

DIGITAL TRANSACTIONS

Trends in the Electronic Exchange of Value

12TH ANNUAL

FIELD GUIDE TO *innovative* PAYMENTS

Here are the nonbanks, banks, and networks now making the biggest waves in payments services



*Alipay • Amazon Pay
Apple Pay • Bitcoin
BitPay • Cash App
Coinbase
Cumberland Farms
Dunkin'/DD Perks
ExxonMobil Speedpass
Facebook Messenger
Google Pay • GulfPay
Klarna • Kohl's Pay
Kroger Pay • Libra
MoneyGram • PayPal
Phillips 66 • Quick Codes
Revolut • Ria/Euronet
Ripple/XRP • Samsung Pay
Secure Remote Commerce
Starbucks • Target • Venmo
Walmart Pay • WeChat
WUOnline • Zelle*

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12TH ANNUAL

FIELD GUIDE TO *innovative*

PAYMENTS

The guide has a slightly different name now, but the same purpose—to seek out and describe the nonbank players, apart from the big networks, that are rewriting the rules for the digital exchange of value.

By John Stewart, Jim Daly,
and Kevin Woodward

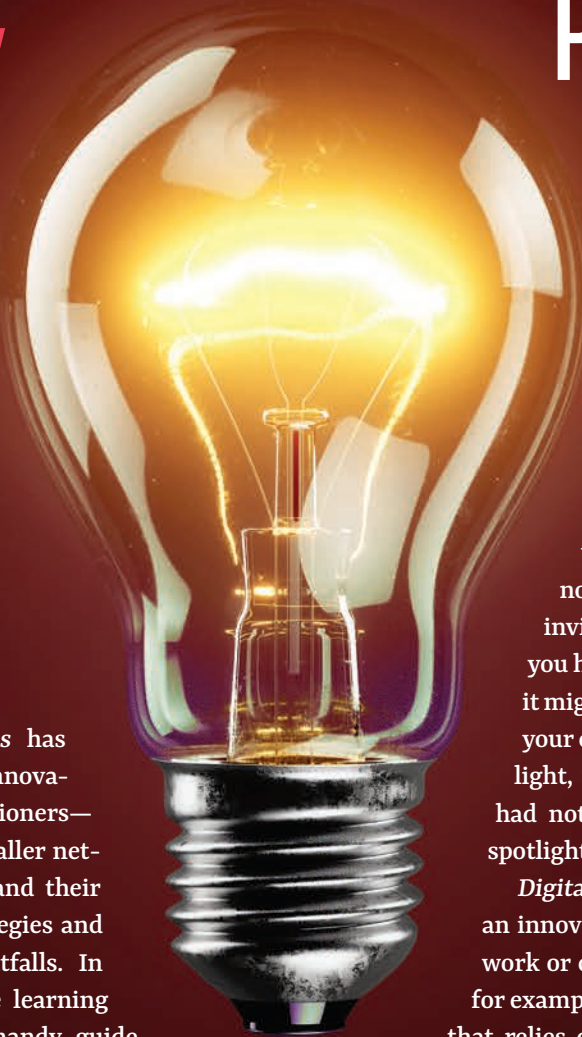
Since 2004, *Digital Transactions* has traced the course of payments innovation through its nimblest practitioners—the startups, the fintechs, the smaller networks, the nonbank arrivistes—and their services and products, their strategies and tactics, their successes and pratfalls. In 2009, we distilled what we were learning about these innovators into a handy guide inside the May issue, and called it a “field guide” to what were then known, somewhat cheekily, as alternative payments.

Well, the guide worked out so well we decided to update it every May. And so you now hold in your hands the 12th edition. Only now, in recognition of what the guide and this magazine have been about all along, we’ve rechristened it as a guide to innovative, rather than alternative, payments. We think the new adjective better fits our purpose in sorting out the varied new pathways the nonbanks, and yes, banks and major networks, are forging for the payments business.

Much, however, has not changed. The guide is still as much about strategies and tactics as it is about emerging technology and new markets. And so we invite you to read this guide much as you have since 2009, with an eye to how it might inform your decisions, sharpen your competitive instincts, and bring to light, perhaps, some developments you had not encountered before—as well as spotlight some potential partners.

Digital Transactions generally defines an innovative payment system as any network or consumer interface (a mobile app, for example) that enables payments in a way that relies on or stands apart from a major network and/or stands between that network and the consumer in an important way. We emphasize consumer-facing payment systems, but of course many, if not most, of the systems profiled here market themselves to merchants to maximize acceptance of their products.

Information for the listings comes from news reports over the past year, company Web sites and spokespersons, and financial filings in a few cases. We list pricing for the merchant and consumer when it is relevant and publicly available. The “Founded” line refers to the year the particular service was founded, not the parent company, except in those cases where the two coincide.



ALIPAY

PARENT Alibaba Group

HEADQUARTERS Hangzhou, China

FOUNDED 2004

WEB intl.Alipay.com

FIELD NOTES Alipay's roots extend to 2004 when the digital wallet launched to aid payments on China's online marketplaces. Today, Alipay encompasses much more than that. In addition to online payments it can be used for in-store offline payments in China and elsewhere. In North America, Alipay has been adding in-store acceptance in tourist-heavy locations and in other non-face-to-face payment channels. Cross-border

payments specialist WorldRemit Corp. this year added support for Alipay to enable international remittances to Alipay. The allure is approximately 35 million Chinese citizens who live abroad and sent home an estimated \$67 billion in 2019, according to the World Bank. 7-Eleven Inc. added Alipay support in Canada in 2018. That year apparel retailer Guess? Inc. added in-store Alipay support at more than 50 of its U.S. stores.

AMAZON PAY

PARENT Amazon.com Inc.

HEADQUARTERS Seattle

FOUNDED 2007 (including predecessor services)

WEB pay.Amazon.com

FIELD NOTES Amazon Pay, which enables consumers to use their stored Amazon payment credentials to make payments on other Web sites, also is advancing its physical acceptance efforts. Consumers with Alexa, Amazon's voice assistant, enabled in their cars and trucks will be able to pay for fuel at ExxonMobil gas stations with simple voice commands. Some Audi, Ford, Lincoln, Lexus, and Toyota models work with Alexa natively or with an app. The technology should be available later this year. Processor

Fiserv Inc. is contributing the technology to enable the service. Amazon Pay also branched out with its Amazon PayCode service, which enables consumers to pay for their online Amazon purchases with cash. With PayCode, Amazon shoppers place orders online and then pay for the purchases later in person, in cash, with no additional fees. At checkout, the shopper selects the Amazon PayCode payment option to receive a Quick Response code and a number associated with the transaction.

APPLE PAY

PARENT Apple Inc.

HEADQUARTERS Cupertino, Calif.

FOUNDED 2014

WEB Apple.com/apple-pay/

FIELD NOTES Apple Pay, the most popular of the U.S.-based general-purpose mobile-payment services, is now generating 15 billion transactions annually, double the volume from a year earlier, and its revenues also have more than doubled, Apple CEO Tim Cook reported in late January. Marketing industry researcher eMarketer estimated 30.3 million U.S. Apple Pay users last fall compared with Google Pay at 12.1 million and

Samsung Pay at 10.8 million. Despite the big numbers, contactless mobile payments with near-field communication technology, the kind enabled by Apple Pay on Apple's iPhone and its chief competitors, commanded only a low-single-digit share of U.S. point-of-sale payments going into 2020. That share could grow this year as consumers shun cash and physical credit and debit cards to avoid contracting Covid-19.

BITCOIN

PARENT Satoshi Nakamoto

HEADQUARTERS n.a.

FOUNDED 2009

WEB Bitcoin.org

FIELD NOTES It's beloved by crypto-evangelists, but the Covid-19 pandemic that swept the world in the first months of 2020 only confirmed Bitcoin's longstanding unsuitability as a medium of exchange. Prices for the ever-volatile Bitcoin plunged 37% over the course of a week in mid-March, just as the extent of the coronavirus's pestilential trek across the U.S. was becoming apparent. Then came a choppy 28% rebound that left Bitcoin trading at about \$6,450 around April 1, off 49% from its 12-month peak

of \$12,576 in July, according to data from Coindesk.com. Bitcoin also continues to be plagued by volatile fees and blockchain processing times that don't come close of those of the card networks, though developers are working hard to solve that problem. Bitcoin remains by far the biggest crypto by market capitalization. Square Inc.'s Cash App enables Bitcoin trading, and Square reports that Bitcoin revenue grew 210% year-over-year in 2019 to \$516.5 million, or 11% of the company's \$4.71 billion total revenues.

BITPAY

PARENT BitPay Inc.

HEADQUARTERS Atlanta

FOUNDED 2011

WEB [BitPay.com](https://bitpay.com)

FIELD NOTES BitPay is one of the more well-known cryptocurrency payments providers. Its debut in 2011 followed Bitcoin's start in 2009. The company has developed strategic alliances and added support for other cryptocurrencies. In late 2019, BitPay introduced payment acceptance and settlement

services in a trio of stablecoins whose value is tied to the U.S. dollar: Circle Internet Financial Ltd.'s USD Coin, the Gemini Dollar, and Paxos Standard Token. In 2019, BitPay processed more than \$1 billion in payments, the second consecutive year it reached that mark.

CASH APP

PARENT Square Inc.

HEADQUARTERS San Francisco

FOUNDED 2012

WEB [Cash.App](https://cash.app)

FIELD NOTES Square is that rare merchant processor that also has a sizable consumer-facing business. Formerly called Square Cash, Cash App's original franchise was person-to-person payments. But the Cash App "ecosystem," a favorite word of Square CEO Jack Dorsey's, now includes several services. One is Cash Card, a Visa debit card that enables users to make purchases drawing on their stored Cash App balances, which totaled \$676 million at the end of 2019, up 102% year-over-year. About 20% of Cash App users have the debit card, which has a rewards

program called Cash Boost that gives customers discounts at certain merchants. Customers also can use Cash App to buy U.S. stocks, and buy and sell Bitcoin. Cash App, which accounted for 27% of Square's gross profit in 2019's fourth quarter, as of December had 24 million active monthly users who made at least one transaction during a given month, up from 15 million a year earlier. In April Square encouraged Cash App customers to use the service for direct deposits from the government's giant Covid-19 rescue package.

COINBASE

PARENT Coinbase Inc.

HEADQUARTERS San Francisco

FOUNDED 2012

WEB [Coinbase.com](https://coinbase.com)

FIELD NOTES Well-known cryptocurrency exchange Coinbase added capabilities to its Coinbase Commerce service, which enables merchants to accept cryptocurrencies. In October it added the ability for customers of Coinbase Commerce merchants to pay them directly from their Coinbase accounts. They simply log into their Coinbase accounts, select a wallet for the payment, and Coinbase handles the rest. This saves consumers the steps of copying complex cryptocurrency addresses and long decimal amounts. This followed the addition of linking a Coinbase.com account to an individual's

Coinbase Wallet app to make crypto transfers easier. Earlier this year, Coinbase said Visa Inc. approved it as a principal member, making Coinbase the first pure-play cryptocurrency company to receive a Visa membership. Coinbase introduced its Coinbase Card, a Visa debit card, in the United Kingdom last year; the card is now available in 29 markets. It also added the ability for Google Pay users to add the Coinbase Card to the mobile-payment service. Coinbase says it has more than 30 million users who have traded more than \$150 billion in cryptocurrencies.

CUMBERLAND FARMS

PARENT Cumberland Farms Inc.

HEADQUARTERS Westborough, Mass.

FOUNDED 2013

WEB CumberlandFarms.com/smartpay

FIELD NOTES Cumberland Farms, a convenience-store chain in the Northeast and Florida, offers biometric support for its SmartPay service, which is available for iOS and Android devices. SmartPay gives users a 10-cent discount per gallon of gas when they use it to pay for fuel. The app also works with a prepaid account or a credit or debit card. The c-store chain added the card option last year. The app—developed in-house by Cumberland Farms—uses automated clearing house payment technology from Portland,

Maine-based ZipLine Inc. The biometric log-in feature for the updated app works with any iOS or Android smart phone that has a fingerprint sensor, or facial recognition, as with the iPhone X. To pay for fuel, the user verifies the store location and pump number within the app to activate the pump. The app enables users to pay for in-store purchases at any of the more than 600 Cumberland Farms locations in eight states, find a store location, track rewards progress, and view savings from using the app.

DD PERKS

PARENT Dunkin' Brands Group Inc.

HEADQUARTERS Canton, Mass.

FOUNDED 2012

WEB DunkinDonuts.com/en/dd-perks

FIELD NOTES Dunkin's DD Perks loyalty program has been getting more popular every year, ending 2019 with 13.6 million members, up 39% from 9.8 million in 2018, when it grew 20%. Part of its popularity no doubt owes to the relative rapidity in which a member can earn rewards, and the ease of redemption. Dunkin's mobile app supports near-field communication

contactless payments in addition to its longstanding Quick Response code payment feature. In 2018 Dunkin' struck a multi-year agreement with CardFree Inc., its long-time software partner for the mobile app, giving it a perpetual license to the app software. Dunkin' is using the software for its digital initiatives that include catering, delivery, and curbside pick-up.

EXXONMOBIL SPEEDPASS

PARENT ExxonMobil Corp.

HEADQUARTERS Irving, Texas

FOUNDED 2016

WEB Exxon.com/en/Speedpass

FIELD NOTES ExxonMobil's Speedpass+ app debuted as a smartphone app that used mobile-payments services and credit and debit cards to make in-app payments for fuel at the pump. The app enables consumers to pay for fuel and other convenience-store products and services without dipping a card into a reader. It determines the consumer's location either via the global positioning system or barcode on the pump scanned by the consumer. Once a transaction is initiated, the consumer can

authorize payment with a stored credit or debit card, or Apple Pay, if using an iPhone, or Samsung Pay, if using an Android smart phone. The app is not only a way to avoid dipping a card, and perhaps exposing it to a card-skimming device, but as a way to drive additional sales with prompts for offers in stores or a car wash. ExxonMobil fuel stations also will accept the in-car payment service coming from Amazon that will be available in Alexa-enabled vehicles. Alexa is Amazon's voice assistant.

FACEBOOK PAY

PARENT Facebook Inc.

HEADQUARTERS Menlo Park, Calif.

FOUNDED 2015

WEB pay.Facebook.com

FIELD NOTES Launched last year, Facebook Pay consolidated the social network's payment services across its apps under one moniker. Facebook Pay enables consumers to store a payment method within the wallet and then use it to make purchases and payments within Facebook apps. Initially, Facebook Pay will be available in Facebook and Messenger in the United States for fundraisers, in-game purchases, event tickets, purchases from select businesses and pages on Facebook Marketplace, and for person-to-person payments on

Messenger. Eventually, Facebook Pay will spread across other Facebook products, such as Instagram and WhatsApp, a messaging app. To use the service, Facebook users go to Settings in the Facebook app or Web site to add a payment method, which can include most major credit and debit cards and PayPal. Facebook Pay is separate from the Calibra wallet Facebook is developing for the Libra cryptocurrency project. Facebook's messaging app, with at least 1.6 billion users, remains the largest and perhaps most useful such utility.

GOOGLE PAY

PARENT Alphabet Inc.

HEADQUARTERS Mountain View, Calif.

FOUNDED Android Pay, 2015; Google Wallet, 2011

WEB pay.Google.com

FIELD NOTES Google's mobile wallet is ramping up for an active year. Its big news, which broke in November, is a plan to work with financial institutions to launch so-called smart checking accounts that can be managed through the wallet. The first partners are Citigroup Inc. and Stanford Federal Credit Union. The banking partnerships could allow Google to expand services like bill pay while financial institutions handle regulatory

compliance. Another recent venture: integration with mobile apps on college campuses to make bookstore purchases and gain building access. And Cubic Corp.'s Cubic Transportation Systems unit agreed late last year to integrate contactless transit cards with Google Pay. The integration was set to begin with contactless payment systems for transit in London, Miami, and New York.

GULF PAY

PARENT Gulf Oil LP

HEADQUARTERS Wellesley Hills, Mass.

FOUNDED 2016

WEB GulfOil.com/gulf-pay

FIELD NOTES Announced in early 2017, Gulf Pay is slowly rolling out in Gulf Oil's market. In addition to paying for fuel at the pump with a smart phone, Gulf Pay users are able to locate Gulf stations, view actual fuel prices, obtain directions, and view offers for fuel and in-store products. The app, available for iOS and Android devices, also

enables purchases inside Gulf station convenience stores. Gulf Oil has more than 1,800 Gulf gas stations. The app is built on technology from P97 Networks Inc., a Houston-based petroleum-services company. Other companies using its technology include To Go Stores, a Puerto Rico-based convenience-store chain, and Phillips 66.

KLARNA

PARENT Klarna Bank AB

HEADQUARTERS Stockholm

FOUNDED 2005

WEB Klarna.com/us

FIELD NOTES Sweden's Klarna, known for its single-click purchasing utility and its willingness to delay payment until a customer receives the goods she ordered online, faces stepped-up competition now that more such services have entered the market. Competitors now include big guns like Mastercard Inc., which in April 2019 acquired Klarna rival Vyze Inc. But Klarna has been on a roll, nonetheless. Its biggest move came in March with an unspecified

minority investment from Ant Financial Services Group, parent of the hugely popular Alipay mobile wallet. The deal dramatically boosts Klarna's global presence while adding millions of potential customers, experts say. As things stand, Klarna is accepted at more than 200,000 merchants and e-commerce platforms, with more than 75,000 having been added last year, the company says, adding that some 85 million consumers use the service.

KOHL'S PAY

PARENT Kohl's Corp

HEADQUARTERS Menomonee Falls, Wis.

FOUNDED 2016

WEB Kohls.com

FIELD NOTES The Kohl's Pay app allows customers to redeem offers, rewards in the chain's Yes2You program, and Kohl's Cash in one barcode-based flash. But it faces a huge challenge now that Kohl's has closed all of its approximately 1,100 stores in response to the coronavirus outbreak. The app is designed for

speed at checkout. "When we say fast savings at checkout, we mean really fast," the company says on its Web site. The developer is Omnyway Inc., a 6-year-old startup cofounded by Bill Melton, well-known in the payments industry as a founder of point-of-sale terminal vendor Verifone.

KROGER PAY

PARENT The Kroger Co.

HEADQUARTERS Cincinnati

FOUNDED 2019

WEB Kroger.com/f/kroger-mobile-pay-faqs

FIELD NOTES Kroger's app, now more than a year old, is available for iOS and Android devices and uses QR codes for payments, as Kroger does not accept NFC-based general-purpose mobile wallets such as Apple Pay or Google Pay. Kroger Pay is part of a multifaceted loyalty program dubbed "Rewards" that includes a debit card, digital coupons, and personalized offers.

Consumers accrue loyalty points when using Kroger Pay and can receive additional points when the payment method is the Rewards debit card or a general-purpose prepaid card that also carries a Kroger store brand. The app emerged in the midst of the supermarket chain's boycott of Visa credit cards at two of its subsidiaries. The boycott ended in October.

LIBRA

PARENT Facebook

HEADQUARTERS Geneva, Switzerland

FOUNDED 2019

WEB Libra.org

FIELD NOTES Working with a group of prominent tech and payments companies, Facebook Inc. last summer launched Libra, a cryptocurrency whose value is tethered to a basket of securities, and has seen it attacked ever since by alarmed central bankers and financial regulators around the world. The heat was too intense for

Mastercard, PayPal, Stripe, and Visa, and one by one they dropped out of the governing Libra Association. Altogether, eight companies bailed. But in February, Shopify joined as the association's 21st member. Facebook is also working on a digital wallet, called Calibra, designed to work with the new digital currency.

MONEYGRAM.COM

PARENT MoneyGram International Inc.

HEADQUARTERS Dallas

FOUNDED 2010

WEB MoneyGram.com

PRICING \$500 online transfer to Mexico—\$4 if funded by checking account with cash pick-up; \$6.99 if funded by Visa or Mastercard credit or debit card.

FIELD NOTES These days, a money transfer using MoneyGram could involve blockchain technology from Ripple Labs Inc., which in November made a \$20 million investment in the No. 2 money transmitter. Coming on top of a \$30 million infusion Ripple poured into MoneyGram in June, the latest investment handed Ripple nearly 10% of the company. MoneyGram in return is working to boost usage of Ripple's On Demand Liquidity technology, which uses the blockchain company's XRP digital

currency to send money around the world. But MoneyGram isn't relying solely on blockchain to grow its digital-remittance business. The company followed its Ripple deals in December with an agreement to allow international transfers that rely on Visa Direct, Visa's push-payment technology. The initial corridors run to Spain and the Philippines. All told, Visa says it has more than 1 billion cards worldwide that can receive Visa Direct payments.

PAYPAL

PARENT PayPal Holdings Inc.

HEADQUARTERS San Jose, Calif.

FOUNDED 1998

WEB PayPal.com

PRICING 2.9% plus 30 cents per U.S. merchant transaction; for PayPal Here, 2.7% for swiped transactions, 3.5% plus 15 cents for manually entered transactions.

FIELD NOTES PayPal has had a busy—and mostly positive—year. Late in 2019 it consummated a crucial agreement with China's UnionPay payments network to integrate UnionPay cards in the PayPal wallet and allow PayPal users to pay Chinese merchants. Earlier, PayPal scored a big win by taking a 70% stake in China's GoPay digital-payments company. With that deal, it won the right to be the first foreign company allowed to process online payments in that huge market. On the domestic front, PayPal secured Visa to be the network for its new Venmo credit card, began to see glimmers of hope that the wildly popular but money-losing

Venmo service could soon break even, and extended its reach to shopping assistants and other online tools with its big \$4 billion deal to acquire Honey Science Corp., announced in November. In 2019's fourth quarter, active accounts cracked the 300-million mark. But then came the Covid-19 pandemic, with baleful consequences for commerce and payments. The hit to PayPal's results wasn't known in time for this entry, but the company joined the ranks of payments processors offering to funnel Paycheck Protection Program funds from the Small Business Administration to businesses impacted by the pandemic.

PHILLIPS 66

PARENT Phillips 66

HEADQUARTERS Houston

FOUNDED 2016

WEB Phillips66.com

FIELD NOTES Refinery operator and fuel retailer Phillips 66 announced a mobile-commerce-focused platform in 2017 based on the P97 PetroZone m-commerce service Phillips announced in 2016. In early 2019, Phillips 66 said paying for fuel at one of its stations will be integrated into a dashboard-commerce system under development with Honda Developer Studio. The new arrangement is expected to work at stations flagged under the Houston-based petroleum company's three brands, which

in the United States include 76 and Conoco as well as Phillips 66. Some 7,550 independently owned outlets in 48 states sell the company's products. The company also said it will continue rolling out its My Phillips 66 mobile app, which launched in 2018 and works in-store as well as at the pump with both Apple and Google devices. The app integrates Mastercard Inc.'s Masterpass wallet, which allows consumers to pay at the pump or in-store at Phillips 66 stations.

QWICKCODES

PARENT MagTek Inc.

HEADQUARTERS Seal Beach, Calif.

FOUNDED 2012

WEB Qwickcodes.com

PRICING \$49.99 annual subscription

FIELD NOTES QwickCodes rely on MagTek's MagneSafe security architecture to generate one-time, disposable transaction codes consumers can use in place of actual payment cards in stores, online, and at ATMs. Merchants can exchange the codes for the card-swipe track data they represent. Users add cards to the QwickCodes wallet by swiping them with a reader

supplied by MagTek. The wallet can also keep transaction parameters such as dollar limits, where the code can be used, and an expiration date, and users can revoke the code at any time. To use the code at the point of sale, the user scans a barcode generated on his smart phone screen. At ATMs or online, he enters the 8-digit code.

REVOLUT

PARENT Revolut Ltd.

HEADQUARTERS London

FOUNDED 2015

WEB [Revolut.com](https://www.revolut.com)

PRICING Standard service, free; Premium service, \$9.99 per month

FIELD NOTES Long available in Europe, the so-called neo-bank Revolut launched in the United States in March with an app that lets users obtain either a plastic or virtual debit card, freeze or unfreeze or otherwise control the card from

a mobile phone, convert from one currency to another, and flow wages directly into the account. Other features available in Europe, including cryptocurrency and stock trading, could come later.

RIA MONEY TRANSFER

PARENT Euronet Worldwide Inc.

HEADQUARTERS Leawood, Kan.

FOUNDED 1987

WEB [RiaMoneyTransfer.com](https://www.RiaMoneyTransfer.com)

PRICING \$500 U.S. to Mexico transfer—\$2 if funded with bank account or debit card and sent to bank account, \$13 with credit card.

FIELD NOTES Walmart Inc. uses Ria as its exclusive domestic in-store money-transfer provider, and in 2019 Ria joined incumbent MoneyGram International Inc. as a provider of Walmart2World international money transfers from the U.S. and Puerto Rico. Ria also now enables cash pick-ups at U.S. Walmart stores for inbound

transfers from U.S. and international Ria agent locations. Ria and its sister Euronet money-transfer service IME have 397,000 locations in 160 countries. Those two subsidiaries and a third Euronet money-transfer unit, xe, handled a total of 114.5 million transactions in 2019, up 6% from 107.6 million in 2018.

RIPPLE

PARENT Ripple Labs Inc.

HEADQUARTERS San Francisco

FOUNDED 2012

WEB [Ripple.com](https://www.Ripple.com)

FIELD NOTES Blockchain-technology provider Ripple is the company behind XRP, which, with a valuation of \$7.87 billion in early April, was the third-largest digital currency by market capitalization, according to CoinMarketCap.com. Ripple also runs the RippleNet payment network. More than most of its crypto and blockchain cousins, Ripple has been willing to work closely with the banking and payments establishment, particularly on cross-border transactions. The company, which announced a \$200 million Series C funding round in December, now claims

about 300 financial-institution customers in more than 40 countries, including Spanish giant Santander and American Express and PNC in the U.S. Last year, Ripple invested \$50 million in wire-transfer provider MoneyGram International Inc. MoneyGram is using the funding to increase volume for On-Demand Liquidity, Ripple's blockchain-based product formerly known as xRapid, which uses XRP to send money globally. As of November, MoneyGram was moving about 10% of its Mexican peso foreign-exchange trading volume through On-Demand Liquidity.

SAMSUNG PAY

PARENT Samsung Electronics Co. Ltd.

HEADQUARTERS Seoul, South Korea

FOUNDED 2015

WEB [Samsung.com/us/samsung-pay/](https://www.Samsung.com/us/samsung-pay/)

FIELD NOTES Samsung Pay can connect to point-of-sale terminals via near-field communication. But, unlike Apple Pay and another NFC-based competitor, Google Pay, Samsung Pay also enables Samsung's Android phones to link to the POS via a technology called magnetic secure transmission (MST), which means it works with just about any mag-stripe reader in the market. Among the mobile-payment service's recent updates is the integration of the Curve card-consolidating app to the

wallet. The new connection follows recent moves by Samsung Pay to enable cross-border payments and to launch a virtual prepaid product called Samsung Pay Cash. Samsung Pay Cash is aimed at a variety of use cases, most especially those that traditional prepaid cards help control, such as spending and budgeting. Devices that can run Samsung Pay, which the Korean electronics company launched in 2015, include models S6 and later.

SECURE REMOTE COMMERCE

PARENTS Visa, Mastercard, American Express, Discover

HEADQUARTERS n.a.

FOUNDED 2019

WEB EMVCo.com

FIELD NOTES Secure Remote Commerce is not so much a brand as a behind-the-scenes digital-payment mechanism developed by EMVCo, the standards body controlled by the global payment card networks. Referred to as “click to pay” by the networks, SRC’s purpose is to replace the clutter of payment brands on e-commerce checkout pages such as Visa’s Visa Checkout and Mastercard’s Masterpass with a common buy button that offers an operationally unified and simple purchase process. The consumer-facing button

at present is a rather bland black-and-white graphic that looks like a “C” with an appendage resembling a right-pointing double arrow. When clicked, the button pulls up the online shopper’s payment credentials. Visa reported in January that about 5,500 U.S. merchants had already implemented click to pay, and the remaining Visa Checkout-accepting U.S. merchants would be on the system in the coming months. On the cardholder side, Visa automatically converted its 50 million Visa Checkout users to click to pay.

STARBUCKS REWARDS

PARENT Starbucks Corp.

HEADQUARTERS Seattle

FOUNDED 2011

WEB Starbucks.com/rewards/

FIELD NOTES The coffee behemoth has been spending considerable energy building its China business in recent years, but its Starbucks Rewards program continues to grow in its home country. Built around a proprietary prepaid card and the Starbucks payment-enabled mobile app that uses a bar code for purchases, Starbucks Rewards claimed 18.9 million active U.S. members at

the end of 2019, up 16% from 2018. Last year Starbucks announced changes it said would enable customers to earn and redeem reward points, called stars, faster. Mobile order-ahead and pay transactions accounted for 17% of U.S. transactions by December. Newer additions to Starbucks’ payment family include a Visa credit card and prepaid card issued by JPMorgan Chase & Co.

TARGET WALLET

PARENT Target Corp.

HEADQUARTERS Minneapolis

FOUNDED 2017

WEB Target.com

FIELD NOTES Target last year began accepting Apple Pay, Google Pay, and Samsung Pay plus EMV contactless cards, but the discount retailer’s preferred payment method is its RedCard family. The group includes a private-label credit card and cobranded Mastercard credit card issued by TD Bank, and a Target-issued decoupled

debit card as well as the Wallet feature of Target’s mobile app. Redcards, which give holders 5% off on Target purchases, can be loaded into Wallet for payment and coupon redemptions at Target stores, and they also provide free shipping with Target.com purchases. RedCards accounted for 23.3% of Target’s 2019 sales.

VENMO

PARENT PayPal Holdings Inc.

HEADQUARTERS San Jose, Calif.

FOUNDED 2009

WEB Venmo.com

PRICING Regular P2P payments free, 1% fee for instant transfers.

FIELD NOTES With consumers stubbornly unwilling to pay for most person-to-person payment services, PayPal for several years has been trying to monetize its highly popular but revenue-starved Venmo P2P mobile app, which ended 2019 with 52 million active users and volume of \$102 billion, up 56% from 2018. While Venmo, which has social-media functions, does generate some P2P revenue from instant transfers, PayPal has been looking covetously at merchants willing to pay acceptance fees. Venmo

already offers Pay With Venmo, a fee-generating service that lets users tap their Venmo balance at the point of sale. Venmo also offers users a Mastercard debit card issued by The Bancorp Bank, which produces interchange income when used for purchases. Likewise, PayPal is expected to share in the revenues generated by the upcoming Visa-branded Venmo credit card issued by Synchrony Financial, which also will produce interchange when customers use it for purchases at Visa-accepting merchants.

WALMART PAY

PARENT Walmart Inc.

HEADQUARTERS Bentonville, Ark.

FOUNDED 2015

WEB Walmart.com/cp/Walmart-Pay/3205993

FIELD NOTES The world's largest retailer completed the rollout of Walmart Pay, its QR-code-based mobile-payment service, in 2016. Part of Walmart's strategy with the service is to make it easy for consumers to use their Walmart-branded credit cards in the app. Walmart made Walmart Pay an option for its order-online-in-store service. A shopper asks a store employee to order an item to ship to the store or the shopper's home. A receipt is generated by the employee app. The shopper then takes the receipt to any

store register to pay. Despite the massive size of Walmart and its customer base, Walmart Pay is not as well liked as Apple Pay is by these consumers. New York City-based Auriemma Consulting Group found that Walmart shoppers who use Apple Pay and have a mobile-payment preference are twice as likely to choose Apple Pay over Walmart Pay. Mobile apps from other retailers—Target Corp.'s Wallet and Kohl's Corp.'s Kohl's Pay—also are less likely to be chosen over Apple Pay.

WECHAT PAY

PARENT Tencent

HEADQUARTERS Shenzhen, China

FOUNDED 2011

WEB pay.Weixin.qq.com/index.php/public/wechatpay

FIELD NOTES WeChat Pay's North America presence is all about enabling acceptance for users, especially those hailing from China who vacation in the United States and Canada. To that end, WeChat Pay has struck several deals, such as one with 7-Eleven Inc. in Canada. Citcon USA LLC provides a service for merchants that enables WeChat Pay and other China-based wallets to be used at North American merchants. WeChat Pay is part of the

Tencent empire, which integrates a number of popular digital services, including social media. It depends on Quick Response codes rather than on near-field communication, the standard major U.S. wallets like Apple Pay and Google Pay have adopted. That makes WeChat Pay easy for merchants to install and appeals to China's huge population of smart-phone aficionados. In 2019, WeChat Pay announced foreign cards can be used on its system.

WESTERNUNION.COM

PARENT The Western Union Co.

HEADQUARTERS Denver

FOUNDED 2012

WEB WesternUnion.com

PRICING \$500 U.S. to Mexico online transfer with receiver cash pick-up—\$5 if funded with bank account, funds availability may take up to four business days; \$7 with debit card, \$21.50 with credit card. Funds available to receiver in minutes with card-based transfers.

FIELD NOTES The Big Daddy of the wire-transfer industry continues to build its digital presence in the face of rising competition from fintechs and traditional rivals such as MoneyGram and Ria. Although total revenues fell in the fourth-quarter and for all of 2019, fourth-quarter digital-service revenues from Westernunion.com and white-labeled services increased 25% year-over-year on a constant-currency

basis. Westernunion.com produced 15% of the quarter's total of \$1.13 billion in consumer-to-consumer revenue, up from 12% a year earlier. The service is now available in more than 70 countries. In January Western Union announced it has worked with Du Xiaoman Financial to launch Western Union international money transfers paid in real time into what the partners say is a majority of bank accounts in China.

ZELLE

PARENT Early Warning Services LLC

HEADQUARTERS Scottsdale, Ariz.

FOUNDED 2011 (as clearXchange)

WEB ZellePay.com

FIELD NOTES Zelle, the person-to-person payment service chiefly available from banks, experienced double-digit growth last year processing \$56 billion in payments on 230 million transactions in the fourth quarter alone. For all of the year, it processed \$187 billion in payments on 743 million transactions, growth of 57% and 72%, respectively. As of January, Zelle said 766 financial institutions are on the Zelle Network, including 378 that are live. These numbers

likely have grown especially. Though not all active Zelle participants share data, Bank of America Corp. routinely does. In 2020's first quarter, BofA said transactions on its Zelle platform shot up 76% from a year earlier to 102.3 million. Users paid \$27 billion on BofA's Zelle service, a 69% increase from \$16 billion in 2019's first quarter. BofA ended the first quarter with 10.4 million Zelle users compared with 9.7 million at the close of 2019. **DT**