Innovation of Tradition: Data Analytics, Smart Financing, Blockchain

INNOVATION DAY | 9 October 2018

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MISSION STATEMENT

- Be part of the first wave of technology.
- Develop technology based on our own architectural principles.
- Understand the constant shift in markets and tech.
DATA ANALYTICS
SMART INSIGHTS BASED ON TRANSACTIONS
If you had to choose just one, which technology do you think retailers should invest in for success in 2020?

- Personalization
- Augmented Reality
- AI & Cognitive Computing
- Voice
- Chat & IM
- Social Media Retail
- Programmatic Advertising
- IoT & Sensors
- Data Collection & Analytics Tools
- AI & Cognitive Softwares
- Biometrics
- Robotics & Automated Systems
- Mobile website experience
- Desktop website experience
- Other
DIGITAL TRANSFORMATION IN RETAIL

- Superior Customer Experience
- Digital Transformation
- Speed & Reaction Time
- Customer Insights
ZIPPIN

Say goodbye to waiting in line at the store.
THE DATA GIANTS
WHAT WIRECARD HAS THAT THEY DON’T HAVE
# INSIGHTS GENERATED BY TRANSACTION DATA

## DATA SOURCE

<table>
<thead>
<tr>
<th>PAYMENT DATA</th>
<th>FINANCIAL DATA</th>
<th>PAYMENT DATA</th>
<th>EXTENDED DATA</th>
<th>PAYMENT DATA</th>
<th>CUSTOMER DATA</th>
<th>RISK DATA</th>
<th>EXTERNAL DATA SOURCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basket size</td>
<td>Number of transactions</td>
<td>Revenue</td>
<td>Issuer information</td>
<td>TID, MID</td>
<td>Payment method</td>
<td>PAN and PAN tokens</td>
<td>Name and address</td>
</tr>
</tbody>
</table>

## INSIGHT

| Sales trends | Channel analysis | Offline/Online/Mobile | Strategic planning of channels | Dynamic pricing | Reduction of stray loss through specific targeting | Increase of relevance and customer satisfaction | Customer value analysis | Churn analysis and prevention | Increase in customer loyalty | Approval rates | Chargeback rates | Development of KPIs over time | Country comparison | Weather influences | Discussion intensity analysis | Sentiment analysis |
OPTIMIZATION OF CUSTOMER RELATIONSHIP

SEGMENTATION & TARGETING
The right offer at the right time over the most suitable channel to fit customer needs

CUSTOMER VALUE ANALYSIS
Identifying customers with the highest expected lifetime value through engagement funnels for efficient targeting

CHURN PREVENTION
Identification of churning patterns and proactive targeting of churning customers
CUSTOMER INSIGHTS PATTERN-BASED CHURN ANALYSIS

"John Jogger"
- Short period, but high risk of churn

"Rising Rita"
- Long period, but low risk of churn
CUSTOMER JOURNEY

BEHIND THE SCENES

MAP THE FULL CUSTOMER JOURNEY
CUSTOMER INSIGHTS

INTEREST GROUPS EXAMPLE

Interest group


*{12}  PERFORMS(4)  TO(4)  IS_IN_CATEGORY(4)
Map all transactions at shop level and add layers to find correlations:

- Weather
- Rich/poor area
- Leisure/work area
- Issuer country
- Car park availability
- Competition grade-power
- Holidays
- Airline traffic
HOW TO INFLUENCE PURCHASING BEHAVIOURS OF SPECIFIC AUDIENCES

Our proof of concept leads to 11% true conversion rate vs 0.085% Facebook Ads estimate 1.9:1 median profit ROI among successful advertisers.

French retail market dynamics

Proof of concept 3
TRANSACTION-BASED AUDIENCE CAMPAIGNS

THE AUDIENCE ONLINE ADVERTISING PROCESS

TRANSLATE MCC AND MERCHANT PURCHASES INTO INTERESTS & BEHAVIOURS

BUILD SPENDING-BASED AUDIENCES DEPENDING ON THE BUSINESS OBJECTIVES

DISTRIBUTE CAMPAIGNS IN ADVERTISING PLATFORMS THROUGH PROGRAMMATIC MEDIA BUYING

MEASURE THE TRUE ADVERTISING IMPACT WITH SALES LIFT EITHER OFFLINE OR ONLINE

MCC5995 – Pet Shops & Pet Foods

Pet owner

Attract new consumers
Retain customers
Increase customer value

+X% clicks
+X% likes
+X% shares
+Y% sales
PAYMENT: FINANCE ME

DIGITAL TRANSFORMATION
The Brick & Mortar channel faces the challenge of declining revenues.

Upselling of staff in retailers core strategy

Retailers need flexibility in customer’s financing needs

Self service kiosks are an emerging trend in retail
Finance.me is a prototype that we are taking to MVP.

Finance me is an open ecosystem (SDK, APP, Kiosk) based on the regulation PSD2.
INSTANT FINANCE AT THE POS

Available technology & regulations (PSD 2, KYC3) bring the opportunity to issue an instore credit in less than 3 minutes.

A new niche of instore microcredits is established with the potential to generate a large pile of consumer data.

More value added services can be applied: Savings account, Boon App, smart offers.
UNIQUE SELLING POINTS

Current financing options...
- Take around 30 minutes
- Branded in partner CI
- Include paperwork and id checks
- Decision has impact on credit ratings
- Requires personal of credit providers

Instant Credit Voucher...
- Take around 3 minutes
- White Label Branding
- Fully digital (incl. KYC3)
- Decision has no impact on credit ratings
- Can work on smartphone, tablet, kiosk or card reader
BLOCKCHAIN

REVOLUTIONIZING THE GLOBAL TRADING MARKET
TYPICAL LOGISTICS CHAIN
The Raw.Coin prototype is digitalizing trading mechanisms and replacing middlemen.

The Raw.Coin network is a blockchain-based ecosystem, ensuring the origin, quality, compliance.

For the Proof of Concept project we are using the tangible example of global coffee trading.
VALUE FOR PARTICIPANTS

- Instant Payment
- Tracking of Shipping
- Product Quality
- Transparency
- Weight calculation
Our platform connects the Producer and the Importer.

Technology is Ethereum.

A smart contract represents the terms the network

Enablement of B2B payments by a private cryptocurrency.
Coffee Order through crypto token
• quality
• trade certificate
• origin
• weight
• quality
• grade

Coffee shipped by producer
33% settlement amount on the order
RAW tokens can be redeemed to FIAT currency at any given point by using the platform's digital wallet

Delivery confirmation by the importer*

Coffee shipped by producer*

Order through crypto token*
• quality
• trade certificate
• origin

Coffee producer
Marketplace
Importer

*33% settlement amount on the order
RAW tokens can be redeemed to FIAT currency at any given point by using the platform's digital wallet
### Inventory Overview

<table>
<thead>
<tr>
<th></th>
<th>CoffeeCoIN Wallet</th>
<th>27,787.24 CC</th>
<th>Euro Wallet</th>
<th>5,469.81 €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wallet</td>
<td>Test Producer</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Inventory Value:** 17,011.94 €

**Total Coffee Available:** 15 bean types

<table>
<thead>
<tr>
<th>Beans</th>
<th>Select type</th>
<th>mr bean</th>
<th>4.23 kg</th>
<th>Not washed</th>
<th>0.00 CC</th>
<th>0.00 €</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>SmartBean</td>
<td>180 kg</td>
<td>washed</td>
<td>100.00 CC</td>
<td>68.62 €</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mr Bean</td>
<td>475 kg</td>
<td>Not washed</td>
<td>4.00 CC</td>
<td>2.74 €</td>
</tr>
</tbody>
</table>

**mr bean**

- **Robusta**
- **4.23 kg**
- **0.00 CC**
- **0.00 €**

**History**

- **Euro Price:** 0.00 €
- **Identifier:** #48
- **Process:** Not washed
THANK YOU FOR YOUR ATTENTION!

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