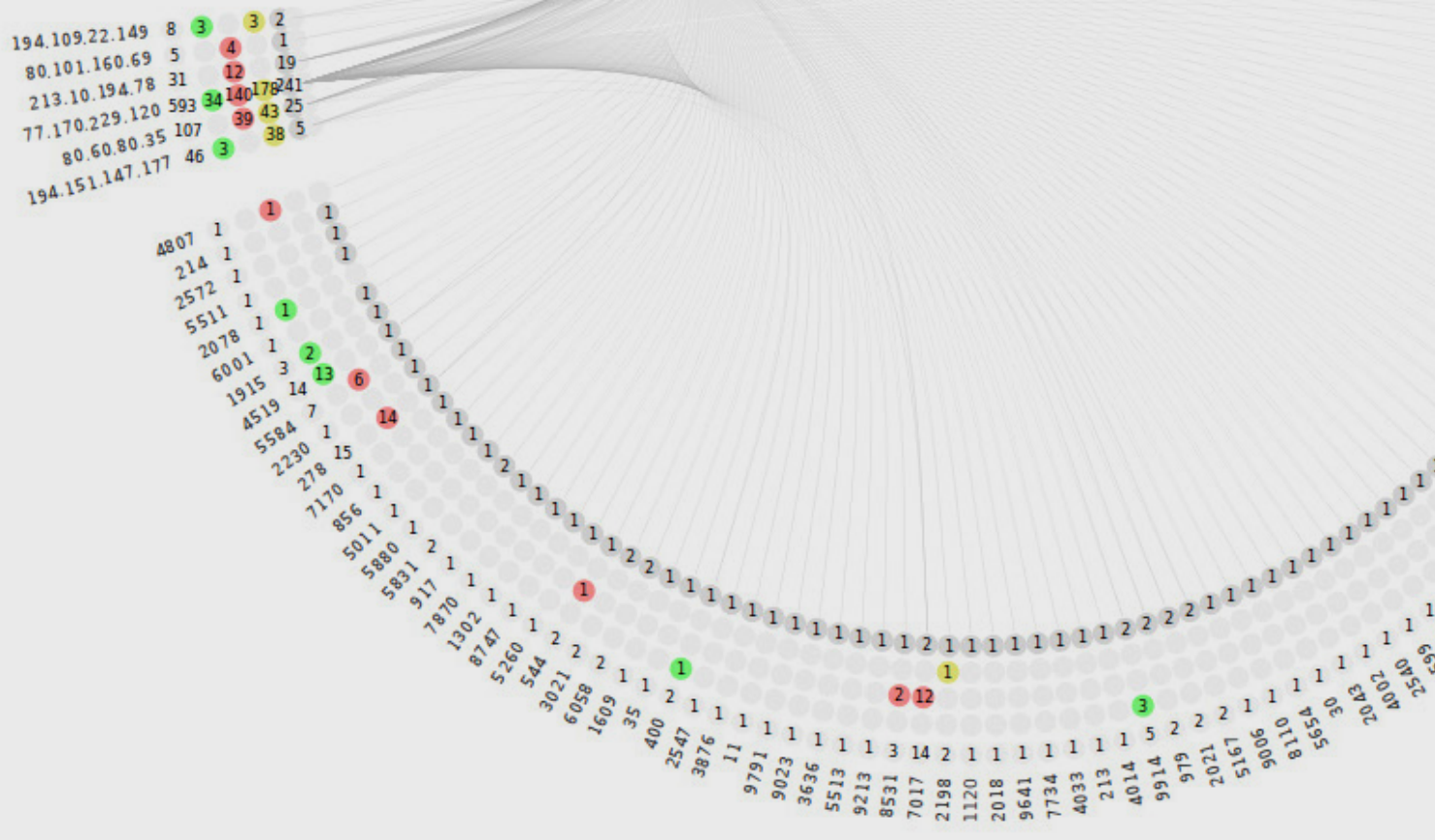
“Twoo accepts payments in over 100 markets and so fraud presents a significant challenge for our business. Adyen’s mix of human expertise and innovative fraud management technology enables us to combat fraud efficiently so that we can continue to grow our business whilst protecting consumers. Their fraud tools provide the necessary level of control and granularity to enable us to target fraud whilst keeping false positives to a minimum. I’d recommend them to anyone looking for a payment provider who understands the challenge of managing fraud whilst growing your business.”

EDC’s perspectives:

A risk management system able to analyze rich customer data is the only way to separate genuine customers from fraudsters. Only by using real customer-centric information together with statistical models can merchants lower “false positive” levels to a minimum.



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Payment dashboard and KPIs as a foundation



BEST PRACTICE 8: INCREASING REVENUES BY LEVERAGING PAYMENT DATA INSIGHTS

Merchant interviews have indicated that setting up the appropriate payment dashboard and relevant KPIs is a foundation for properly managing the payments function.

A few best practices related to reporting include:

- Using regular dashboards to gain a better understanding of sales across each channel (e.g. brick-and-mortar, e-commerce and m-commerce). Dashboards can be used on a weekly or monthly basis and may include customized alerts defined by online merchants.
- Analyzing specific payment-related aspects by a variety of attributes, including country, payment method, sales channel, mobile device type (e.g. phone, tablet), operating system (e.g. Android, Blackberry, iOS and Windows Mobile) and transaction type (e.g. authorization, payment, refunds, chargebacks)
- Defining Key Performance Indicators (KPIs) adapted to the objectives of each merchant (e.g. sales target in a specific country, fraud losses under a specific level). Typically, this would include authorization rates, conversion rates, and growth rates, as well as other elements specific to each merchant.

On this last topic of KPIs, merchant interviews indicated that many merchants use payments-related metrics to measure consumer satisfaction, such as:

- **Time to checkout:** what is the average time (and/or number of clicks) consumers need to complete a transaction on the website?

- **Complexity of payments:** is the payment page simple enough for consumers?
- **Refusal rate:** what is the percentage of consumers that are declined after pressing the pay button?

Engaging with payment partners to increase revenues by leveraging payment data

Gaining a good understanding of payment data has proven to be an effective revenue driver. Online merchants' own data analysis can be complemented by the expertise of their payment partners.

Payment providers may also have resources to provide specific assistance to online merchants. For instance, Adyen has a dedicated team to review and analyze transactions, and suggest payment processing improvements. Three examples reveal the depth of this analysis and the value generated by leveraging payment data insights:

- Addressing high issuer-specific authorization decline rates: Adyen's team investigates payment data related to high authorization decline rate at the level of each issuing bank. As a Visa/MasterCard member, Adyen can contact issuing banks globally and engage with different issuing banks to gain a better understanding of the root causes. This allows Adyen to take corrective actions, including altering the type of data submitted to the issuer or the way of submitting transactions; it can also suggest corrective changes to issuing banks. For instance, Adyen identified higher decline rates in Spain and the UK on recurring (subscription) payments among a few issuers. After discussions with the issuing banks, Adyen changed specific fields which has improved authorization rates among MasterCard transactions by 3% in Spain and by 1% in the UK.
- Undertaking a BIN (Bank Identification Number) analysis for declined transactions: Adyen identified and inquired further about a high refusal rate on prepaid card BINs. The inquiry revealed that for these prepaid card BINs, recurring transactions such as monthly subscriptions were automatically declined by issuers. Appropriate changes were made to categorize these transactions differently, resulting in a higher authorization rate. This can lead to 50% increase in authorization rates among recurring payments on prepaid cards.
- Optimizing MCC (Merchant Category Code) to increase authorization rates. MCCs were created in the 1980s, i.e. before the development of e-commerce and m-commerce, and of new types of businesses such as social networks, P2P businesses or crowd funding companies. There are no specific MCCs that apply to these new players and Adyen identified, (within the range of available MCCs) which MCC generates the highest authorization rate for each type of business.

EDC's perspectives:

The analysis of payment data provides significant insights to optimize the payment processing set-up and also sheds light on consumer behavior and purchase patterns. Online merchants should set up a payments dashboard and relevant KPIs. Payment partners can also prove to be very useful in sharing best practices and finding appropriate solutions to specific issues, thus increasing online revenues.

SO WHAT SHOULD YOU DO NEXT?

This report has clearly identified that there are a large number of payments-related best practices to enhance the consumer experience and payment processing, and thereby increase online revenues.

So the next question is what should you do next?

EDC would suggest a three-step pragmatic approach:

Step 1:

Where are you now? Understand your current situation

Step 2:

Where do you want to go?

Engage with payment partners and define a payments optimization plan

Step 3:


Are you getting there?

Implement and continuously monitor to further optimize payments

A photograph of a desert landscape at sunset. A road curves through the scene, leading towards a bright sun on the horizon. In the foreground, a signpost holds two signs. The top sign is a large rectangular sign with a black border and the text "WHERE ARE YOU NOW" in bold, black, sans-serif capital letters. The bottom sign is a smaller rectangular sign with a black border and the text "WHERE DO YOU WANT TO GO?" in black, sans-serif capital letters. The background features a vast, flat desert with sparse vegetation, a utility pole, and distant mountains under a clear sky.

**WHERE
ARE YOU
NOW**

**WHERE DO YOU
WANT TO GO?**



Understanding your situation with a 360 degree diagnostic

STEP 1:

WHERE ARE YOU NOW?

UNDERSTANDING YOUR CURRENT SITUATION

Prior to improving any payment-related aspects, online merchants should complete a diagnostic of the current situation in order to identify and prioritize key payment issues. For instance, some merchants might benefit most from improving fraud practices while other merchants might benefit most from broadening the range of payment methods that they accept.

This involves conducting a 360 degree diagnostic of all payment aspects, including payment acceptance (policy, processes, tools, internal organization, etc.) and payment

issuing (e.g. gift cards, co-brand cards, private label cards, etc.).

Gathering quantitative and qualitative data as a stepping stone to identifying improvements

In EDC's experience, this analysis of the current situation should include collecting not only basic quantitative data (e.g. transaction volumes, authorization rates, fraud rates, actual costs) but also a review of existing payment acceptance policies, refunds / cancellation policies, payments-related tools and processes, and the internal organization.

This analysis typically takes 4 to 6 weeks, depending on the geographic reach and the complexity of the merchant's operations. This diagnostic will be the cornerstone from which online merchants can define a payments optimization plan.



STEP 2: WHERE DO YOU WANT TO GO? ENGAGE WITH PAYMENT PARTNERS AND DEFINE A PAYMENTS OPTIMIZATION PLAN

The previous analysis provides the underlying rationale to identify and prioritize improvement initiatives. This can be complemented by engaging with payment partners such as PSPs and acquirers. Based on their knowledge of and experience, payment partners can often provide additional factual background (e.g. benchmarking information) and make sound recommendations for potential improvements (e.g. adding relevant local forms of payment, implementing a new fraud prevention feature or a new card acquiring strategy).

Defining a payments optimization plan

The outcomes of the initial diagnostic and engagement with payment partners will allow online merchants to identify a (likely long) list of potential improvement initiatives. Initiatives will need to be prioritized based on a set of criteria, including:

- **Enhancing consumer experience:** how does this suggested initiative improve the consumer experience and strengthen the relationship between the online merchant and its customers?
- **Optimizing payment processing:** how does this potential improvement contribute to optimize the merchant's payment processing?
- **Increasing online revenues:** what will be the contribution of this potential improvement to the bottom line of the online merchant (e.g. increasing conversion rates or generating incremental revenues)?
- **Internal criteria specific to each merchant:** does this suggested initiative fit with the online merchant's overall strategy?

This payment optimization plan should include both revenue-increasing initiatives (e.g. adding relevant local forms of payment, implementing a new fraud prevention feature or a new card acquiring strategy).

Adopting a pragmatic approach based on A/B testing



STEP 3: ARE YOU GETTING THERE? IMPLEMENT AND CONTINUOUSLY MONITOR TO FURTHER OPTIMIZE PAYMENTS

After prioritizing potential improvements, online merchants will start implementing these initiatives. Merchant interviews have revealed that A/B testing is very useful in fine-tuning many of the initiatives mentioned in this report.

This is part of a pragmatic approach based on testing different features for potential improvement and gathering factual data on consumer response using A/B testing.

Position payments as a strategic issue

Payments has increasingly become a hot topic for online merchants, but often it is not given the appropriate senior management's attention or executive sponsorship. Payments should be considered as a strategic issue since it offers a great opportunity for merchants to offer a differentiated, frictionless customer experience. One of the best examples of this has been the importance of 1-click in Amazon's success.

Once the payments-related foundation is in place, it is important to set up the right internal organisation (e.g. a cross-functional 'payments committee') and tools (e.g. a payments dashboard with monthly updates on payments-related Key Performance Indicators and benchmarks).

Continuously monitor to further optimize payments

Payments is not a static topic and is continuously evolving based on new technologies (e.g. mobile payments), regulatory changes (e.g. Payment Services Directive in Europe), and new players (e.g. introduction of wallets such as MasterPass or V.me), as well as changing consumer behaviors.

Implementing a payment optimization plan will deliver significant value to online merchants. Engaging with one's payment partners will contribute to building a better understanding of best practices in payments, which will help further optimize payments in the long term.



Adyen global headquarters in Amsterdam

ABOUT EDGAR DUNN & COMPANY AND ADYEN

This report has been commissioned by Adyen to the independent consultancy firm Edgar, Dunn & Company.

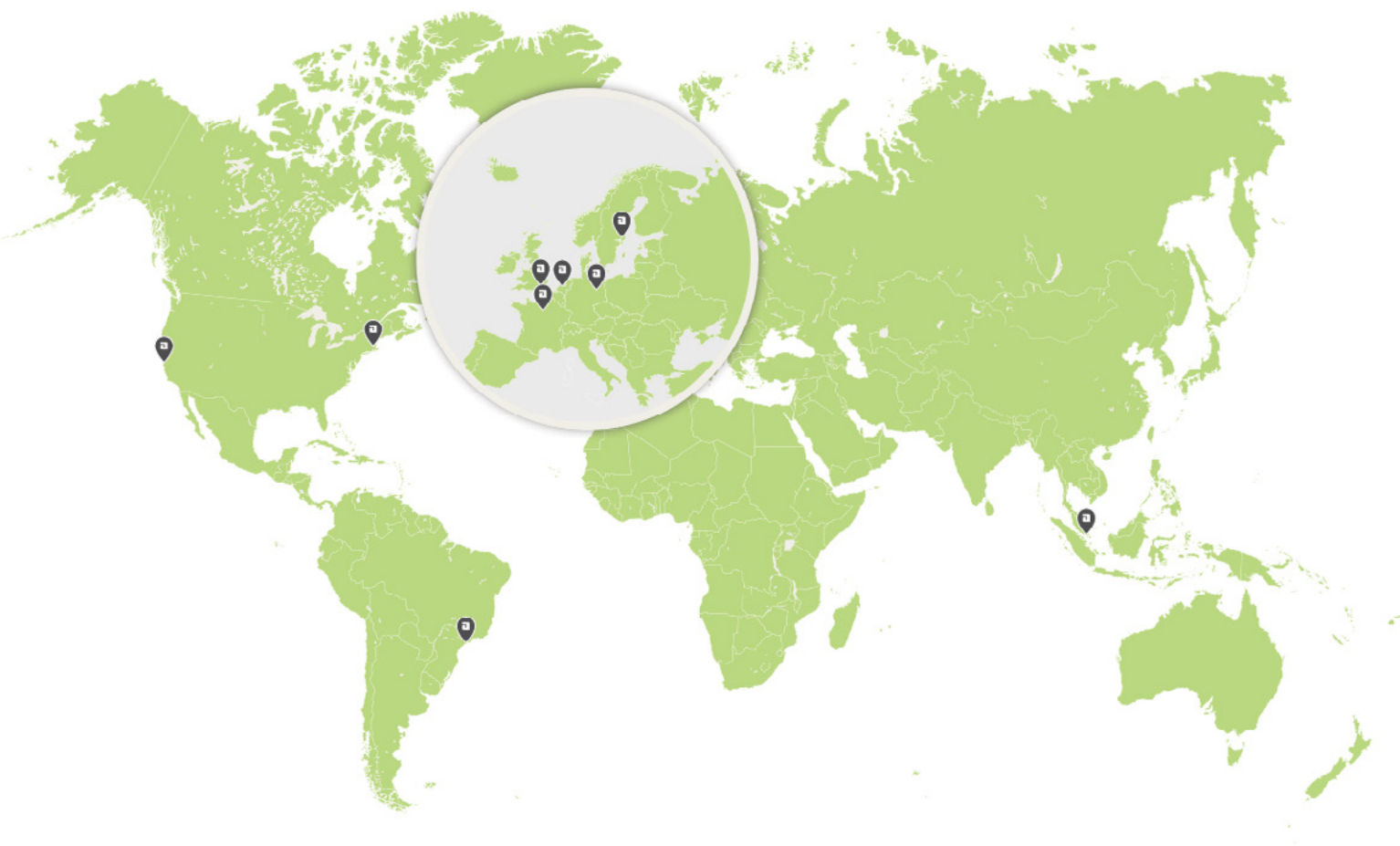
About Edgar, Dunn & Company

Edgar, Dunn & Company (EDC) is an independent global financial services and payments consultancy. Founded in 1978, the firm is widely regarded as a trusted advisor to its clients, providing a full range of strategy consulting services, expertise and market insight. From locations in Atlanta, Frankfurt, London, Mexico City, Paris, San Francisco, Singapore and Sydney, we deliver actionable strategies, measurable results and a unique blend of global perspective and local market knowledge for clients in over 45 countries.

About Adyen

Adyen is a global provider of international and multi-channel payment solutions. The Adyen Payment Platform supports all sales channels, including online, mobile, Point-of-Sale (POS) and Mobile Point-of-Sale (MPOS) payments, and offers solutions that increase revenue while managing risks and reducing costs. The Platform is highly scalable and can be completely customized to meet any merchant requirement. Adyen processes 224 local payment methods and 187 transaction currencies used on six continents, making it the ideal partner for international expansion. Many high profile customers use Adyen including Uber, Badoo, SoundCloud, Getty Images, Mango, KLM, PopCap Games and Vodafone. Adyen is headquartered in Amsterdam, with offices in London, Paris, Berlin, Stockholm, San Francisco, Boston, Sao Paulo, and Singapore. The company processed more than USD 10 billion in 2012.

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