

Essential Guide to ... payments

BOYLESPORTS

The faster the better from the customer's perspective



The customer neither know nor cares about all the behind the scenes checking when depositing money and **Ruairi Boyle** believes the industry should realise that.

Ruairi Boyle, the new head of gaming at Irish online operator BoyleSports, believes speed is of the essence when it comes to payment processing. The less time a customer is kept waiting, the more likely they will deposit funds with the operator and use those funds to gamble.

Boyle thinks that ease and speed of payments should be a key priority when it comes to planning a new website. He explained: "The whole area of transactions, deposit and withdrawal, is an integral part of the user experience and it is vital that this element is given as much care and attention as other areas of the website/user interface. While creating a fully secure and regulated banking/account system (reducing fraud, charge-backs etc), speed, efficiency and customer control must be kept at the forefront of company and developers' mindsets."

He added that the end-user is completely oblivious to all the intricate checks and financial wizardry going on behind the scenes - all the customer wants to do is deposit some money and have a bet, without any lengthy delays.

"Customers do not consider the infrastructure required to implement a fully compliant and wide-ranging banking/account system," he said. "They want to instantly deposit and withdraw through their chosen method and have a large degree of control. It's for the operators to facilitate the fast and



efficient transaction process to ensure the customer feels that it's secure, controlled and responsive to their needs."

Boyle said that the company's core currencies were naturally the euro and sterling, given the main markets BoyleSports services, but added that US dollars were necessary for poker. "These cover our core markets, and are sufficient," he explained. "But to add saliency to your brand in a certain market you should support their currency. I wouldn't recommend launching into the Far East without supporting the relevant currency."

Boyle also explained that a single wallet across all product was probably 'the ideal' for businesses and customers alike, despite the difficulties involved behind the scenes, although not essential. "Single wallet is probably the ideal for customer ease and to facilitate cross-sell. However, it's not always an ideal fit. For example, poker and casino products often converts currency into chips etc. In some products you buy X amount of chips etc before going to the table or the slot.

"The back end functionality can almost always be achieved over time, but might not be necessary. There is little evidence to suggest a product line cannot grow if it does have a separate wallet - poker and live casino would testify to this."

SPORTINGBET

Quick questions: Fiona Crisp

Fiona Crisp, head of group treasury at Sportingbet, answers some quick questions on the topic of online payments.

Q: Are banks too cautious when it comes to dealing with the gambling industry?

A: Online gambling is a new business and there is considerable uncertainty around the regulatory and legal position in some markets. Banks are naturally cautious about the industry to ensure they safeguard their assets and reputation for their shareholders.

Q: Is such caution justified?

A: That being said above, as a customer I consider some banks are taking a more cautious position than seems to be justified from a pure risk management perspective.

Q: How important is it to have a single wallet across product types? How difficult is it to implement?

A: Our customers have been very positive about the benefits of a single wallet, which significantly improves their cross-product entertainment experience. I suspect the difficulty of implementation will depend on an individual company's underlying systems.

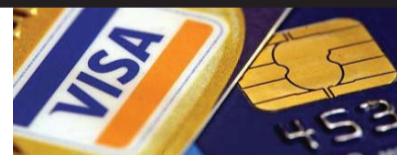
Q: What factors go into deciding at what level you set your minimum deposit?

A: We set our minimum deposit levels on the basis of customer's feedback, limits set by the payment method, normal market practice and the cost of settlement.



ADYEN

Being the host can remove 'burden of compliancy'



Roelant Prins, CCO of Adyen, discusses how PSPs can keep payments secure and onsite by using hosted payment pages. Adyen is a leading provider of global internet payment and e-commerce solutions for mid, large and enterprise e-commerce merchants.

“It is likely that ‘compliance’ will become one of the industry’s buzzwords in 2011 as rules and regulations become increasingly stringent. The strict requirements brought by PCI DSS compliance in particular, represent something of a challenge to merchants currently operating in the online space. Tighter standards over storing, processing and transmitting sensitive customer credit card data is not only costly to maintain, it can



seriously impact transaction conversion rates.

The main concerns have arisen over compliance measures that redirect customers away from the main website at the checkout stage. A payment page that is not user-friendly or one that does not do the utmost to ensure a customer completes a payment is likely to result in the loss of a potential sale. Too many of these customer dropouts in the payment process will start to seriously harm a merchant's bottom line.

Recent advances in processing technology have meant that compliance does not need to be a conversion killer. New secure payment processing systems designed by

independent payment service providers (PSPs) have revolutionised the e-commerce landscape by removing the burden of compliancy from the merchant. PSP's handle all the technical connections and relationships with banks, making the merchant less dependent on financial institutions and free from the task of having to meet a multitude of payment rules and regulations.

Hosted payment pages, like the ones utilised by Adyen, enable merchants to redirect customers to secure websites that store all sensitive payment data. These pages can be customised to have the exact look and feel of the merchant's own website and can also offer a wide variety of local payment op-

tions. As the merchant never actually sees the payment data, it is possible to totally bypass compliancy requirements, saving both time and money. Additionally, in the event of a bank informing a merchant that they are no longer able to process a transaction, PSP's can switch processing to another bank without losing a single moment of profitability.

With highly sophisticated, fully customisable payment pages and unprecedented statistical insight, Adyen embodies the new wave of payment technology shaking up the e-commerce landscape. By building the right environment, and by removing the burden of compliance, payment processing can be easy.”