



# BC Card's Digital Evolution on Cross-border Payment

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- Founded as **Bank Credit Card** Association in 1982 by 5 commercial banks in Korea
- Acquired by Korea Telecom (69.5%) in 2011
- Discover Global Network Partner since 2010

### Key Statistics (2022)

<b>184B</b> Annual Acquiring Volume (USD)	<b>3.2M</b> Annual Card Issuance	<b>42</b> Clients in Korea
<b>34M</b> Cardholders	<b>3.5M</b> Merchants	<b>8</b> Network Alliances

### Core Business Area

Merchant Acquirer	<ul style="list-style-type: none"> <li>• Processed under “BC” merchant network</li> <li>• Merchant Acquiring</li> </ul>
Card Issuer	<ul style="list-style-type: none"> <li>• BC BaroCard (since 2021)</li> </ul>
End-to-End Payment Processing Services	<ul style="list-style-type: none"> <li>• Total Payment Processor           <ul style="list-style-type: none"> <li>✓ Transaction Switching</li> <li>✓ Card Issuing/ Personalization</li> <li>✓ Issuing/ Acquiring Processing</li> </ul> </li> </ul>
Mobile Payment Platform	<ul style="list-style-type: none"> <li>• Mobile Wallet with Presenting and Scan EMV QR Code</li> <li>• Mobile Wallet Processing for Affiliate Wallets</li> </ul>

# Digitalization of ASEAN countries

ASEAN (Thailand, Singapore, Malaysia, Myanmar, Indonesia, Vietnam, Cambodia, Philippines)  
Central Banks Developed and Deployed national MPM QR(Static, Dynamic) Standards



**NETS**



**PayNet**  
PAYMENTS NETWORK MALAYSIA



**napas**



**National ITMX**



- All of Banks' Apps, and eWallets in each of countries can scan the national QR Code to make Payments
- Based on their QR Acceptances, these countries are building Cross-border Corridors

# Korea Digital Payment Market Landscape

Through experiencing the pandemic, more people started using QR wallets in Korea similarly to other AP countries as cashless and touchless payments were preferred through the pandemic

## Mobile Payment Players in the market

Finance	<p>non-EMV QR</p>
Retailers (eComm)	<p><b>BC QR (EMV)</b> BarCode QR</p>
3rd Party / Remittance	<p>Online Only      BarCode QR</p>
Personal Messenger	<p>Barcode (Alipay+)</p> <p><b>Nearly 40m users sharing BC Card's Domestic QR Merchant network</b></p>
Mobile Manufacturer	

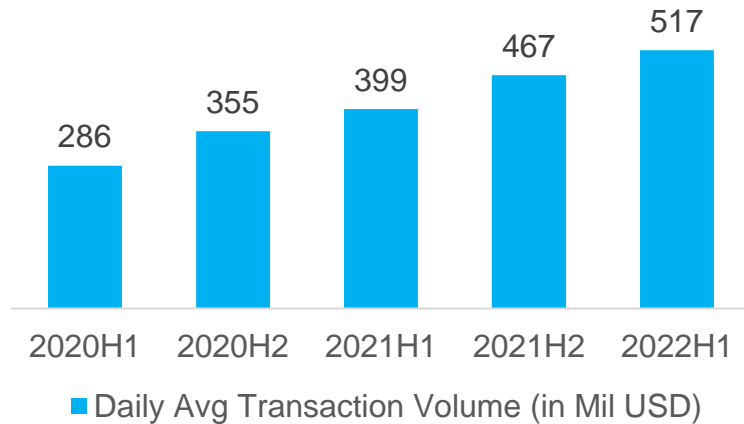
## Paybooc Statistics Thru Pandemic

Average MAU per month	3.6 mil (2019) → <b>6 mil (2022)</b>
Offline Purchase Amount	5 bill (2019) → <b>10 bill USD (2022)</b>
On/Offline Purchase Amount	10 bill USD (2019) → <b>25 bill USD (2022)</b>
Monthly Active Users	5 mil Users (2019) → <b>10 mil Users (2022)</b>
Funding Source	<ul style="list-style-type: none"> <li>• Top-up (from bank accounts)</li> <li>• Credit / Debit Card (Visa, MC, and Local) with 40 financial institutions</li> </ul>

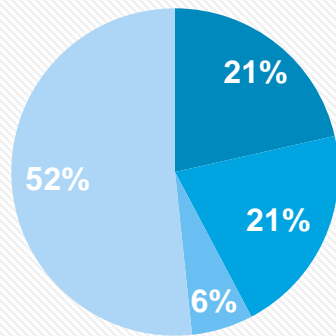
# Korea Mobile Payment Market Landscape

NaverPay leads a simple-payment method in terms of users, transaction amount, and counts in Korea Market over its competitors like KakaoPay and Toss whose main services are P2P Remittances

## KR Wallets Stats / Market Share



KR Wallets MS based on the User

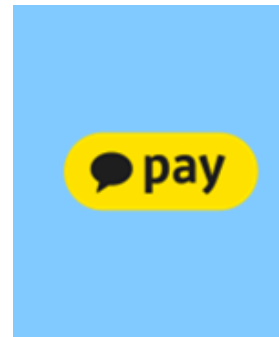


■ NaverPay ■ KakaoPay ■ Toss ■ Misc.

## KR Wallets (Three Best Performers)



Users: **30.7 Million**  
 Online/Offline: Both (**Share Offline Acceptances with BC Card's Paybooc**)  
 Annual Tran Vol: **44 Tril KRW (31.4 Bil USD)**  
**\* Less than 5% P2P Remittance Volume**  
 Cross-border Partner: LinePay / BC Card  
 Standard: EMV QR (CPMMMPM)



Users: 29.7 Million  
 Annual Tran Vol: **17 Tril KRW (12.1 Bil USD)**  
**\* 90% is P2P Remittance Volume**  
 Online/Offline: Both  
**Investor: Alipay (39.13%)**  
 Standard: Alipay Barcode (CPMMMPM)  
 Cross-border Partner: **Alipay Plus**  
 Etc.: Specialized in P2P Remittance



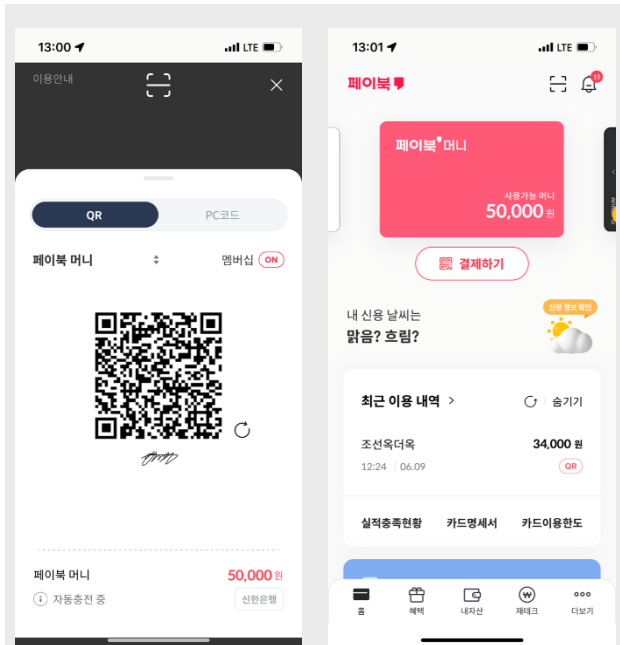
Users: 8.7 Million  
 Annual Tran Vol: **2 Tril KRW (1.5 Bil USD)**  
**\* 97% is P2P Remittance Volume**  
 Online/Offline: Online, Offline (CU)  
 Cross-border Partner: GLN  
 Etc.: Specialized in P2P Remittance, and Banking

# BC Card's Strategies – Attract KR eWallets to Participate in BC QR Network



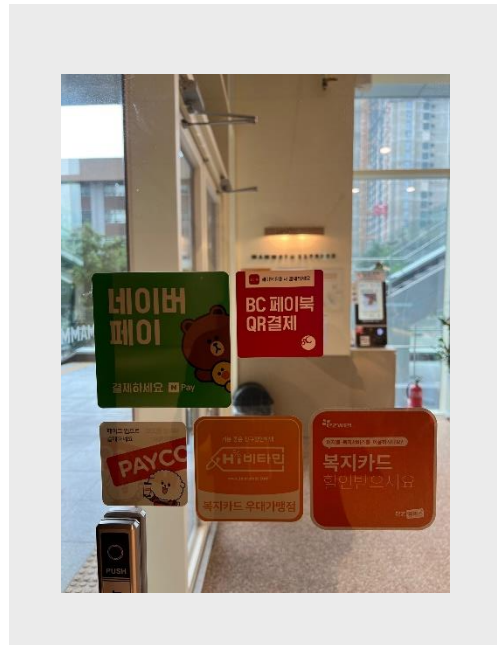
Paybooc is the wallet operated by BC Card who developed QR merchant network, and NaverPay participates as a partnering wallet to enable its acceptance

## Paybooc APP



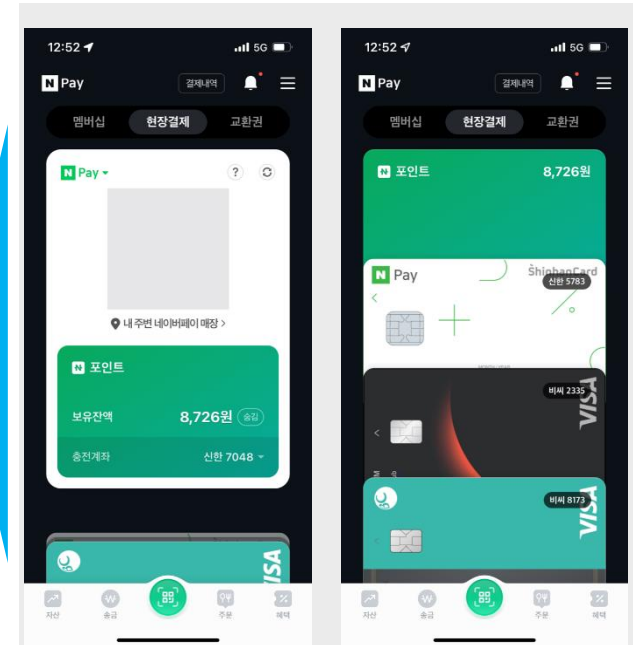
- 40 Customer Institutions' Cards
- A top-up Capability from All Banks
- Evolving toward all-in-one finance platform

## QR Merchants



- NaverPay benefits from BC Card's QR Merchant Network by adding;
- 110K CPM Merchants
  - 6K MPM Merchants

## NaverPay Payment APP



- 30M active users
- A top-up Capability from All Banks / Cards
- Operated by #1 portal Naver with embedded SME sellers

# Partnering Wallet in BC Cross-border QR Payment – Travel Wallet



Travel Wallet will participate BC-National Switching Centers' Corridors and Travel Wallet is the leading Fintech Platform in Cross-border Payments at low or no F/X fee to its users



## 0% payment fee for all currencies

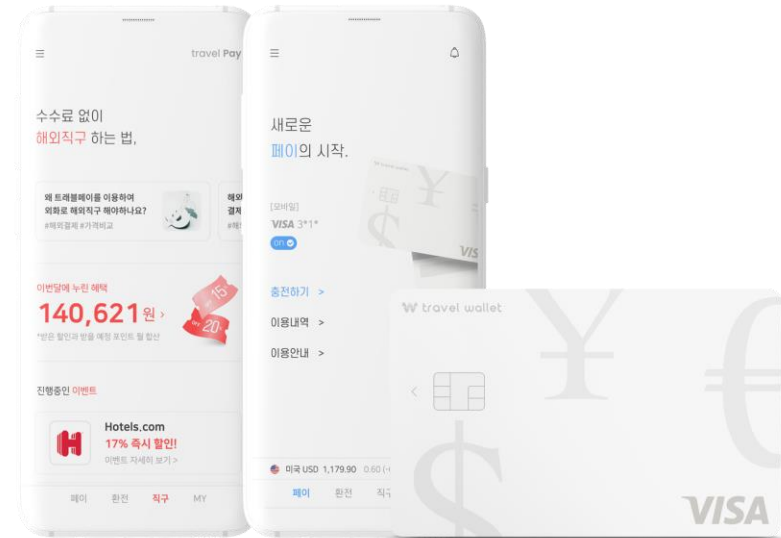
- Save at least 2.5% in fees or more compared to general credit cards
- Top-up FX fee 0% for USD/EUR/JPY, just 0.5%~2.5% for other currencies

## Exchange/top-up 37 currencies on a single card with Travel Wallet app

- Real-time FX rates applied
- Use seamlessly at over 80 million Visa online/offline merchant stores

## Travel, Shopping promotions through direct partnerships

- Receive benefits such as instant discount or cashback etc., just by using TravelPay card



Travelwallet's payment instrument is Visa-branded Cards. BC Card will provide ASEAN's QR national Acceptances soon

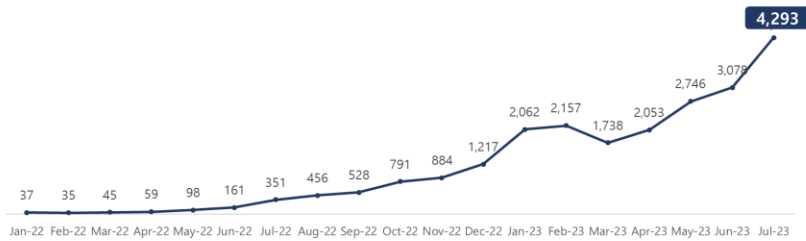
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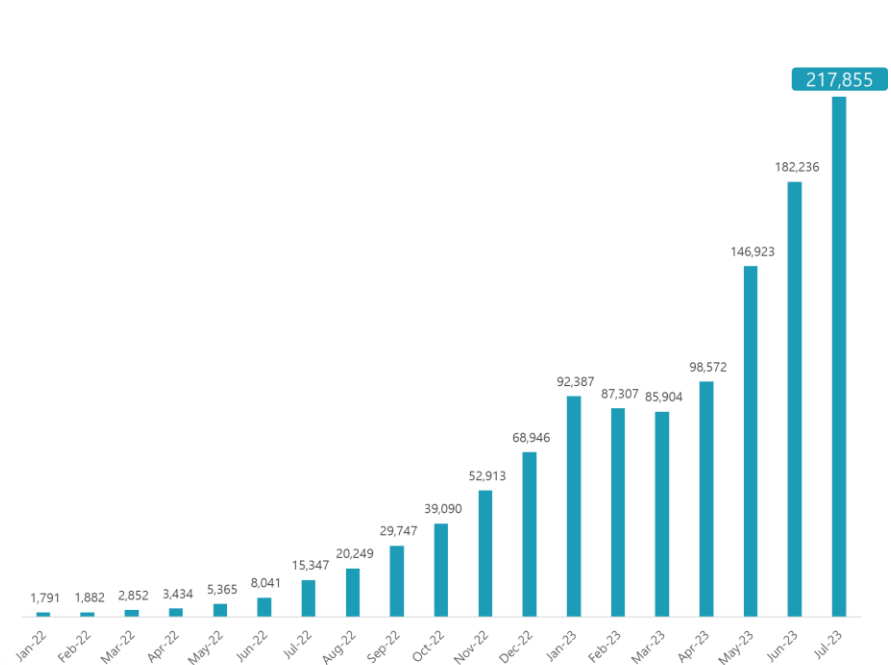
Travel Wallet will participate BC-National Switching Centers' Corridors and Travel Wallet is the leading Fintech Platform in Cross-border Payments at low or no F/X fee to its users

## TravelPay: Key KPI

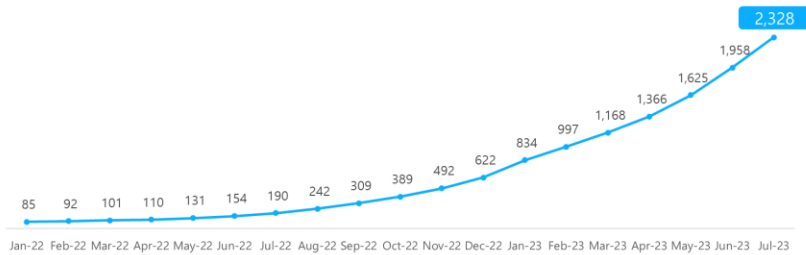
Monthly Transaction (in thousand)



Monthly Transaction Volume (KRW million)



Monthly Card Issued (in thousand / accum.)





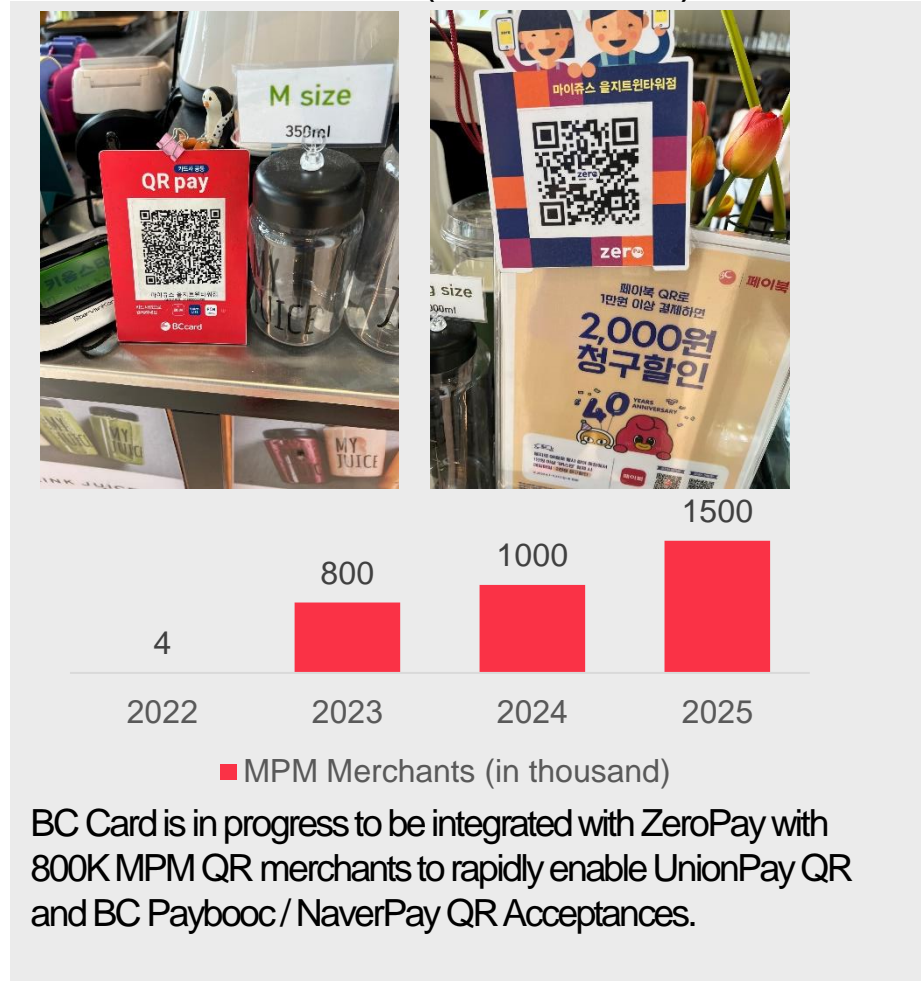
# QR Merchants (Customer Presented Mode / Merchant Presented Mode)

BC Card leads Korean Mobile Payment Industry with number of QR Merchants in both CPM and MPM Merchants as below and BC Card strategically integrates our system with ZeroPay in 2023.

## CPM Merchants (110K)

Convenient Stores	GS25, CU, emart24, 7-eleven, MINISTOP
Super Market / Mart	Daiso, GS, Lotte Mart, Military PX, NH Hanaro Mart, MEGAMART, VIC Market, Lotte Super
Food & Beverage	Starbucks, EDIYA Coffee, Baskin Robbins, Paris Baguette, KFC, Gong Cha, Shake Shack, Dunkin Donuts
Shopping	The Galleria, AK Plaza, Starfield, Shinsegae DFS, Lotte DFS, ABC-mart
Amusement Park	EVERLAND, Lotte World Adventure, Seoul Land, SEOUL SKY, Hanhwa Aqua Planet, Lotte World Aquarium, Coex Aquarium, Korean Folk Village
Beauty	Lalavla, Nature Republic, Innisfree, Sulwhasoo, moonshot

## MPM Merchants (4K → 800K)



# QR Cross-border Projects in Progress



From 2022, BC Card has been trying to initiate projects related with QR Cross-border Corridors with various countries including Thailand

Third Party Wallet	Taiwan LinePay (Inbound)	Merchant Sales
Scheme QR	UnionPay QR (2-way)	Merchant Sales
National QR Network	Taiwan (Inbound)	UAT
	Thailand (2-way)	Project Kick-off
	SG (2-Way)	Completed NDA and in discussion
	Indonesia (2-Way)	Will approach
	Vietnam (2-way)	MOU / Nego.
	Malaysia (2-way)	Project Implementation
	Japan (2-way)	Discussion
	Philippines (2-way)	BSP meeting planned
	Korea (Cardless ATM)	Business Model Development

## Projects in progress

BC Card is working on the project to build cross-border Mobile Payment Network so Korean wallets can scan Thai and Malaysia QR to make seamless payment in Thailand



## travel Wallet

- #1 Cross-border Payment Platform
- 10M Korean users
- 200 mil. USD Cross-border Payment Volume per a Month
- Will participate as BC Card's Affiliate Wallet



- #1 Payment Platform In Finance Sector
- 10M Korean users
- MPM/CPM payment Wallet