



# International benchmark of payment cards

**How do the new payment cards simplify the day-to-day activities of the Individual and Corporate customers ?**

October 2019

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# Editorial

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Since the inception of the payment card, its related services are being strengthened to allow the financial services actors to address the constantly evolving needs of the users.

With more than 40% of the cards' transactions value executed in physical sales points, this means of payment is largely acclaimed in Europe and represent a privileged link between its users and their bank. Today, the new actors - such as the neobanks, the GAFA or the payment services - are massively deploying themselves in this market and challenging the hegemony of traditional banks with new offers adapted to new ways of consumption.

To address the changing uses of consumers who are more and more connected and highly looking for instantaneity, banks are mobilizing the entire payment card ecosystem (producers, issuers, distributors) to propose innovative functionalities. The goal is to provide a high end customer experience, attractive pricing and secured transactions, while ensuring compliance with regulatory requirements.

This study on the 2020 payment cards panorama offers international insights on the successes and challenges of this valuable means of payment. It will guide the strategic reasoning by identifying the key trends and innovative solutions that allowed some actors to distinguish themselves in a highly demanding market that focuses on value creation for its customers.

**STÉPHANE DEHAIES**

Partner, Banking & Fintech  
**KPMG France**

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# Payment cards trends

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# The payment card has not yet said its last word

A few years ago, the rise of new digital means of payment challenged the survival of the payment card as an object. Today, we are witnessing a real transformation of this payment method from functional, technological and regulatory point of views.

The underlying history behind means of payments is proving that a sustained pace of innovation doesn't lead to the immediate disappearance of other payment methods but rather to a stack of solutions.

In fact, the lengthy adoption cycles are conducting to a durable coexistence of the various payment means, such as cash, card or mobile payment.

On another hand, the payment card has gradually risen to the rank of social marker. As an object, it arouses

the attachment of the holder: indeed, the Individual clients are still granting a real importance to its look and to the status it represents. This is why some of the financial actors have focused their efforts on the visual and tactile conceptions of their cards, in addition to their innovative features. Through his card, the client is trying to connect himself to the image conveyed by his bank (mutualistic and regional, international scale, digital and innovative etc.)

The payment card is one of the favorite playgrounds of financial players that are trying to differentiate themselves, retain their customers and innovate. This strong momentum and the regulatory changes associated to this market are attracting beyond the financial industry and leading external

actors to join a territory historically dedicated to banks; such as Apple and Marcus (Goldman Sachs) that launched the Apple card in the United States.

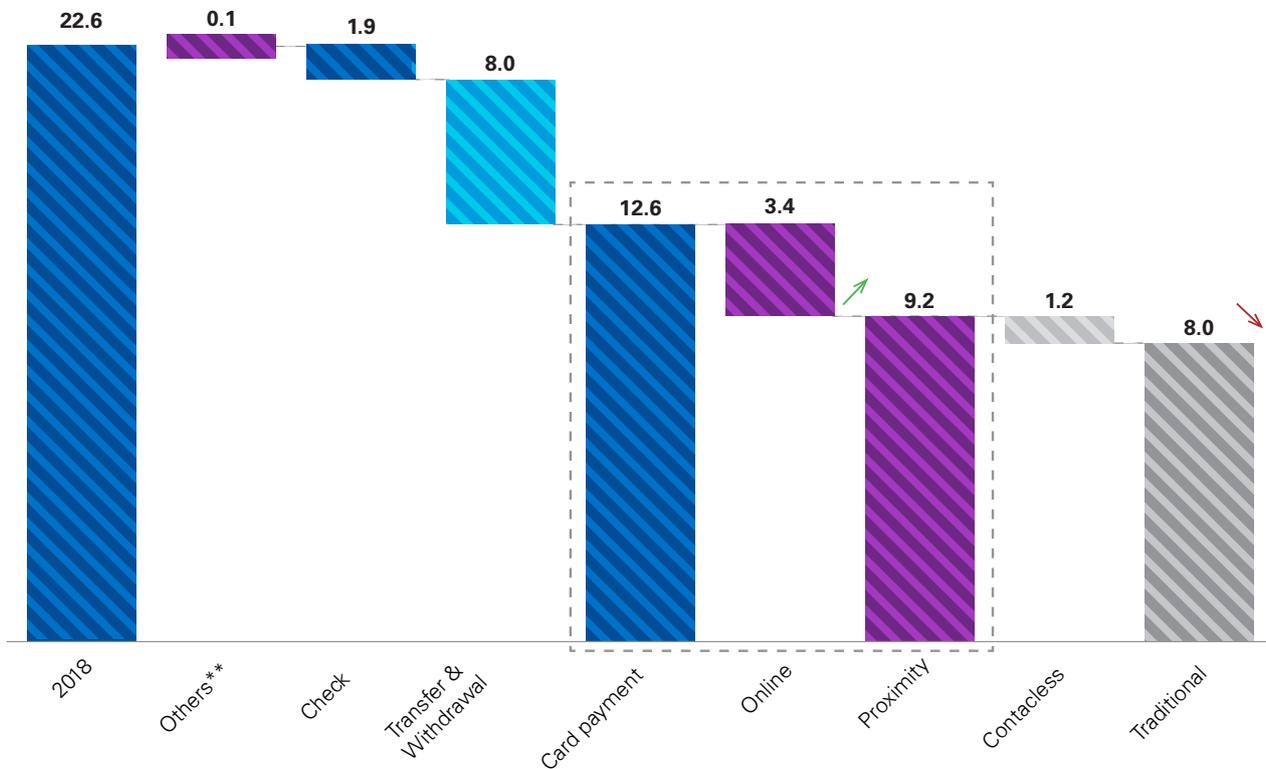
The rise of the payment cards market is also relevant for the Professional clients' segment. As a matter of fact, neobanks and Fintechs are challenging the traditional actors by offering professional cards that are directly targeting the CEOs need for simplification and control. This is done through the implementation of billing and accounting tools, as well as the adoption of competitive prices. These new offers allow the executives to simplify the monitoring and management of their activities.



*Nowadays, the customers are striving for control and are demonstrating their willingness to be actors of their banking experience through their mobile applications. The card is more and more considered in its physical dimension (material object), as well as its digital aspect. This is why both the traditional actors and the new ones are massively investing in this market to offer payment cards connected to mobile applications, with differentiating functionalities and value added features for their clients, on a daily basis.*

**Emmanuel Papadacci-Stephanopoli,**  
Director, Banking & Fintech,  
**KPMG France**

## Distribution of the different scriptural\* means of payment in France (number of transactions, in billions)



Sources : French banks, KPMG forecasts

\* The scriptural currency refers to the currency that is only transiting through a book-entry process (payment cards, checks, withdrawals, transfers...)

\*\* Electronic currency, commercial paper...

*In the future, we should witness the cohabitation between the new means of payment and the historical ones, rather than the cannibalization of one over the others. The new payment methods are contributing to the growth of the payment market at the expense of the cash.*

*The future of the physical payment card should be secured thanks to the rise of new banking and non-banking actors that are developing highly innovative offers. Furthermore, the physical card can count on its strong reputation among the users who, despite the competition induced by the new payment methods, seem particularly attached to this physical object, that knows how to reinvent itself to answer their needs.*



### **Serge Ragozin,**

Executive Director of the **SFPMEI**

(Société Financière du Porte-Monnaie Electronique Interbancaire)



# The key trends

**The emergence of financial actors (neobanks, account aggregators, payment services) and non-financial ones (GAFA, actors of the collaborative economy, retailers) on the payment market induced a change of paradigm in the commercialization of payment cards. Accordingly, KPMG identified 5 key market trends.**

## 01

### A REAL - TIME CLIENT EXPERIENCE

The new players in the industry – the majority of whom are proposing physical or virtual payment cards to their clients - strengthened the competition in the market by offering a high quality customer experience based on smooth processes and simple and intuitive interfaces on mobile applications. The latter are directly connected to the payment cards and allow for a real-time management and setting of the card (increasing the limits, locking the card...) while providing instant information on the transactions to its holder. By answering and even anticipating the clients' needs, the new actors of the payment market are defining new standards.

### A DIFFERENTIATED AND TARGETED OFFER IN OPPOSITION WITH THE TRADITIONAL CARDS PROGRAMS

The neobanks and some online banks are distancing themselves from the traditional ranges of cards programs (Classic, Premium...) with offers such as Ultim from Boursorama, Mettle from the British bank NatWest or the programs provided by the German bank Kontist. These differentiating propositions also come from the implementation of innovative functionalities that answer specific clients' needs (management of foreign currencies...). By positioning themselves upstream and downstream of the client's need, these actors can cover the entire customer journey. Therefore, we are witnessing the transition from a features' stacking strategy to the creation of clients offers based on features that are tailored to the new uses. It is thus the clients requirements that are conditioning the mix of functionalities, making them by this way particularly useful and unique.

## 02

## 03

### FASTER DISTRIBUTION PROCESSES

The new actors are betting on digital processes for the distribution of their cards. Most of them allow for a remote order and activation of the cards. The fast issuance of the payment cards could also be explained by the fact that they are often linked to accounts that don't offer overdrafts, making the virtual card immediately available to the client on its mobile. Regarding the physical distribution, some banks – mainly in Gulf countries – are particularly excelling in clients satisfaction by offering the immediate creation of physical cards in branches. On another hand, the distribution models are also reinvented using the Open Banking to provide multiple services to the clients directly on their banking applications (for example the Indian bank IndustInd allows to order taxis or meals straight on the banking app) or to access to the bank via a third-party application (as illustrated by Uber & BBVA in Mexico).

# 04

## A SIMPLER AND MORE UNDERSTANDABLE PRICING

With greater competition, new simple and readily understandable pricing strategies are arising. Moreover, the customer is questioning his account management fees as well as his card fees, that he compares to the services and the client experience he is offered by his bank. This is why various new actors are now charging straightforward and transparent prices, such as the professional French neobank manager.one that proposes a fixed monthly membership independently of the number of cards ordered by the professional client.

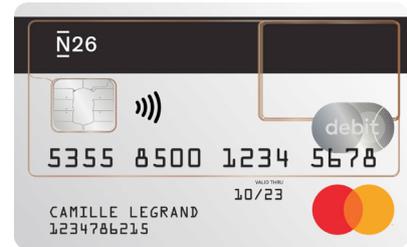
## THE DESIGN OF THE CARDS IS A DIFFERENTIATING FACTOR IN ADDITION TO THE TECHNOLOGY

The extensive arrival of digital actors in the market of payments cards is illustrating both the attractiveness and the longevity of this physical object in the upcoming years. The user is interested by the very design of the card : for instance, vertical shape, metal fabric, cultural illustrations are offered in every continents. The significant efforts in terms of client experience are as much dedicated to the mobile and Web processes as to the physical object itself.

# 05



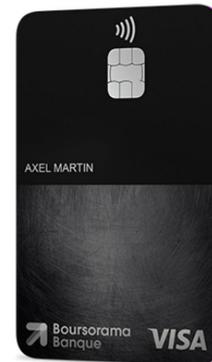
**Apple – Marcus (Goldman Sachs) card in titanium and without account number**



**N26 transparent card**



**Vertical and multicolor design of the Bunq card**



**Vertical design of the Ultim card from Boursorama Banque**



**Revolut metal card**

# Payment card and instantaneity: a long story

## PAYMENT CARD : THE IRREVOCABILITY AS ONE OF THE PREMISES OF THE INSTANTANEITY NEED

Among card's benefits, the payment irrevocability at merchants stores offers a tangible complement to both the check and the cash. Indeed, the check minimizes the risk of theft but does not imply the full payment of funds, while on another hand, the cash is immediate but dangerous (risks of loss/theft/forgery) for both the customer and the merchant. In this sense, the emergence of payment cards in the market offered an interesting combination of the advantages of each : guarantee, safety for its users and fast completion of the transactions.

## THE INSTANTANEITY NEED IS EVEN MORE PROMINENT

As exhibited by our Customer Experience Excellence\* study, some clients experiences are automatically creating new standards that apply to competitors in the same industry but also to the entire range of services delivered to customers that are rapidly adapting their consumption habits. The emergence of instantly consumable products such as Video on Demand, mobile applications downloads, online purchase of travels, etc. induced a gap between the operation of traditional banks and customers expectations. Actors who offer instant payment experiences are currently widely successful.

Some portfolios such as Lydia in France and Paypal at an international scale – thanks to their communities of users – are providing tools that allow to make instant payments between friends but also with sellers, be they E-merchants or Individuals. The Instant Payment regulation requires banks to accept instant payments in the entire SEPA area. Because of the recent technological opportunities, many are forecasting the endorsement of merchants payments use cases for the customers. On the medium-term horizon, the latter could jeopardize the use of payment cards.

## THE CARD IS BACK IN THE INSTANTANEITY GAME

Conversely, numerous hints could lead us to think that the payment card will overcome the challenge. First of all, neobanks rapidly proposed payment cards that offer the instant management of transactions. By improving the existing cards products, they currently allow for a real-time management of the bank accounts.

Traditionally restricted to merchants stores' payments, most of the networks are now proposing or will soon propose real-time systems of payments between Individuals. Furthermore, the background analysis of means of payments on a 30 years horizon, shows that the adoption of new payments method is lengthy. Thus, designers of cards programs could rely on their long experience in terms of customer support to successfully navigate in this challenging market.



### **Grégoire Lévis**

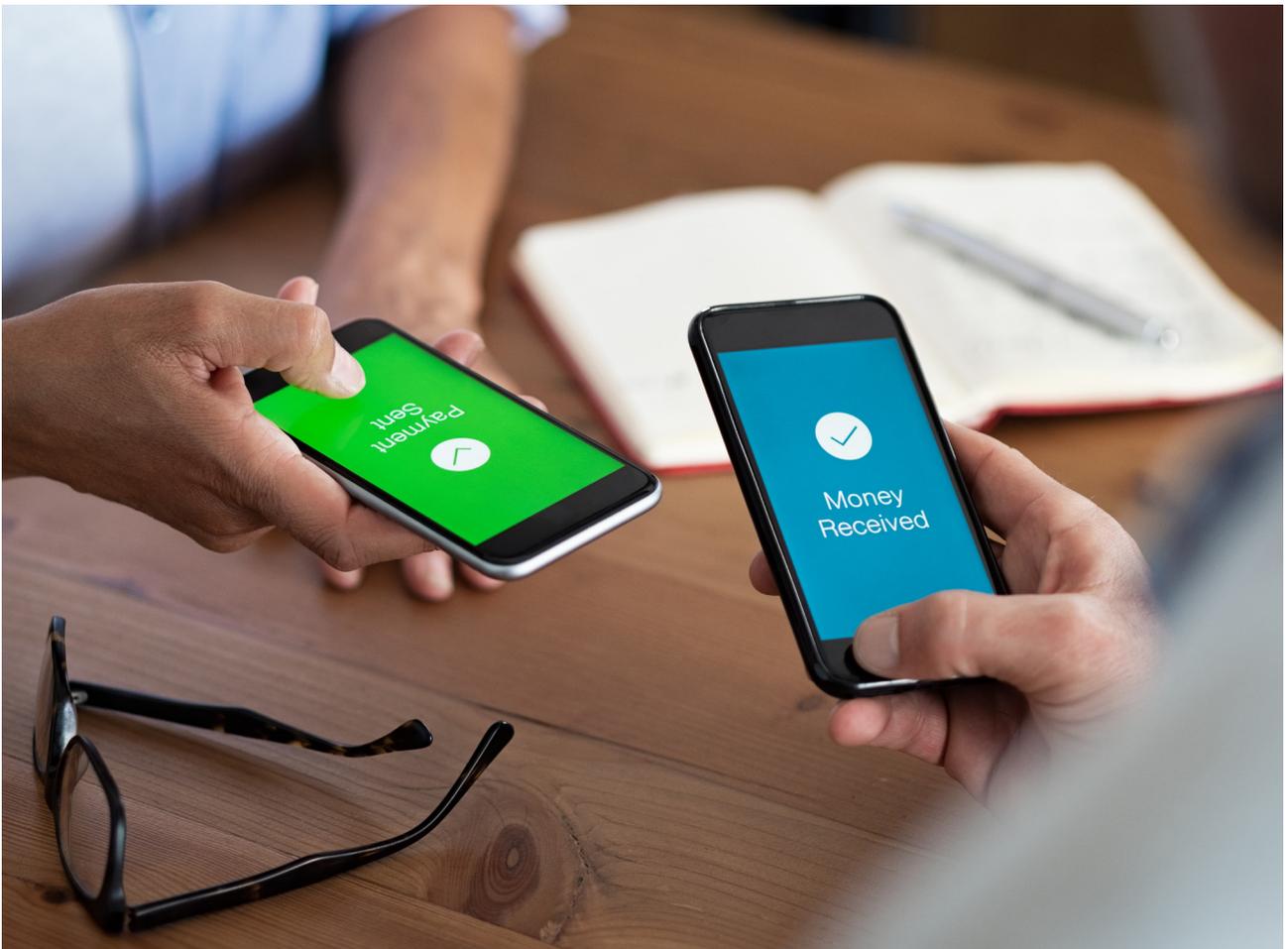
Partner, Financial Services IT  
Expert in Means of Payments  
**KPMG France**

\* Copies of the study are available on demand by email: FR-CustomerExperienceExcellenceCentre@kpmg.fr



*Instantaneity is a standard for N26 and a game changer. Today, the customer wants to do everything immediately: receive instant notifications of his transactions, be informed directly of his account balance, or be able to immediately modify the settings of his payment card .*

**Jérémie Rosselli,**  
France General Manager, **N26**



# The payment card is constantly renewing itself

## RECENT INNOVATIONS ARE THE RESULT OF THE COLLABORATION BETWEEN 5 TYPES OF ACTORS

The recent transformations and the innovations of the payment card sector were made possible thanks to the collaboration between 5 five types of actors:

- Innovative banks (neobanks, online banks...) are developing high-level customer experiences (in terms of processes, offers ...) and are acting as suppliers of services for the end customers.
- Publishers of banking or IS software, such as the Banks-as-a-Service (BaaS) actors are providing the foundation of banking services (accounts, IBAN, savings, card issuance, etc.). These are fundamental to allow innovative banks to propose a proper banking offer to their customers.
- Processors (Payment Service Providers) are running the operations and making the link between the customers' banks (issuers) and the merchants' banks (acquirers). This notably concerns firms such as Worldline, Monext, First Data, etc.
- Networks (or schemes – Visa, Mastercard, GIE CB) ensure the transmission of transactions made via cards (payment, withdrawal) by making their international payment network available to the banks.

- Industrial cards manufacturers (Idemia and Gemalto) are developing solutions and physical payment cards that are at banks disposal to improve the everyday lives of the end customers.

These five types of actors are contributing together to the innovation. The combination of their strengths allows for the issuance of cards and the implementation of ingenious offers.

Nonetheless, this complementarity between innovative banks, banking software publishers, processors, networks and industrial cards manufacturers is meant to evolve because of the sustained growth of neobanks. Indeed, they are developing features and innovations at the upstream phase of the processing. Therefore, as compared to Processors, some neobanks are providing an extra layer of internally developed value added services.



*Through an open approach of the innovation, Mastercard promotes a true culture of innovation in its ecosystem, with initiatives focused on digital transformation, data, Open Banking as well as the personalization of services.*

*Being aware that the world of payments must pursue its efforts to reinvent itself in order to create value, we are strengthening our partnerships with the entire network of players to find innovative solutions and thus being able to address the new challenges of this market but also the new consumers expectations. Indeed, Mastercard is convinced that new users experiences are the result of digital, fluid and secure journeys. Therefore, we have multiplied our research and innovation efforts for many years. Thanks to this inherent culture of partnership, hyper-connectivity and innovation, Mastercard is still positioned today as a key player in the future of payments.*

**Christophe Hilbring,**  
VP Product & Innovation Western Europe, **MASTERCARD**



*Contrary to public opinion, the payment card will still be a key strategy factor for financial institutions, as well as for the non-banking actors from the retail or Fintech industries that more recently joined this market. Payment is now Omni channel and no longer the only objective associated to cards. Indeed, the actors of the financial industry are using their payment card as a support for innovation, differentiation and to retain their customers by offering high value added features in complement to their initial functionalities.*

*Consequently, we can observe two major trends for the Individual and Professional & Corporate clients' segments. Firstly, great efforts are deployed on the very design and the ultra personalization of the card in order to strengthen the feeling of exception of its holder. We could for instance cite the «premium» experience brought by the metal payment card. On another hand, additional services related to transports or biometric authentication are developed to facilitate the purchases by authorizing secured contactless payments, irrespective of the transaction amount.*

**Jesper Domargård,**  
VP Marketing, Financial Institutions BU, **IDEMIA**



*The entire market of payments is heading towards a race for innovation and improved customer experience, and the physical card remains an advantageous marketing lever.*

*The strength of American Express is to have a close relationship with both customers and merchants. Thanks to a fine knowledge of the purchase and consumption patterns of its customers, American Express has a personalized approach to the client relationship that is focused on services and knowledge, which are both part of our DNA since our inception. Specifically, on the Professional and Corporate segments, American Express is developing its strategy according to the specific needs of each type of firms.*

**Jérôme Gueydan,**

Head of Product, Customer Marketing and Partnerships  
**AMERICAN EXPRESS**



*We tend to think about the payment card as a physical object, but it also comes in other forms – token, digital card – and we must not forget about it! The success of the bank card lies in its ability to integrate and develop around the four pillars that make the success of any means of payment.*

*First of all, it ensures an **ecosystem of trust** for both merchants and consumers; then, it creates a **clear and distinct value proposition** for an international and omnichannel usage, while being **easily accessible and usable**. Finally, its **universal nature** allows for its wide acceptance and its application for the different use cases encountered, be it by the Individuals or the Professionals and Corporates clients. Taking all these elements into account leads us to think that this means of payment will still exist and will still constitute a strong emotional link between the customers and their banks.*

**Michel Léger,**

Head of Innovation, **INGENICO**

# Recap on the European regulations impacting payment cards

During the last 5 years, the European regulation has been the subject of several directives and laws that directly impact the use of the payment card. By providing more confidence and security to the entire range of market players, and by limiting the costs associated with the use of payment cards, these regulatory evolutions create a framework that is favorable towards the development of credit card payments.

- **The Payment Services Directive n°2 (PSD2)**, notably sets a strong authentication of the cardholder for its online payments. This measure strengthens the protection of customers, merchants and banks against the risk of fraud during card transactions.
- **The Payment Account Directive (PAD)** brings greater transparency to the customers by ensuring the comparison of banking fees. By introducing the obligation for banks to provide offers dedicated to financially weak customers, it also contributes to the banking inclusion and allows for a widespread access to means of payment.
- By capping interchange fees, the **Interchange Fees Regulation (IFR)** limits the cost of card transactions. Moreover, these fees must now be indicated in a clear and transparent

way to the merchant. This regulation also allows the customer to select the network (scheme) that provides the most interesting rate for a payment realized with a co-badged card.

- The **General Regulation on Data Protection** includes in its scope all the banking data perceived as sensitive (credit card number, bank details) and guarantees a better protection of the latter for the end customer.
- Finally the **5th Anti-Money Laundering Directive (AML5)** provides a safeguard on the anonymous use of prepaid payment cards, by lowering the storage and transactions thresholds, from which a stricter verification of the holder's identity (KYC) is triggered. Moreover, it drives the creation of national centralized registers or central systems of data search for bank and payment accounts of the Member States. The final goal is to facilitate the underlying work of Financial Intelligence Units. All financial players are concerned by this directive, Fintechs included.



**Sophie Sotil-Forgues**  
Partner,  
Head of the Banking Regulatory Department  
**KPMG France**

Professional and  
Corporate clients:  
a valuable market  
that payment actors  
are addressing  
through their cards



In a context of persistent low interest rates, strengthened prudential rules and digital transformation that impact the business model of banks, the professional clients are of particular interest to banks.

Their goal is to capture the potential of this fast growing market on a segment that has been historically poorly or wrongly addressed, and whose profitability is greater than the one in the Individual clients market.

However, answering the needs of the Professionals and Corporates is a challenge for banks because of the heterogeneity and complexity of this market: indeed, it is based on multiple legal forms and brings together both legal persons and corporate entities. Last but not least, the Professional and Corporate market is undergoing deep changes as exhibited by the development of new and open professional ecosystems, driven by the gradual arrival of the Millennials – who are looking for a meaning in their professional activities – in the labor market.

A dozen of neobanks, Fintechs and historical digital banks, have deployed in the Professional and Corporate market: some pure players (Anytime, ibanFirst, Manager.one, Mooncard, Qonto, Shine and soon Margo Bank and Prisma) or neobanks that were initially offering services to the Individual clients, and which have adapted their offer to Professional clients. For instance, Revolut and N26 launched their Business range of products in France during the last two years.

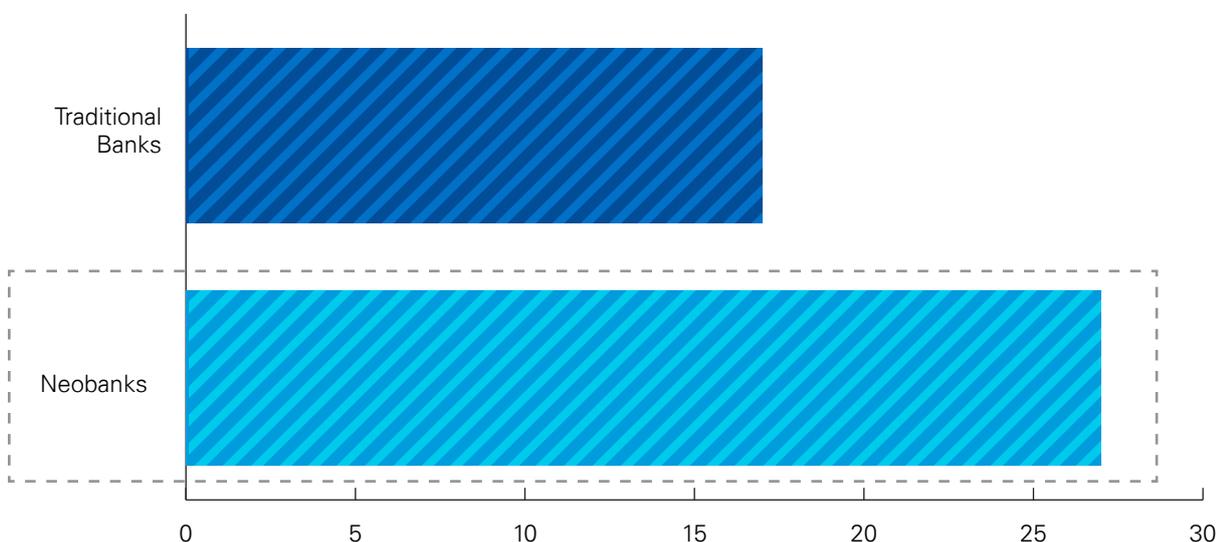
To successfully enhance their Professional and Corporate client base, these new actors are betting on a simple and high-quality Corporate card offer. Going further than traditional banks, they propose multiple cards settings through the use of intuitive interfaces. On the other hand, by offering complementary solutions (accounting, invoicing, payroll management), that are either natively developed or obtained via APIs systems, these new players are providing a seamless and fully integrated experience to the Professionals on a daily basis.

**Anna Philippe**

Expert Banking Consultant for the Professional clients

**KPMG France**

**In the French Professional and Corporate market, the average number of cards functionalities offered by neobanks is 1,6 times greater than traditional banks\***



\* Ranking based on the number of card functionalities and on the available public data at the end of September (cf. the methodology page of the study)





# Benchmark of payment cards

# THE SEVEN COMPONENTS OF CARDS PROGRAMS

## End value for the customer:

The customer has a greater flexibility with the management of his spending and transactions. For instance, splitting payments allows the cardholder to pay for his purchases in several times. Other advantage, the multicurrency accounts directly linked to the payment card let the client transfer funds anytime, at the real exchange rate and to pay with his card in any currency, at no extra fees

### Payment services

Payment options that the holder can directly select on his card, via his mobile application or online



## End value for the customer:

The user has greater control over the functioning of his card and is able to modify his settings in real-time. For instance, it is now possible to authorize payments only on certain days of the week, or to instantly lock/unlock certain functionalities such as the ATM withdrawals or the contactless payments.

### Security and fraud protection

Functionalities that allow the holder, the merchant and the bank to have greater security during their transactions or when the card is lost or stolen



### Card settings

Options available to the cardholder that allow him to manage and personalize his payment card. Some of the settings could be activated/deactivated in real-time

## End value for the customer:

Greater security in a context where online payments are constantly increasing. For instance, cards with the dynamic crypto option have at their back a mini electronic screen that refreshes to obtain different codes that will validate the various purchases. On another hand, the real-time card opposition directly on the mobile app, allows the cardholder to block his card as soon as a fraud or attempted fraud is observed.

### Account and treasury management services

Ability for the cardholder to get a global vision of his accounts thanks to features that allow for the categorization of his expenses and the proactive management of his accounts

### Client service

Offers that answer the need for information and additional services of the cardholder.



## End value for the customer:

The user has greater control over the management of his available treasury and on his saving scheme. For instance, the auto-categorization of his transactions allows him to have a global picture of his various expenses according to their type (leisure, transports...). Additionally, the automatic saving option allows the client to round-up the cost of his purchases to create pots that will be funded by each of his payments.

## End value for the customer:

A rapid resolution of the client's account management issues with advisors that are proactively taking care of his. For instance, the access to advisors' agendas straight on the mobile app allows the client to block timeslots and to give precise information about the encountered problems, in order to facilitate the treatment of the request. Furthermore, with call centers that are immediately available, the cardholder can have rapid solutions to his problems, anytime, and with no freezing of his services.

### Beyond payment

Offers and solutions proposed to the client and which are beyond the banking scope. The goal is to answer his needs upstream and downstream the payment.



## End value for the customer:

Access to offers that are beyond the financial services that will simplify the daily life of the client. For instance, the automated extraction of receipt information (VAT, number of guests...) allows for the automatic management of the expense bills, thus facilitating firms' accounting treatments. On another hand, access to personal concierge services with benefits such as the booking of professional trips or other personal activities is a considerable time saving for cardholders.

## End value for the customer:

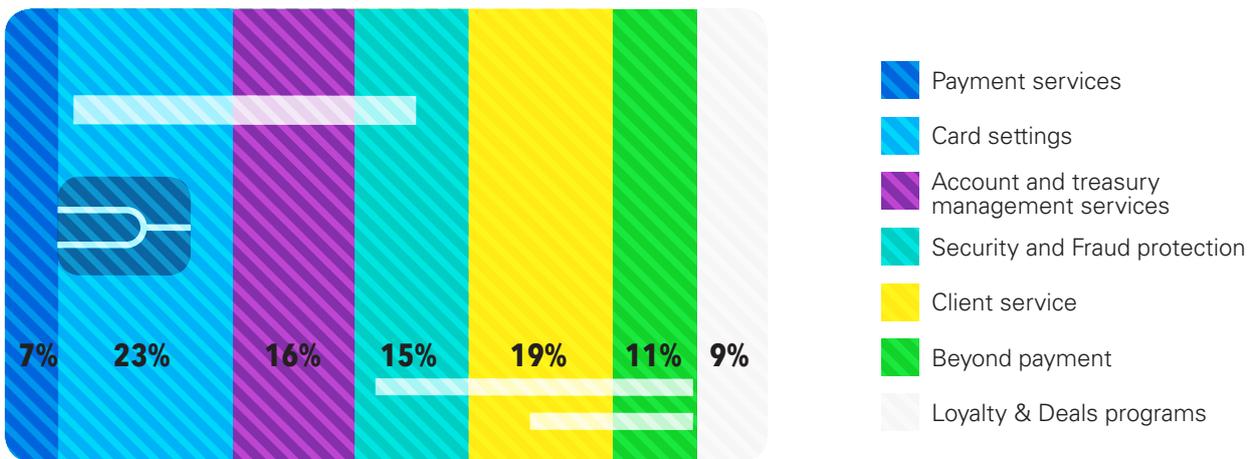
Discounts and other attractive offers for the purchases made with the card. For example, the automatic Cashback option allows the client to recover a fraction of the cost of his purchases made at partners' shops. Various privileges (transports, everyday consumption, and travels) are also available to the cardholder.



### Loyalty & Deals programs

Set of advantages and privileges that the cardholder can benefit from thanks to his card program.

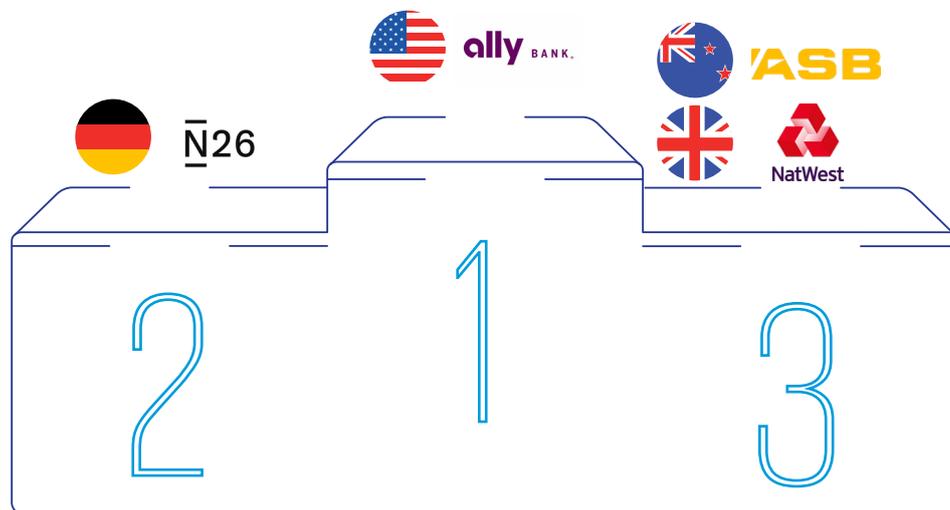
# The 2019 card's profile\*



- Payment services only represent 7% of cards features. In addition to the simple payment function, cards programs require further services linked to the settings, security and fraud protection, in order to create value for the end customer.
- 20% of the functionalities of the analyzed cards programs are based on services that are beyond payment (extra-banking services, privileges, deals, etc.).

\* Our international benchmark allowed us to get a picture of today's payment card. To estimate the proportion of each category, we have analyzed its weight as compared to the total volume of identified functionalities, across all categories.

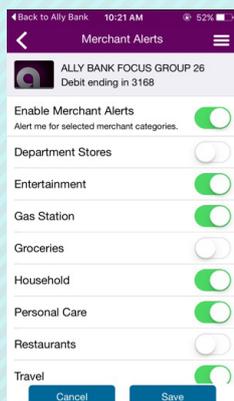
# Top 3 of payment cards with the most added value for Individuals



**Top 3 players offering payment cards with the most added value for Individuals\***

\* Ranking based on the number of functionalities of the card and on public data (cf. the methodology page of the study).

## Ally Bank



**Ally Bank** is an American online bank that facilitates banking operations thanks to a simple and intelligent experience.

### Examples of functionalities and advantages offered by Ally Bank for its debit card:

- **Management of spending by type of expense:** Option to assign maximum amounts per transaction and to lock/unlock expenses by type of merchants categories such as petrol stations or supermarkets.
- **Option to activate/deactivate the card:** The customer can choose to deactivate his payments and withdrawals using his dedicated mobile application. In the same way, he can reactivate these functions anytime.
- **Geographical management of the transactions:** With the Location Awareness Controls feature, the client can select on the Map tab of his mobile app, the geographical areas where his payment card will be activated.
- **Real-time notifications:** The cardholder receives a notification on his phone as soon as he makes a purchase or when his payment card is declined.
- **Payment using Apple Pay and Samsung Pay:** By adding his payment card in the Wallet tab of his phone, the customer can choose to make purchases without using his physical card. His phone allows him to secure the transaction through a biometric identification (fingerprints).

## N26

**N26** N26 is a 100% mobile neobank that provides real-time banking services. For instance, opening an account only takes 8 minutes and can be done remotely.

### Examples of functionalities and advantages offered by N26 for its You card:

- Option to personalize the look of the card by choosing among the 5 different colors that are proposed.
- Real-time transactions notifications.
- Broad insurance coverage (travel, coverage when there is a theft of phone or cash after an ATM withdrawal and warranty extension for the qualifying purchases).

## ASB

**ASB Bank** (Auckland Savings Bank) is a credit institution that is conducting its operations from New-Zealand. It offers a wide range of financial services, notably banking services for the Individual and Corporate clients located in rural areas.

### Examples of functionalities and advantages offered by ASB for its Platinum Rewards card:

- A Cashback system that allows to recover 1 New-Zealand dollar for each 100 dollars spent.
- The option to use the card in combination with connected objects to choose the most convenient payment method: Apple Pay and Google Pay (wallets), Fitbit Pay (connected wristlet), Garmin Pay (connected watch), ASB PayTag (connected sticker).

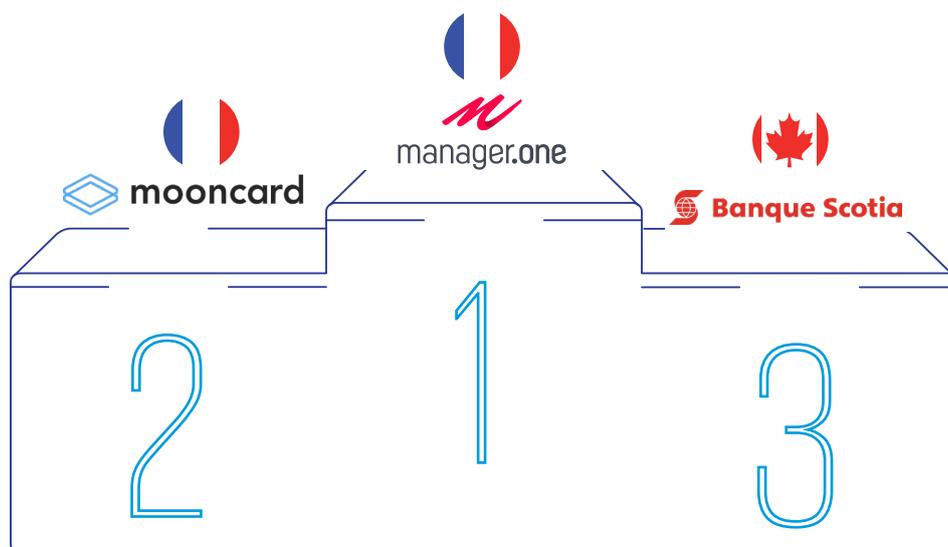
## NatWest

**NatWest** is one of the main British banks dedicated to Individual, Professional and Corporate clients.

### Examples of functionalities and advantages offered by NatWest for its Reward Black card:

- A profitable Cashback system that allows for the recovery of 0,5% to 15% of the costs of the purchases made.
- Option for the cardholder to pay for his purchases in several times, in order to have a greater flexibility in the management of his spending.

# Top 3 of payment cards with the most added value for Professionals and Corporates



**Top 3 players offering payment cards with the most added value  
for Professionals and Corporates\***

\* Ranking based on the number of functionalities of the card and on public data available at the end of September (cf. the methodology page of the study).  
To obtain more information about the panel of analyzed cards, please send a message to the following e-mail address: [epapadacci@kpmg.fr](mailto:epapadacci@kpmg.fr)

manager.one



The **manager.one** payment card is dedicated to Professional and Corporate clients and simplifies the treatment of expenses bills at a price of €29,99 per month, irrespective of the number of cards ordered.

**Examples of functionalities and advantages offered by manager.one for its manager.one card:**

- **Option to set the obligation to join receipts to every purchase made with the card:** The user has to submit his expenses bills in real-time. Without the relevant documentation and its downloading on the mobile app, his card is locked for future transactions.
- **Auto-categorization of expenses:** Professional expenses are automatically categorized in the account according to the merchant's type of activity.
- **Management of the authorized expenses categories:** Professional expenses can be finely controlled with the option to authorize only some categories of expenses such as « Restaurant », « Hotels », or « Car renting ». The choice of restrictions is done directly on the mobile app and in real-time.
- **A simple pricing and unlimited number of cards:** A monthly based membership of €29,99 that is fixed, identical to everyone independently of the number of cards owned and which doesn't imply any transaction fees.
- **Real-time setting of all the functionalities:** All the features can be set in real-time through the mobile application. For instance, the cardholder can instantly manage his credit limits with no cap on the maximum amounts.

## Mooncard

- **Mooncard** is a French Fintech dedicated to Professionals and Corporates which promise is to ensure savings of 24 hours per year and per employee.

**Examples of functionalities and advantages offered by Mooncard for its Mooncard card:**

- The information regarding each expense are already filled thanks to the transaction data and the connection to the employees' agendas.
- The account manager can grant different access depending on the profile of the employee.

## Banque Scotia

**Scotia Bank** is a Canadian bank, leader among the providers of financial services in North America. It proposes services to Individual, Professional and Corporate clients.

**Examples of functionalities and advantages offered by Scotia Bank for its Passport Infinite Business card:**

- Conversion of the purchases made with the card into bank loyalty points granting access to exclusive offers.
- A concierge service available 24/7 to answer the various needs of the clients.

# Must watch innovations

**Actors**  
(this list is non-exhaustive)



(In testing phase)

**Biométry:** A fingerprint recognition microchip is directly located on the payment card. Equipped with a fingerprint detector, this card allows both to pay traditionally with a code or through an authentication by putting the cardholder fingers on it.



**Security & Fraud protection**

**Actor**



**Payment and transport card:** Travel tickets directly linked to the payment card that allow both to pay for the travels and to collect back the transports' subventions. Combining the payment and travel functions will become a top priority for the actors of the payment ecosystem.



**Loyalty & Deals programs**

**Actor**



**IndusInd Bank**

**Double credit/debit chips:** Equipped with two microchips and magnetic stripes, the customer can choose either to pay in debit or credit depending on the side of the card he is inserting into the payment terminal.



**Payment services**

**Actor**



(In testing phase)

**Dynamic data:** Dynamic data is about hiding some sensitive information on the payment card (four digits over sixteen, the first name/surname of the cardholder) or to revolutionize the banking documents shipping methods (PIN code being available directly on the card thanks to a reading grid offered by the bank). The final goal is to decrease fraud attempts.



**Security & Fraud protection**

**Actor**



**Cards aggregators:** Some payment cards have the ambition to gather all the client's cards in a single physical object. Thanks to a screen located on the card and that presents the available range of cards and their related banking information, the customer can select the card of his choice to make his payments.



**Account and treasury management services**

### Actor



**lunchr**

**Ticket restaurant card:** Option to connect the Lunchr card with a personal payment card and to pay greater amounts for restaurants expenses. The management is entirely done online, while the card can be personalized according to the employees needs and their type of contracts.



**Beyond payment**

### Actor



**Security and cards aggregator:** Some cards offer fraud protection measures with the option to write the card's PIN code on the card itself. This will generate a single-use code to enter on the various terminals.



**Account and treasury management services**

### Actor



**IndusInd Bank**

**Payment in Equated Monthly Installments or Reward points:** This interactive payment card offers a full flexibility in terms of payment options. By pushing the relevant button, the cardholder can select the way he will pay for his purchases (by EMI, rewards points or credit), as well as the redemption dates.



**Payment services**

### Actor



**Option to split the payments:** Simulation of the due amount in case the cardholder chose to pay in several installments with flexible reimbursement dates. The customer can directly visualize on his mobile application the due amount depending on the reimbursement scenarios he selected.



**Account and treasury management services**

### Actors

**onlyone**

(Launch scheduled by the end of the year)



**Beyond payment**

**CO2 impact:** The client can visualize the CO2 impact of each of his transactions and round-up to the next Euro each of his expenses to create a pot. The latter will then be funded and paid to a charity of the cardholder's choice. The final goal is to allow the client to compensate for the environmental damages of his purchases.

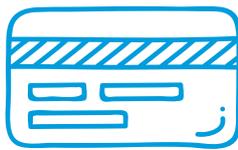
# Methodology



20 Countries

+120

Firms identified  
(banks, GAFA, etc)



+180

Cards analyzed

- 60% targeted to Individual clients
- 40 % targeted to Professional and Corporate clients

- **More than 180 payment cards** have been analyzed in 20 countries and tested on 108 functionalities. These cards represent the main innovative cards offered by traditional banks, online banks, Fintechs, Tech actors, retailers, etc. The scope includes physical debit and credit cards and prepaid cards dedicated to Individuals, Professionals and Corporate clients.
- **The rankings included in this study** are based on the number of cards functionalities found on public websites. Each card has been analyzed and tested against the 108 functionalities to assess the volume of available features that were publicly communicated by the relevant institutions.
- **In each of the 20 countries**, at least one card of the three main banks in terms of AUM has been analyzed. Other actors recognized for their innovative cards programs have been included in the scope. Regarding the players that have multiple cards offers, has been selected the card with the greater number of functionalities based on public data.
- **A global picture of the cards market:** a particular attention has been paid to select countries located in each and every continent. A focus has been realized on the French market with a deep analysis of the cards offers proposed by the biggest actors of the industry (traditional banks, online banks, neobanks and other actors of the financial services).



# Our assets and approaches

CARDS PROGRAMS: FROM THE STRATEGY, TO THE IMPLEMENTATION, TO THE OPTIMIZATION

Thanks to the strength of its multidisciplinary teams, KPMG is supporting its clients regarding their payment cards challenges by leading the strategic, organizational, technological and regulatory projects they are working on.







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