

*Covid-19 impacts and innovating in times  
of crisis*

**An EPA Webinar with Lloyds Bank**

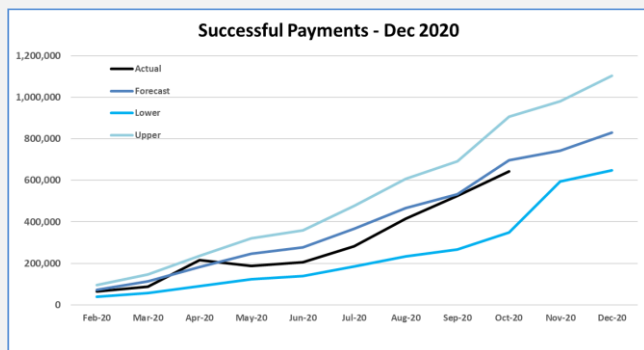
### Changes in society



### Rise of different payment journeys



### Open Banking growth



### How we responded



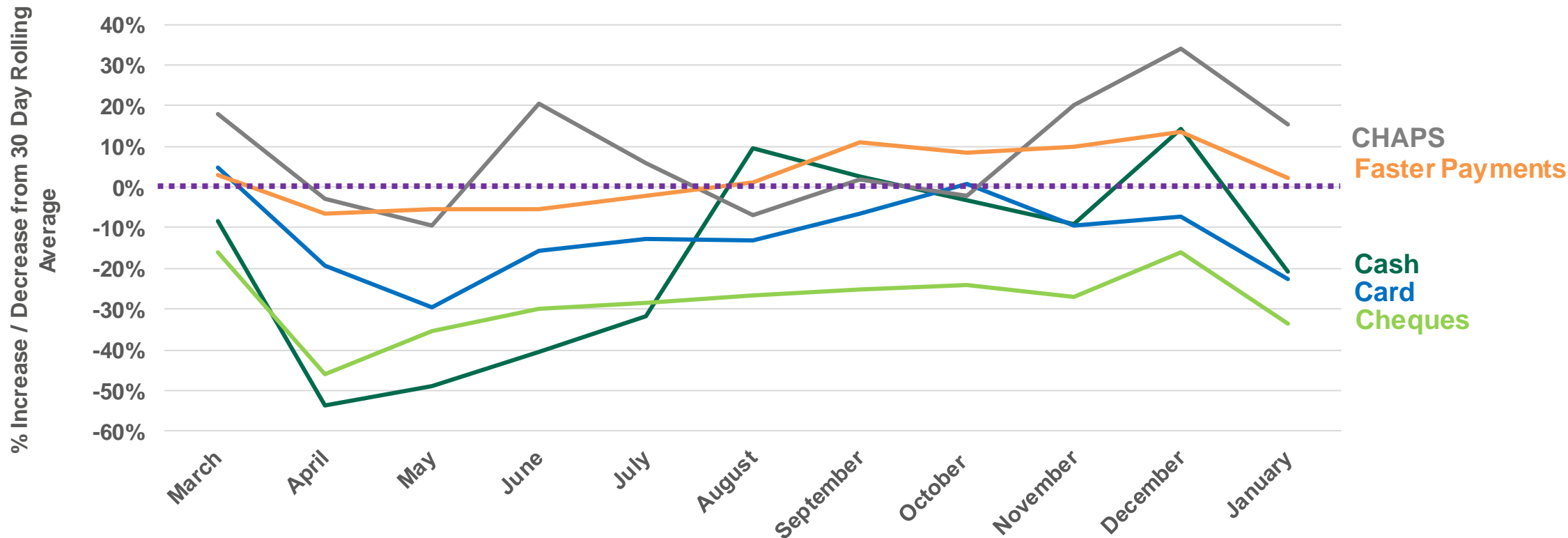
Contactless  
limit increase  
to  
£45 from £30



Online  
channel limit  
increases



Industry  
engagement



..... 30 Day Rolling Average (Pre 23<sup>rd</sup> March Lockdown)

# Covid-19 impacts and innovating in times of crisis

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**March-  
September**

**-24%** ▼

Cash  
Deposited

**-2%** ▼

Faster  
Payments

**-30%** ▼

Cheques  
Deposited

**-10%** ▼

Card  
Payments

**October -  
December**

**-35%** ▼

Cash  
Deposited

**+12%** ▲

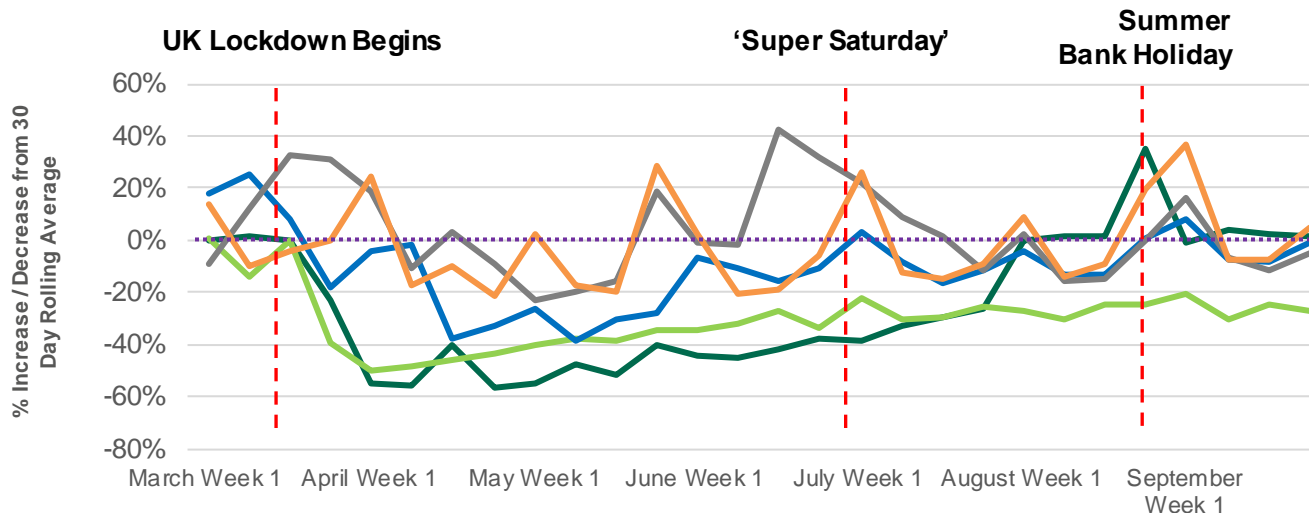
Faster  
Payments

**-22%** ▼

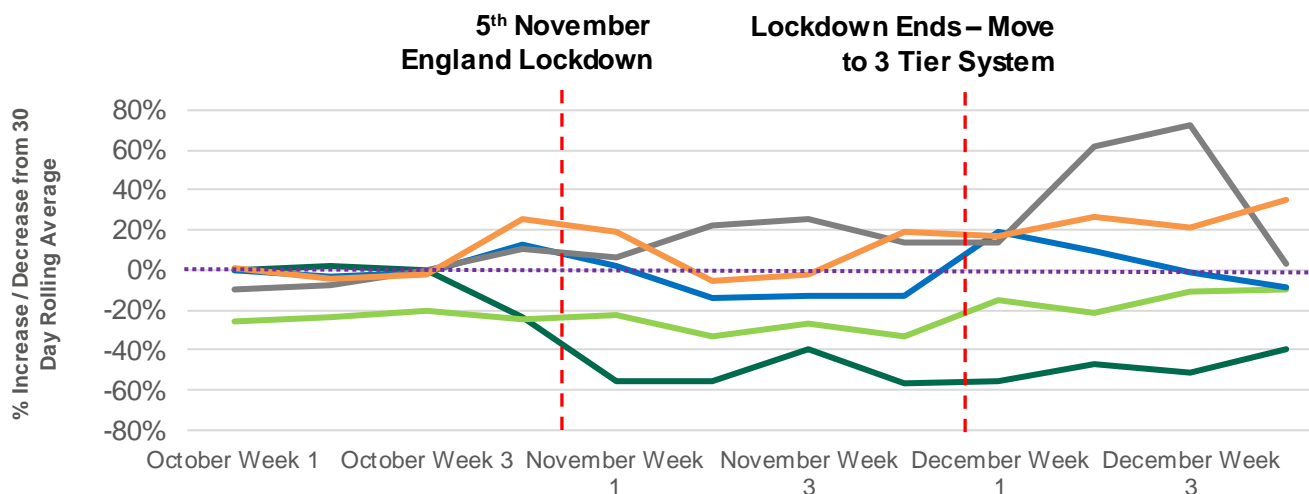
Cheques  
Deposited

**-1%** ▼

Card  
Payments



CHAPS  
Faster Payments  
Card  
Cash  
Cheques



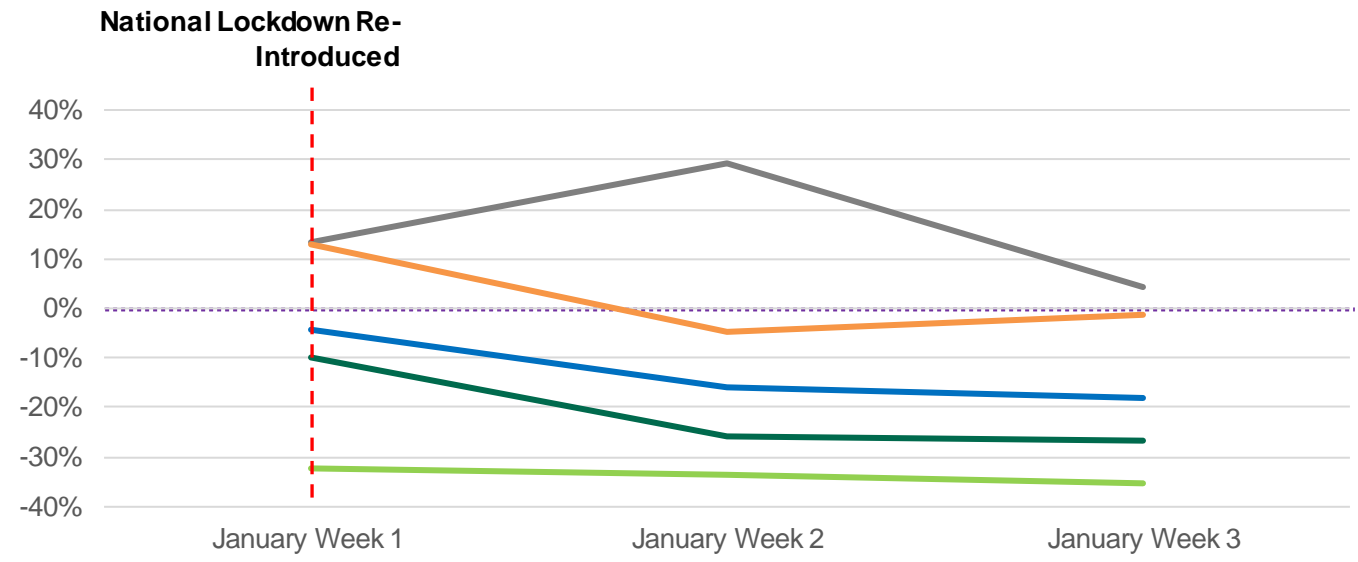
CHAPS  
Faster Payments  
Card  
Cheques  
Cash

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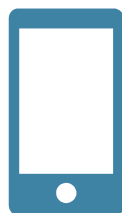
January 1<sup>st</sup> –  
22<sup>nd</sup> January

<b>-20%</b> ▼ Cash Deposited	<b>+2%</b> ▲ Faster Payments
<b>-33%</b> ▼ Cheques Deposited	<b>-12%</b> ▼ Card Payments



CHAPS  
Faster Payments  
Card  
Cash  
Cheques

**Increased use  
of Electronic  
Payments**



**35%** expect to increase  
their use of electronic  
payments when  
sending payments

**39%** expect to increase  
their use of electronic  
payments when  
receiving payments

**Reduction in  
Physical Payment  
Acceptance**



**51%** expect to reduce  
or stop using cash  
when receiving  
payments

**49%** expect to decrease  
or stop acceptance  
of cheques

**Increased  
Acceptance of  
Card Payments**



**32%** expect to increase  
or start using cards  
to receive payments

**26%** expecting an  
increase when  
sending payments

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### Lloyds Bank Pay

### Bank of Scotland Pay

#### FundBy Bank



#### Proposition Overview

- FundByBank is a solution being developed in partnership with Bottomline Technologies for Lloyds Bank.
- High level overview:** A white labelling (logo, font and colour) solution with supplier hosted white labelled merchant screens

#### Target Market

- This proposition helps our Financial Institution clients who enable their own customers to move money between their own accounts:
  - Investment firms
  - Stockbrokers
  - Pre-Funded Cards/Accounts
- Scenario example:** a wealth manager with customers who need to fund their ISAs

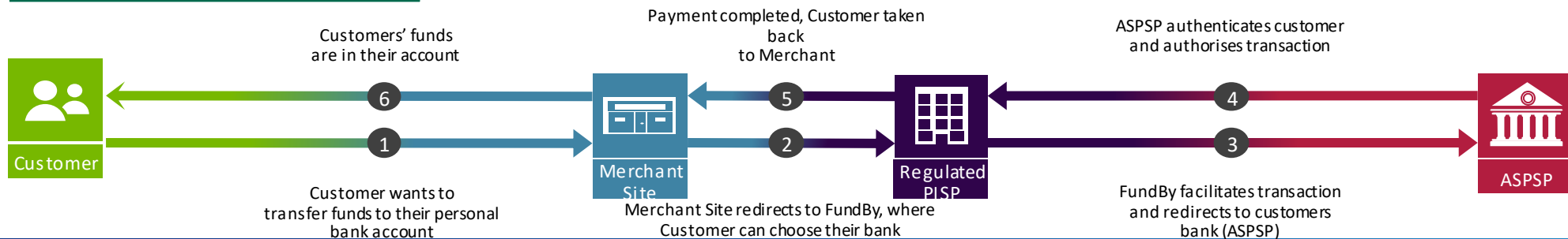
#### PayFrom Bank



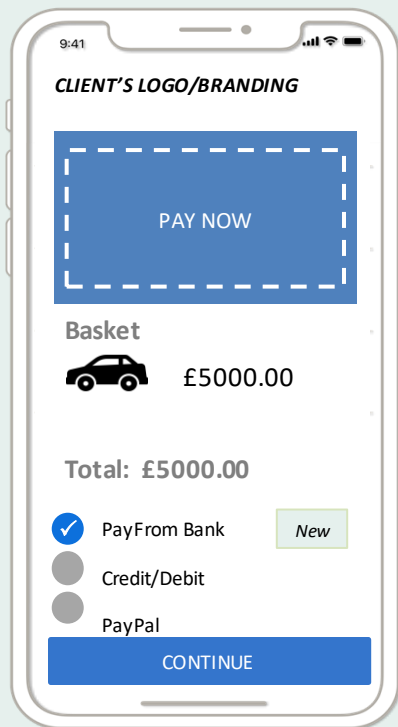
- PayFrom Bank is a solution being developed by Mastercard.
- High level overview:** A white labelling (logo, font and colour) solution with supplier hosted white labelled merchant screens

- This proposition is being aimed toward our clients who want to help their own customers purchase something:
  - Retail
  - Travel & Leisure
- Scenario example:** consumer focused clients or utility companies who want to help their own customers pay for a good or service bought online

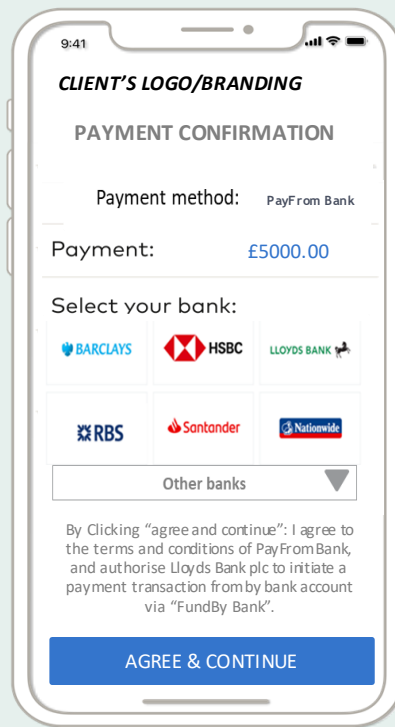
#### The FundBy Bank Journey



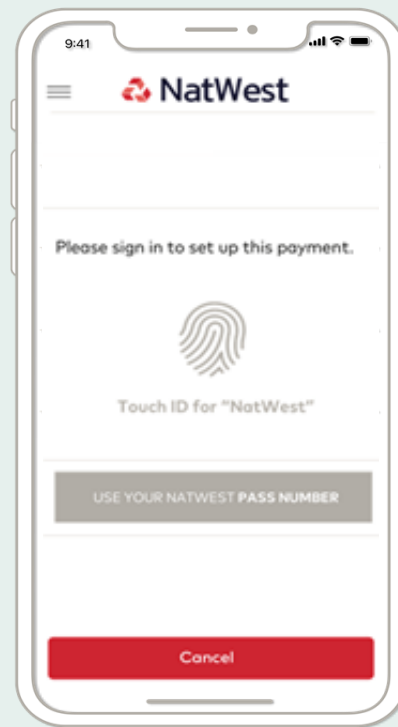
## The PayFrom Bank Journey



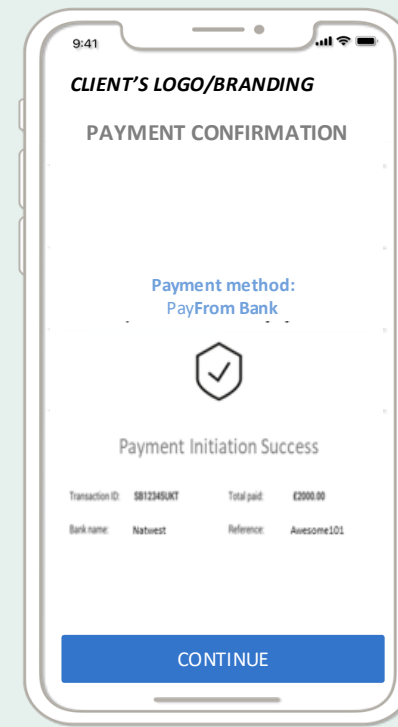
**1** On the client's online payment page there is a new option for customers to pay via PayFrom Bank



**2** Using our PayFrom API, customers are asked which bank they want to make the payment from and consent is taken for initiation



**3** The customer is told instantly whether their payment initiation has been successful. They will then be returned to an end point set by the client

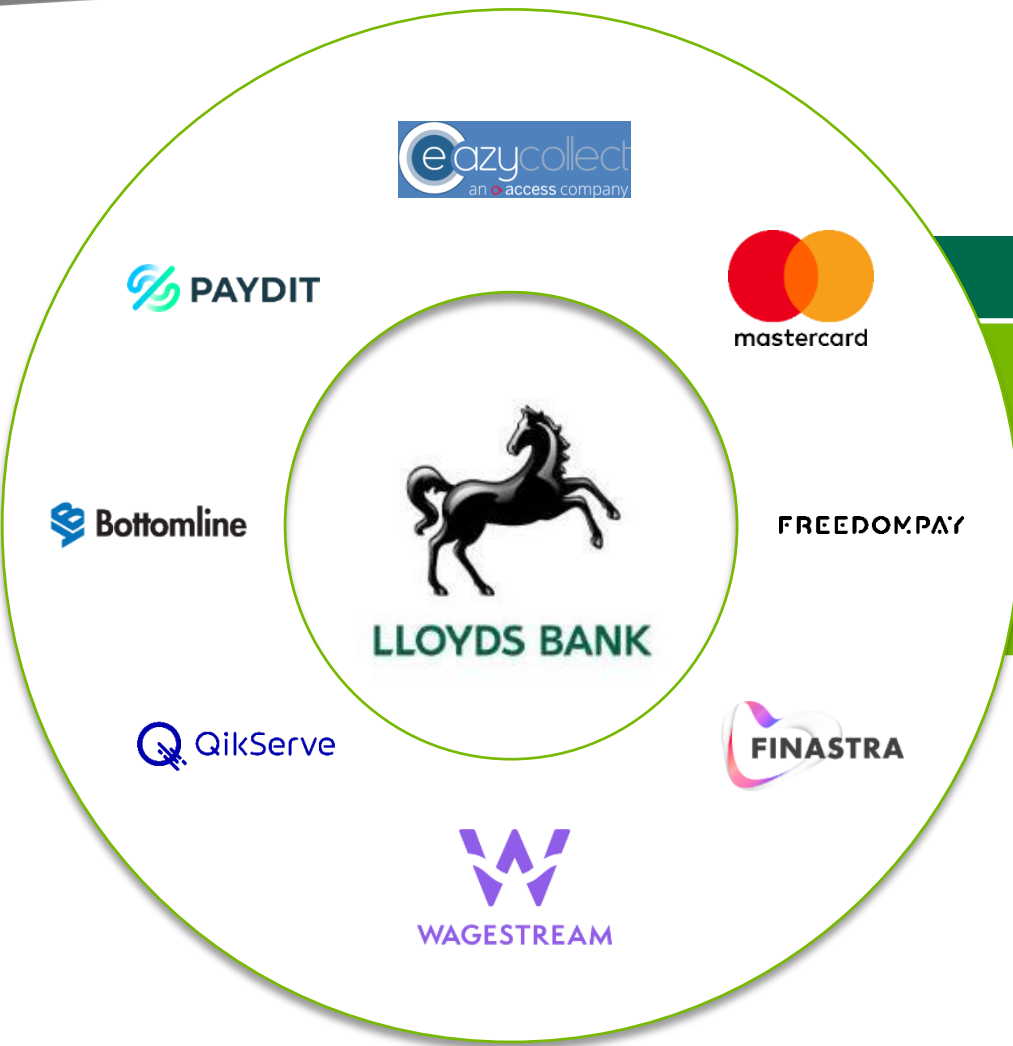


**4** Authentication is made as per the customer's normal bank authentication process e.g. biometric



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Propositions			
Open Banking	Instant Payments	Payment Associated Services	Other Payment Forms
<i>FundBy Bank</i> <i>PayFrom Bank</i>	<i>PayTo</i>	<i>Confirmation of Payee</i> <i>Account Event Notifications</i>	<i>QR Codes</i> <i>Early Salary Payments</i> <i>Payment Gateways</i> <i>Direct Debit Collections</i>