

Digital Payments  
for a Trusted World

WORLDLINE 



**Your simple guide to  
online payments**



Why payments matter

## eCommerce is booming



Payments are part of our everyday lives, whether you're a merchant or a customer. But how much do you really know about payments? And do you know what goes into creating a frictionless payment experience?

Every online transaction involves many parties to the funds from the shopper to your merchant bank account while keeping the whole process quick and secure. Having a good understanding of these processes will help you refine your operations for a better customer experience and allow you to step in at the right part of the process if there's an issue, reducing disruption and costs.

You can significantly increase your conversion rates and sales by offering the right payment methods for your audience and improving the customer experience.

## Optimise your payment flow

### HOW DOES IT WORK?

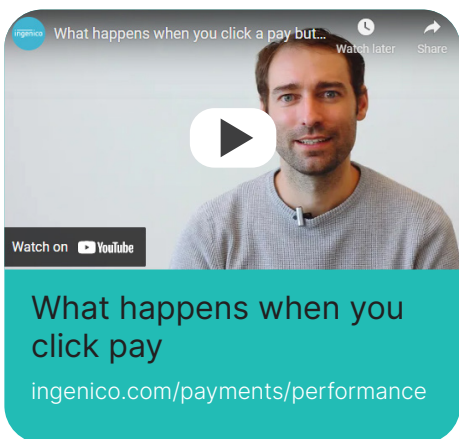
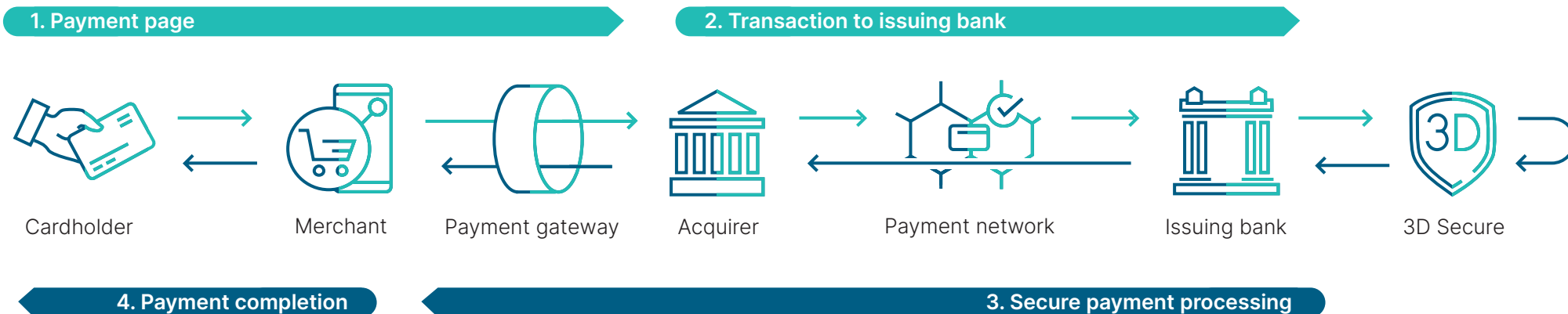
In simple terms, the payment process handles the transactions between a merchant and a customer. It executes the payment by forwarding payment information, such as credit card details, from the customer to the merchant's preferred bank account.

To understand how the payment process works, let's look at the players and their roles.

Clicking 'pay' is central to each sale, ultimately governing a business' success. Yet many merchants are unaware of how the funds travel across the payment cycle. Each and every online transaction involves many parties working in unison to get the funds from the shopper to the merchant's bank account quickly and securely.

Payment processing

So, what happens after the consumer clicks pay?



- ✓ **1** Once the consumer clicks pay, they're taken to a payment page where they add their cardholder data. This then connects to the payment gateway, which creates a payment request and sends it to the acquirer.
- ✓ **2** The acquirer receives the payment request from the payment gateway, then submits the transaction to the issuer via the card network. The issuer then approves the transaction and sends the acquirer the retail price.
- ✓ **3** The merchant is then paid by the acquirer minus the cost of the transaction. This fee includes the issuing bank's interchange fees and the acquirer fees.
- ✓ **4** The consumer's account is debited with a retail price. This retail price appears on the statement of the merchant.

## Increase your conversion rates by offering the right payment methods

Credit Cards, Debit Cards, Bank Transfer, Mobile Wallets and many more - when setting up an online store, it is essential for your company to find out what types of payment you want to offer. Not only because there are different types to choose from, but certain types are optimized to maximize revenue opportunities.

If you are selling cross-border, it is also essential to understand the (very different) preferred payment methods between countries. For example, card payments account for over 80% of payments in France, but less than 15% in Germany and The Netherlands.

Learn more about the differences and which types of payment methods are best suited for your eCommerce business.

## Credit cards

### INTERNATIONAL CREDIT CARDS

With international credit cards still paving the way for most customers to shop online, merchants and businesses looking to reach out to an international market should supply credit card payments.

**Credit Cards** - The cardholder receives a credit from the issuer. The balance is rolling and settled on a monthly basis.

**Debit Cards** - The amount of the purchase is withdrawn from the available balance on the cardholder's account. If there are insufficient funds on the account, the transaction is declined by the issuer.

**Prepaid credit cards** - Cards are loaded with money in advance to create a balance that can be spent.



### DOMESTIC CREDIT CARDS

Domestic cards operate much like international models, but are used in specific countries. Consisting of mostly debit or credit card payments, these cards are often co-branded with VISA or Mastercard for use outside the country borders.

Although co-branded, the domestic branding is often dominant within a country. For example, in Belgium, Bancontact cards are co-branded with Visa or Maestro, but most consumers won't recognise the latter and will opt for the domestic brand.



## Wallets, banking and invoices

‘Up to 42% of consumers are likely to drop off and search for alternative websites if their preferred payment method(s) are not offered at checkout.’

### WALLETS

Wallets are increasing their market share on an international level. They are user-friendly, simple and convenient. As wallets contain delivery and invoice data, they have the capability to authenticate the consumer in one single step.

**There are two distinct types of wallet:**

#### Payment wallets -

These wallets authenticate the consumer and process the payment. The most popular examples are PayPal and Alipay.

#### Container wallets/Authentication wallets -

Container wallets take care of authenticating the consumer and in return provide payment data to process the payment method through a known payment method (e.g. VISA or MasterCard). As a consequence, as a merchant you also need to have an acquiring contract with these payment methods to process the payment.



### OFFLINE BANK TRANSFER

An offline bank transfer enables your customer to pay using a payment reference they received when purchasing – but authorization is not instant. When choosing offline bank transfers as a payment method, you should only ship goods upon receipt of the money in your account.

### DIRECT DEBITS

While most payment methods are push-based, a direct debit is a pull payment method where the merchant withdraws money from the customer account, generally to pay bills or standard, repeat payments.

### OPEN INVOICE AND INSTALMENTS

This payment method allows customers to pay for their purchase after delivery; sometimes in one transaction, sometimes in instalments. The customer shares information on invoicing and delivery but does not share any credit card or other payment details (e.g. Klarna).





Payment Methods

## Other methods

### Selling Cross-border?

Download our guide to selling cross-border



[ingenico.com/crossborder](https://ingenico.com/crossborder)

### REAL-TIME BANKING

Real-Time Banking (RTB) solutions are very popular in Europe. Customers make online payments via their bank to make purchases or to transfer money instantly. It's very consumer friendly as it uses the bank environment or bank app the consumer is used to.



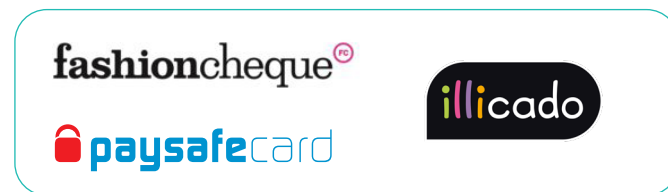
### CREDIT CONSUMPTION

Credit consumption offers customers the chance to open a financial agreement to buy goods on credit. This payment service is popular in Southern Europe (France, Spain and Italy, e.g. Oney, Cofidis)



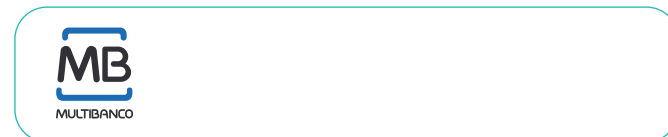
### PREPAID AND GIFT CARDS

Customers upload a card or receive a gift voucher which they can use to purchase a product. Authorization of these cards is online and instant (e.g. Fashioncheque, Illicado, PaySafeCard).



### CASH-BASED PAYMENT METHODS

The customer purchases a product or service online and receives a unique reference to pay for the purchase at an affiliated outlet, store or ATM (e.g. MultiBanco)



## Payment links

### There are more ways to accept digital payments than just through your website

If you request payments or invoice customers via email, Payment Link is a great way to stabilize or increase your cash flow. Simply add a button link to your emails, to make it easy for your customers to make instant payments.

Our solutions provide ultimate flexibility and performance for your business by adapting to your customer's needs. Whether you are delivering to your customer or they are coming to pick up goods at one of your stores, you can quickly send them a secure payment link on your preferred sales channel (SMS, email, instant messaging or social media).

All payments are processed in real time so you can be sure of secure and immediate authorization.

#### KEY BENEFITS



##### Easy and quick set-up

No additional hardware or software required. And does not require a webshop.



##### Increased operational efficiency

Monitor, manage and reconcile payments quickly and easily with real-time transaction data and a comprehensive reporting suite.



##### Use any channel

Use your usual communication channel to send the link. It could be SMS, email, social media or instant messaging.

## Increase your conversion rates by offering the right payment methods

A shopping cart is a software that facilitates the purchase of a product or service from an online retailer. They bridge the gap between shopping and buying, so having the best shopping cart software and payments partner is extremely important to your online business.

Plugins (also known as extensions) are software components designed specifically to connect your eCommerce platform to our trusted payment engine. Worldline has developed the following Shopping Cart plugins for you to start accepting payments from your customers easily and securely.

Note: All of our plugins are PSD2 compliant.

Shopping carts

# Plugins for leading eCommerce platforms

## PLUGINS

Managed by Worldline

## COMMUNITY PLUGINS

Managed by our trusted partners

### How to integrate with Worldline?



#### Activate your account

See for yourself the benefits of having Worldline as your payments partner, why not create a free test account today?



#### Install the right plugin

Find and download your extension or eCommerce plug-in.



#### Link the two platforms

Link your eCommerce software to our payments platform, simply by completing the plugin settings in your Worldline account.

## Optimise your payment flow

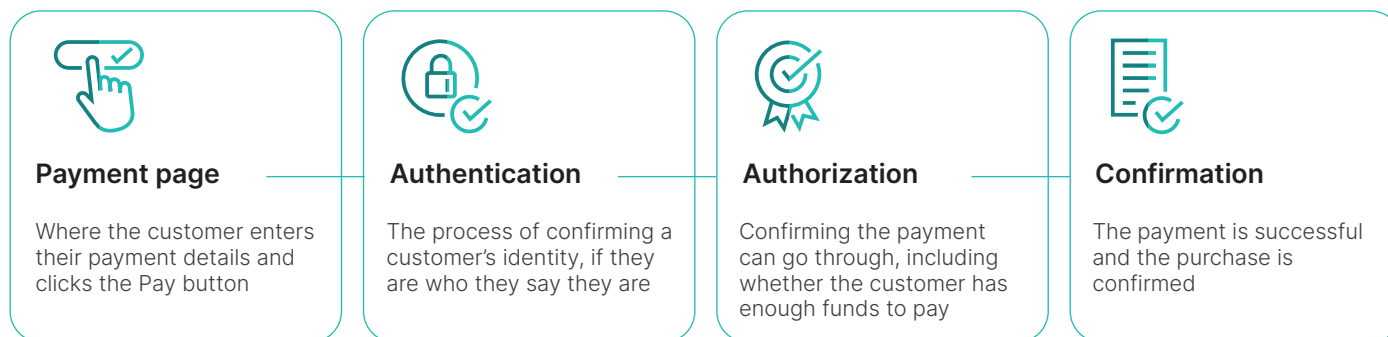
### **'One in five transactions is abandoned at the payments stage'**

Optimizing your payment conversion rate - the proportion of visitors to your site that become paying customers - can generate more revenue per visitor. By offering a seamless payment process you can improve your customer experience, improving both customer satisfaction and loyalty.

There are opportunities to do this throughout the transaction lifecycle; from the moment the customer clicks the pay button to when they receive a payment confirmation.

## WHAT IS PAYMENT CONVERSION?

When a customer makes a purchase online, the transaction goes through four stages:



## WHY TRANSACTIONS FAIL

The common hurdles that lead to failed transactions and customers abandoning their cart include:



**Consumer drops out because of too many steps**



**Technical issues across the value chain**



**Payment options available**



**Can't find card credentials**



**Security concerns**



**Insufficient funds on the shopper's bank account**



See our tips to optimize your payment flow

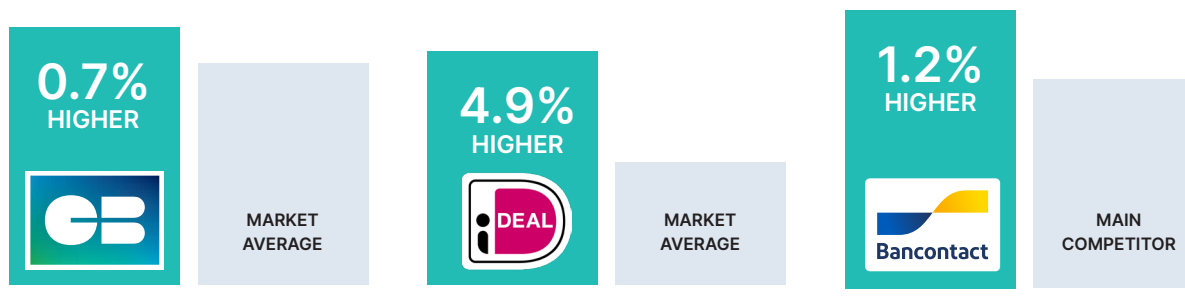
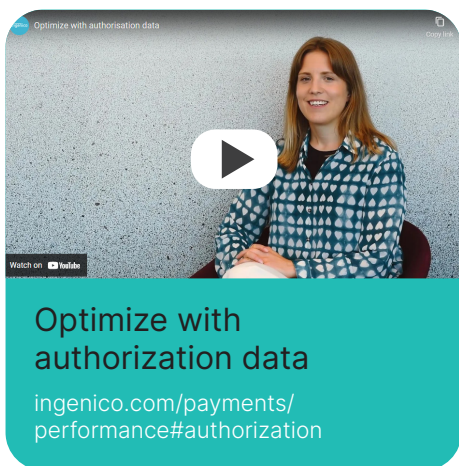
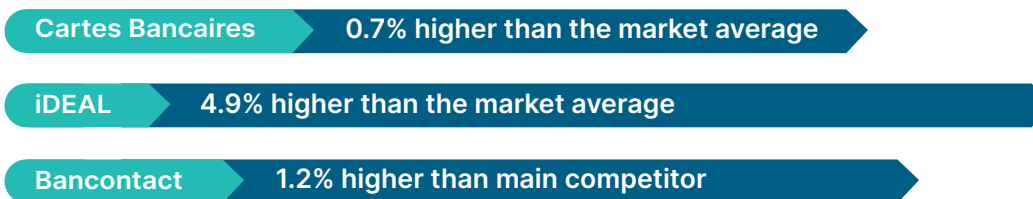
<https://www.ingenico.co.uk/payments/payment-conversion>

## Data optimization

Regardless of the nature of your business and the types of transactions you are processing, it is always valuable to look at your data to optimize the payment process. See page 18 to find out how our Business Intelligence tool MyPerformance can give you valuable insights into why shoppers are leaving their baskets behind.

### AUTHORIZATION RATES

Authorization rates can vary greatly amongst suppliers, having a direct impact on your growth and success. Worldline Full Service offers leading authorization rates across Europe



## Improving your conversion rate

When your customers are at the narrowest part of your funnel, the right payment page can help drive sales and boost conversion by up to 35%. There are a number of key actions you can take to optimize your payment page:



### Make it easy and enjoyable to use

Use easy-to-understand text and coloured icons for ease of use



### Build trust

Include elements of trust on your checkout and payment pages, including the logos of trusted protection partners



### Use as few steps as possible

Help customers pay faster by saving their payment details with tokenization



### Design for mobile

Ensure your payment page is mobile responsive



### Localise your checkout pages

Offer local payment methods and pricing in local currency



### Give users a sense of control

With clear order summary details, options to cancel and alternative payment methods



See our UX tips to improve your payment page

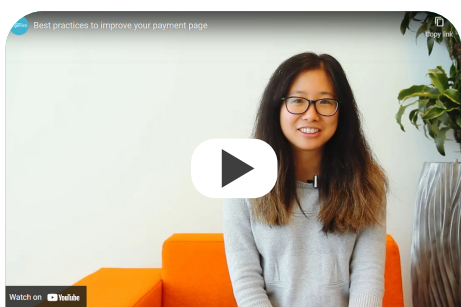
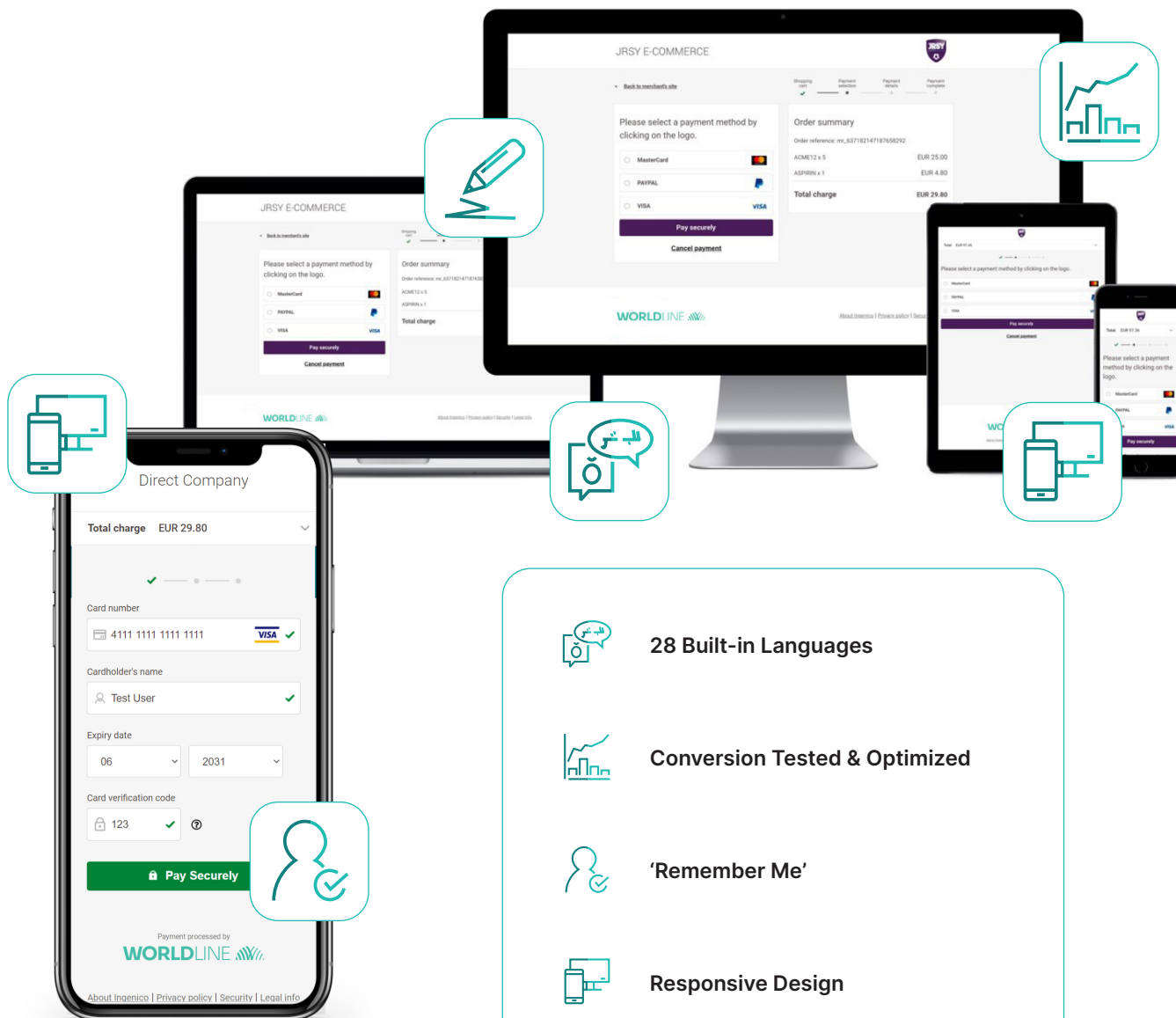
<https://www.ingenico.co.uk/payments/payment-page-conversion>

**And most importantly, keep testing your payment page with real customers – analyzing qualitative and quantitative data from their experience.**








UX best practices

A checkout experience optimized for conversion



Best practices to improve your payment page

[ingenico.com/payments/performance#page](https://ingenico.com/payments/performance#page)

-  **28 Built-in Languages**
-  **Conversion Tested & Optimized**
-  **'Remember Me'**
-  **Responsive Design**
-  **Custom Look & Feel + Copy**

MyPerformance

# Simplifying data insights

Our Business Intelligence tool **MyPerformance** brings together your payment performance insights on one intuitive platform. It gives you instant access to key metrics over time like average transaction value, 3D Secure requests, conversion rates and reasons for rejections.

It can show you your abandonment rates, offering insight into why shoppers are leaving their baskets behind.

It can also show you in which regions your transactions are located, so you can understand which localised payment methods, currencies and languages you need to implement on your payment page.



View your flows and conversion rate over time



Immediately see key metrics



Analyse how your average transaction value (basket size) affects payment performance



Understand why transactions are rejected



See the impact of 3D Secure authentication on transactions



Breakdown and compare the performance of your payment methods, entities (PSPIDs) and customer countries.

MyPerformance – your Business Intelligence tool

Watch on YouTube

**Introducing MyPerformance**

[ingenico.com/payments/performance#insights](https://ingenico.com/payments/performance#insights)



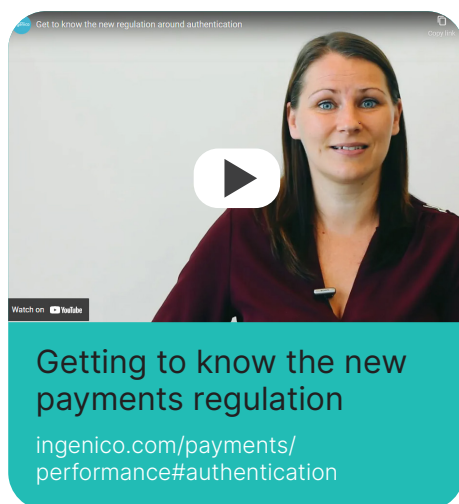
## PSD2 and SCA

# Increase security and payment performance

## WHAT IS PSD2?

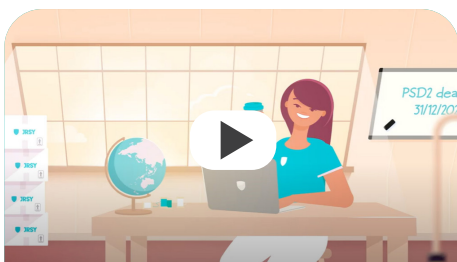
PSD2 stands for Payment Services Directive which is driven by the European Commission to regulate transactions, acquirers, and issuers in Europe to ensure consumer protection across all payment types, promoting an even more open, competitive payments landscape.

However, the European Banking Authority extended the deadline for the requirement that Strong Customer Authentication (SCA). The enforcement deadline for EU merchants passed on 31st December 2020, and the deadline for UK merchants will be fully enacted on 14th March 2022.



PSD2 and SCA

# Increase security and payment performance



**Making your shop PSD2 compliant**

[youtube.com/watch/PSD2](https://www.youtube.com/watch?v=PSD2)



**Stay up to date with the latest PSD2 news**

<https://epayments-support.ingenico.com/en/news/3dsv2/>

## SCA AND EXEMPTIONS

On a practical level, SCA means that, when making a card payment online, customers must verify their identity by using at least two out of three factors:



Knowledge (i.e. a password or PIN that only the customer knows)



Possession (i.e. the customer's card or phone)



Inherence (i.e. using biometric features like facial recognition or fingerprint)

PSD2 allows certain exemptions from the SCA requirement and these are always made by the card issuing bank.

To improve your chances to get exemptions you can provide additional data to the PSP. For example, additional data such as consumer data, IP address, past purchase information, or shipping information. This will give the issuing bank more confidence in removing the additional authentication steps, reducing friction and increasing conversion.

## WHAT IS 3D SECURE?

The card networks have decided to use the security protocol 3D Secure to handle SCA for any purchase made with their cards. In practical terms, 3D Secure means that the cardholder, in addition to their card details, must also enter a password to complete their payment.

With PSD2, the issuing bank can challenge transactions. It means that as a merchant, if you do not have 3D Secure activated, your valid transactions may be declined. So, make sure you have activated 3D Secure or customer transactions may get blocked.

## WE'RE HERE TO SUPPORT YOU ALL THE WAY.

Worldline prides itself on having been PSD2 compliant since it launched. When you use our payment page, we manage it on your behalf, making compliance simple for you.

Preventing fraud

# As eCommerce becomes more prevalent, so does fraud



## What you can do to prevent fraud

- Have 3D Secure 2.0 on your web shop.
- Use fraud prevention tools.
- Add velocity checks as a fraud prevention mechanism.
- Compare the country in which the card was issued with the delivery address and IP address.
- Observe and insert barriers for unnatural purchase patterns.
- Blacklist certain card BINs, card countries, IP addresses, and cardholders.

Fraudsters pose new and ever-evolving challenges to merchants and as such, the authentication of your customers is a crucial step in the payment flow. There is a strong connection between increasing acceptance rates and preventing fraud. Both stem from analyzing your payment data.

### THAT'S WHERE WE HELP

Our industry-leading fraud detection tools and experts bring over 20 years of industry and regional expertise, and will work closely with you to develop, implement and manage a complete fraud solution.

We offer a complete suite of flexible products, sophisticated technologies and expertise so you can pick the solution that best fits your needs.



**We make it tough on fraudsters and safe for you.**

### OUR MANAGED FRAUD TOOLS HAVE A WIDE RANGE OF CAPABILITIES, INCLUDING:



**Device Fingerprinting**



**Real-Time Behavioral Mapping**



**IP Geolocation Tracking**



**Industry and Sector-Specific Risk Profiles and Rules**



**Cross-Parameter Checks**



**Cross-Merchant Intelligence**



**Merchant-Controlled Rules**

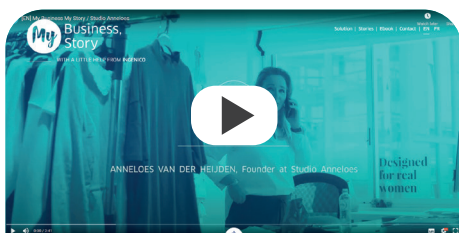
With these tools, global coverage and local expertise, you'll be able to reduce fraud, maximize approvals, minimize chargebacks and reduce operational cost, while ensuring your customers a smooth online shopping experience.

Choosing a payments partner

## What to look for

‘Since working together, we’ve seen our international orders grow by 75%, our conversion rate increase by half a percent and our return rate decrease by 10%.’

### Studio anneloes



Full story here

<https://mybusiness.ingenico.com/blog/testimonial/studio-anneloes/>

## TRADITIONAL VS FULL SERVICE

In traditional models, you would sign a contract with each bank, technical gateway, acquirer and payment system provider. This would mean integrating multiple payment methods with different reporting formats, payment terms and contacts when you have a problem.

With our Full Service offering, you get an all-in-one payment solution with one contract and one point of contact to help you grow your business.

## WHY WORLDLINE?

**At Worldline, we do payments.**

We provide merchants with a comprehensive and innovative range of services and solutions that eliminate complexity and make purchasing quick, seamless and secure for consumers.



### Flexible and secure integration

Secured plug-ins, in-app payment modules and API-based, bespoke solutions.



### Ultimate stability

Unmatched uptime and billions of transactions processed every year.



### Unrivalled fraud protection

With insights into real merchant and fraud data, our algorithms make better, smarter decisions.



### Cross-border payments

We can help with your international expansion.



### Access to payment experts

Reap the benefits of specialist guidance.



### Local support

Our experts are based around the world.



### PSD 2 compliant

We navigate PSD2 for you, so you can focus on your business.

Let's talk

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## About Worldline

Worldline [Euronext: WLN] is the European leader in the payments and transactional services industry and #4 player worldwide. With its global reach and its commitment to innovation, Worldline is the technology partner of choice for merchants, banks and third-party acquirers as well as public transport operators, government agencies and industrial companies in all sectors. Powered by over 20,000 employees in more than 50 countries, Worldline provides its clients with sustainable, trusted and secure solutions across the payment value chain, fostering their business growth wherever they are.

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**WORLDLINE** 

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