



# Enhancement of Electronic Payments

## ABA FinTech Workshop

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# What is PayNow?



As part of the Singapore Smart Nation Initiative, PayNow was set out to make funds transfer for customers more convenient and efficient.

PayNow is an enhanced **peer-to-peer** funds transfer service that gives customers the convenience to receive and send money just by using the **recipient's mobile number** or **Singapore NRIC/FIN**.

This service is available to customers of the seven participating banks in Singapore; and is **free, secure** and **available 24/7**.



# Statistics At A Glance

Registration



**1.28M**

*Registrations*



**854k**

*Mobile registrations*

Transactions



**3.23M**

*Total transactions*



**1.55M**

*Fast transactions*



**1.67M**

*Intra bank transactions*

# Traditional Methods of Peer-to-Peer Payment

Cash is still the preferred mode of payment for small value transactions and for peer-to-peer payments



Splitting of bills  
with friends



Giving allowance  
to family  
members



Payment of  
salary to  
domestic helper



Payment of  
tuition fees  
personal tutors



Payment for a  
service

**60%**

transactions  
in cash

P2P

Payment Options

	Cash	FAST	Cheque	Interbank GIRO
Transfer Requirements	<ul style="list-style-type: none"> <li>Cash on hand</li> <li>Withdrawal at ATMs</li> </ul>	<ul style="list-style-type: none"> <li>Recipient's Bank and Account Number</li> </ul>	Physical cheque to be written and signed	GIRO application completed
Time to Transfer	<ul style="list-style-type: none"> <li>Immediate</li> </ul>	<ul style="list-style-type: none"> <li>Immediate</li> <li>24/7</li> </ul>	<ul style="list-style-type: none"> <li>Up to 2 working days</li> </ul>	<ul style="list-style-type: none"> <li>Up to 3 working days</li> </ul>
Transfer Limits	<ul style="list-style-type: none"> <li>Subjected to bank's ATM withdrawal limit</li> </ul>	<ul style="list-style-type: none"> <li>Up to \$200,000 per transaction (subjected to bank's limits)</li> </ul>	<ul style="list-style-type: none"> <li>Available balance in account</li> </ul>	<ul style="list-style-type: none"> <li>\$25M or lower (subjected to bank's limit)</li> </ul>

# PayNow presents a simple, convenient and secure way to transfer funds vis-à-vis traditional payment mechanisms



Splitting of bills with friends



Giving allowance to family members



Payment of salary to domestic helper



Payment of tuition fees to personal tutors

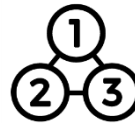


Payment for a service



## Seamless

- Send and receive money **instantly** with just your **mobile number**.
- 24/7



## Simple

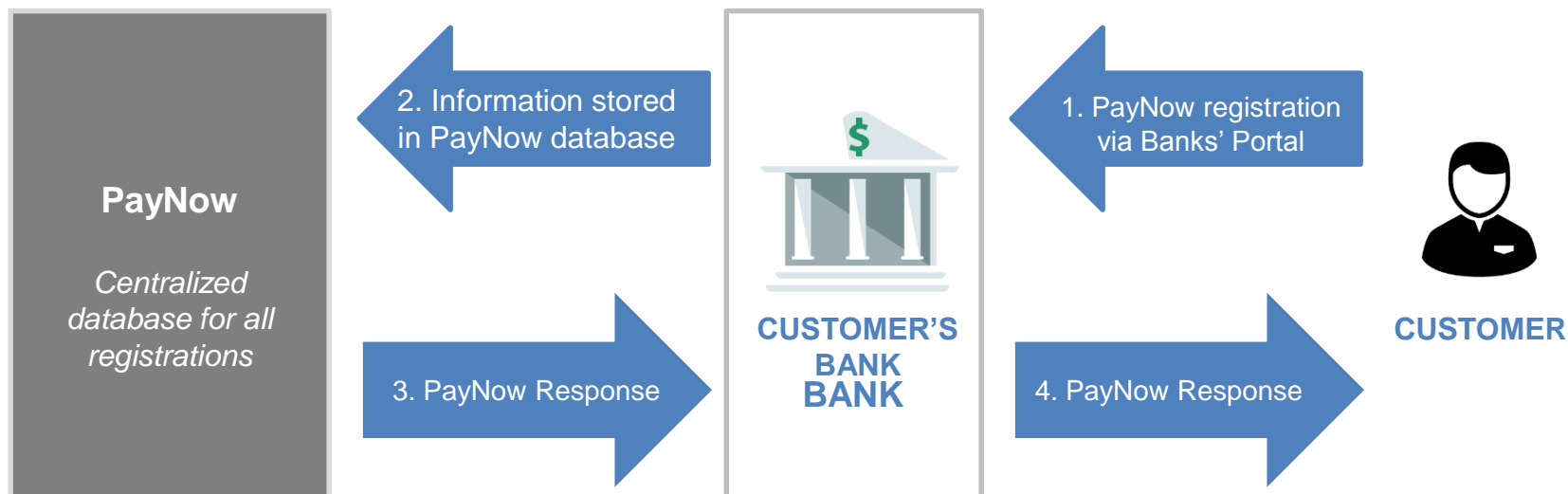
- **Simple registration** via Internet and mobile banking to receive money in 3 easy steps



## Safe

- **Validation of recipient's name** prior to sending of money
- **SMS notification** on money transferred
- No need to reveal bank account number

## Centralized database for all registrations



- **A centralized database houses all customers' PayNow registration and de-registration information that comes from the 7 participating banks.**
- **Customers register for PayNow with their mobile number and/or NRIC as proxies linked to their receiving bank deposit account.**
- **To effect a payment, Banks will perform a look up to the PayNow database to get beneficiary account number based on the proxy used by the customer.**

# Moving Paper-based Transactions to Electronic

✓ Merchant use & accept a range of payment instruments, driven largely by consumer preferences, security, speed of settlement.

## Paper-based Transactions

## Electronic Initiatives

### Small ticket items



Fast Food



Hawkers



Convenience stores

### Large ticket items



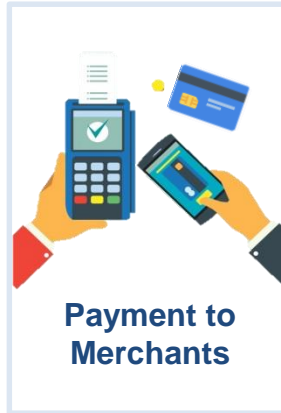
Shopping malls



Restaurants



Merchant bill payment



- Physical & Contactless Card Payment (Visa payWave, Mastercard PayPass, NETS Flashpay, EZ-Link)
- Mobile Payment
- Contactless Wearables Payment
- QR Code (Dynamic/ Static) ; eWallets
- GIRO (direct debit transfers)



Parent's \$



Paying friends



Tutors (cheques)



Repairman



**Seamless P2P Payment**

- FAST transfer
- PayNow
- Elimination of physical security token



Public transport



ERP/ Parking



**Eliminating Cash Payments for transport**

- Physical & Contactless top-up payments at SMRT GTMs
- Physical & Contactless Credit/Debit, NETS and CEPAS stored-valued cards (Taxis)
- QR Code (Taxis)
- vCashCards / EzPay (ERP & Carparks)

P2C

P2P

Transport

# UOB's Initiatives to move Paper-based Transactions to Electronic

## Paper-based Transactions

## UOB Electronic Initiatives

### Small ticket items



Fast Food



Hawkers



Convenience stores

### Large ticket items



Shopping malls



Restaurants



Merchant bill payment



Payment to Merchants

### Contactless Mobile Payment

- 1<sup>st</sup> in SG to offer mobile payment Mighty/Apple Pay
- 1<sup>st</sup> to lift \$100 limit @ all UOB POS

First

Universal Point of Sale machines Over 10K contactless terminals

First

### Instant Digital Card Issuance

- 1<sup>st</sup> in world to enable application and use of new **tokenized credit cards** in their wallets instantly.

First

### QR codes

- Dynamic QR (Jul'17), Static at TP Hawker (Sep'17)

P2C



Parent's \$



Paying friends



Tutors (cheques)



Repairman



Seamless P2P Payment

### Eliminated physical security token

- Transactions made simpler with mobile phone as security token

First

### UOB My Key/ PayNow

- Custom keyboard that integrates UOB Mighty to enable PayNow, compatible with social msg apps

First

P2P



Public transport



ERP/ Parking



Eliminating Cash Payments for transport

### GTM Top Up

- 6 months exclusive top up of CEPAS at GTMS via UOB Credit/Debit Card

1<sup>st</sup> mover

### Account Based Ticketing Pilot

- Contactless cards accepted for fare payments at all public transport readers. (For master credit/ debit only – pilot phase)

Acquirer

Transport



# Doing It Differently

## UOB PayNow For A Cause



### Objective

- Drive activation and registration of PayNow

### Results

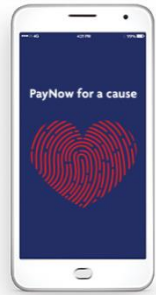


> \$120K  
Raised for SPD

15K  
PayNow  
registrations

>46K  
engagements  
On UOB FB pages

### Making Donating Easy



- Anyone (even non UOB clients) can donate by sending the \$ via PayNow
- An account and mobile number was set up to receive the donations

1 Register for PayNow via UOB Mighty or Personal Internet Banking

2 PayNow to 8228 2228

### Donating to a Meaningful Cause



- In conjunction with Giving Week
- Donations go to SPD, a local charity that focuses on helping people with disabilities, to support early intervention programmes for young children



### Creating Awareness through Social Media



- Inaugural FB Live painting session with Jeanette Aw received > 20k views.
- Series of FB post, fronted by SPD on awareness of charity
- Online to offline activities: Jeanette Aw designed wrapping paper distributed at branches

### UOB Supporting the Cause



- UOB matched all customers' donations up to a total of \$100,000
- UOB customers also received a tax deduction for donations above \$20
- UOB matched \$1 for every view of FB live session and every like of FB post

# Doing It Differently

## UOB AngBao Challenge



### Objective

- Drive activation and registration of PayNow during CNY season
- Engage Clients through gamification



### Amplification

- Social amplification through content publishers
- Social ads
- Mighty push notification, eDM, SMS

**Win daily with UOB AngBao Challenge game during Chinese New Year Plus, get rewarded when you sign up for UOB PayNow**

**Launched in Feb 2018**

### Rewarding Game Play

Game Creator with the highest of PayNow transactions in a day wins

### Driving Registrations

Cash credit for each UOB PayNow sign up

Game Flow

### Game Creator

- Step 1: Create Game
- Step 2: Set pool amount
- Step 3: Invite friends to play via SMS

### Game Player

- Step 4: Joins game via UOB Mighty
- Step 5: Plays the AngBao Challenge game
- Step 6: Game results determines % of pool player gets

### Game Creator

- Step 6: Game creator sends \$ via PayNow to players

