

The Evolution of Payments

**How Embedded Wallets and Cards
are Transforming Retail**



Introduction

The Rise of Embedded Finance

Seamless spending, everywhere

Step into a world where money moves like magic—no more fumbling at checkouts, no more digging for cards or counting cash. **Welcome to the era of embedded finance**, where payments melt seamlessly into your favourite apps, websites, and stores, creating a smooth shopping experience you'll barely notice you've paid.

Strategic insights for business leaders

For visionary leaders in retail, e-commerce, and banking, embedded wallets and cards aren't just the next big thing—they're the key to unlocking a new dimension of customer engagement. As consumer expectations skyrocket, businesses embracing this financial revolution are not just keeping up, but gaining a competitive edge. They are poised to deliver experiences that are lightning-fast, fortress-secure, and irresistibly intuitive, setting the bar high for their competitors.



In this playbook, we explore how embedded finance is rewriting the rules of business — turning every customer touchpoint into an opportunity for delight and loyalty. Want to turn every swipe, tap, and click into a frictionless, delightful customer experience that both increases overall satisfaction and retains customers?

*Enhancing user convenience,
and improving overall customer
experience in e-commerce.*



Embedded Wallets

Your Brand in Customers' Pockets

Welcome to the Future of Seamless Convenience

Embedded wallets go far beyond digital payment methods; they represent your brand in customers' everyday lives. Your customers desire simplicity and convenience regardless of whether they prefer shopping online

The Retailer's Advantage

Retailers embracing embedded wallets are seeing substantial rewards. Starbucks' mobile app is a perfect example of this success, having mastered embedded payments. Customers can load funds, place orders, and collect loyalty rewards with a single tap. In 2023, the mobile app made up 58% of Starbucks' U.S. company-owned store sales. It's all about creating a white-label, frictionless experience and turning loyal customers for life.

For retailers embedded wallets unlock a treasure trove of value:



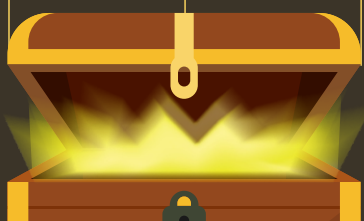
Real-time insights into customer behavior and preferences



Reduced transaction costs by bypassing traditional payment networks



Increased customer lifetime value through personalized offers and seamless reordering



Why Consumers LOVE It

It's all about ease and personalization:



No more hassle of carrying physical cards or cash



Instant access to loyalty points and customized offers



Increased security with tokenization and biometric authentication

Embedded wallets are your key to unlocking a world where your brand isn't just a choice, it's an integral part of your customers' lives.

Embedded Cards

Blurring the Lines Between Physical and Digital

More Than Just a Card — It's a Lifestyle

Embedded cards—virtual or physical—are redefining how consumers shop, earn rewards, and build loyalty. These cards provide unmatched flexibility and convenience, seamlessly integrating into everyday life.

The Retailer's Advantage

Retailers now have a powerful tool to engage consumers at the perfect moment. By connecting embedded cards to loyalty programs or enabling instant issuance of virtual cards, they can deliver a personalized experience that fosters brand loyalty. Target's RedCard is a prime example, blending effortlessly with the Target Circle loyalty program to offer 5% off every purchase, early access to deals, and free shipping. Whether in-store or online, physical and virtual cards provide a frictionless shopping experience that keeps customers returning for more.

For retailers embedded cards deliver



→ A stronger brand presence
in customers' digital wallets



→ Expanded opportunities through
co-branded partnerships



→ Enhanced integration with loyalty
programs for tailored rewards

Why Consumers LOVE It

It's all about ease and personalization:



Effortless blending of
physical cards and digital wallets



Advanced security through features
like dynamic CVV codes



Real-time budgeting tools and
spending insights for better
financial control

*Are you ready to step into the future
of retail? The revolution is here, and
it's powered by embedded cards.*

Transforming Retail

The New Shopping Revolution

Changing How Customers Shop

The days of lengthy checkouts and clunky payment systems are over, with rapid, easy-to-use experiences that cater to modern life's fast pace. For retailers, this means no less than establishing deeper loyalty ties with customers that guarantee crushing competition and a steady flow of repeat business. Here's how embedded payments are reshaping the retail landscape:

Seamless Omnichannel Experiences

Walmart Pay offers a powerful example of how embedded payments streamline omnichannel retail. Shoppers can pay in-store using their phones and seamlessly transition to the same payment method for online purchases. This frictionless experience makes Walmart a trusted choice, whether it's for picking up groceries in person or ordering home essentials online.



Frictionless Checkout

Amazon Go's "Just Walk Out" technology pushes the boundaries of convenience. Customers can grab what they need and leave, with payments processed automatically through their Amazon account—no lines, no checkout counters, just pure convenience.



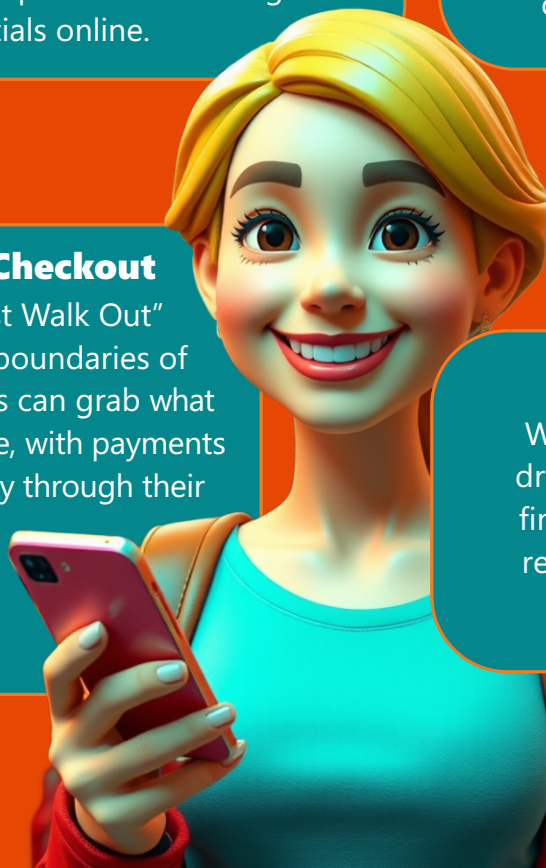
Hyper-Personalized Marketing

With access to rich transaction data, brands can unlock highly personalized experiences. Sephora's Beauty Insider program, tied to its embedded wallet, tailors product recommendations based on individual shopping habits, ensuring customers always find what they love.



Elevated Customer Service

When issues arise, embedded payments drive faster resolutions. Take Airbnb: their financial integration allows them to issue refunds or travel credits swiftly, ensuring customers aren't left waiting.





*Enhanced security for your payments,
so you just focus on your shopping!*

The Future of Payments

What's Next: Biometrics, Tokenization, and Beyond

The future of retail will be the fusion of digital wallets, loyalty programs and innovation to effectively bridge the gap between physical and digital — opening sizable doors for retailers to connect with consumers like never before. This is just a peek at what lies ahead:

Biometric Authentication



Imagine a world where a simple smile or wave authorizes your payment. This future is already here with Alibaba's "Smile to Pay."

Blockchain and Cryptocurrencies



As digital currencies become the new normal, more retailers are accepting payment in crypto. Whole Foods, Nordstrom, and Crate & Barrel are already ahead, accepting Bitcoin via their Flexa partnership.

Voice-Activated Payments



The future of commerce is in your home. Juniper Research estimates voice-activated payments could reach \$80 billion in 2025.

Invisible Payments




Retailers should aim to make payments seamless and undisruptive. Ride payments, like those from Uber, are only the beginning: soon, all forms of payment everywhere will become invisible.

Embedded Insurance



Retailers will soon offer point-of-sale insurance seamlessly integrated into the shopping journey, protecting high-value purchases frictionlessly.



*The time to embrace this change
is now—before it changes you.*

Comviva: Shaping the Future of **Embedded Payments**

At Comviva, we don't just track payment trends; we set them! Our innovative solutions are paving the way for the embedded finance revolution, empowering your business to provide seamless, secure, and highly personalized payment experiences for your customers. With more than two decades of experience in mobile financial services, we do more than offering convenience; we provide the change that businesses need to engage with their customers.

Whether it's embedded wallets that boost customer loyalty or the ability to make quick, secure payments using embedded cards, Comviva deploys innovation blocks that create opportunities for growth. Our technology is built to integrate effortlessly with your existing infrastructure, allowing retailers to adopt next-gen payment systems without needing major overhauls.

Why Comviva?



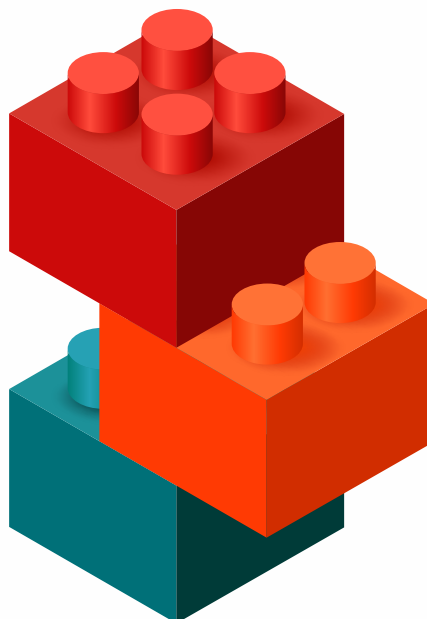
Unparalleled Innovation

Our **award-winning** mobile payment solution is trusted by leading global brands



Proven Impact

Our track record speaks volumes — we consistently help businesses skyrocket customer engagement and retention while processing enormous volumes through a revolutionary **Super App**, offering a **frictionless payment experience**



Tailored Excellence

We craft highly secure, scalable payment solutions based on **MACH architecture** that align perfectly with your unique business needs



*With Comviva, you're not just preparing
for the future of payments—you're defining it.*

Ready to Lead the Future?

The embedded finance revolution is here. The real question is: How fast can you embrace it to stay ahead? Here's your roadmap to success:

Define Your Vision

A clear vision is the compass that guides your business. Envision the role of financial services in your customer relationships, whether it be tying unbreakable bonds of loyalty, optimizing your workflows or opening up new frontier streams of revenue.

Start Small, Grow Fast

Launch a pilot with a specific customer segment to test and refine your strategy before going all-in on a full-scale rollout.

Empower your team

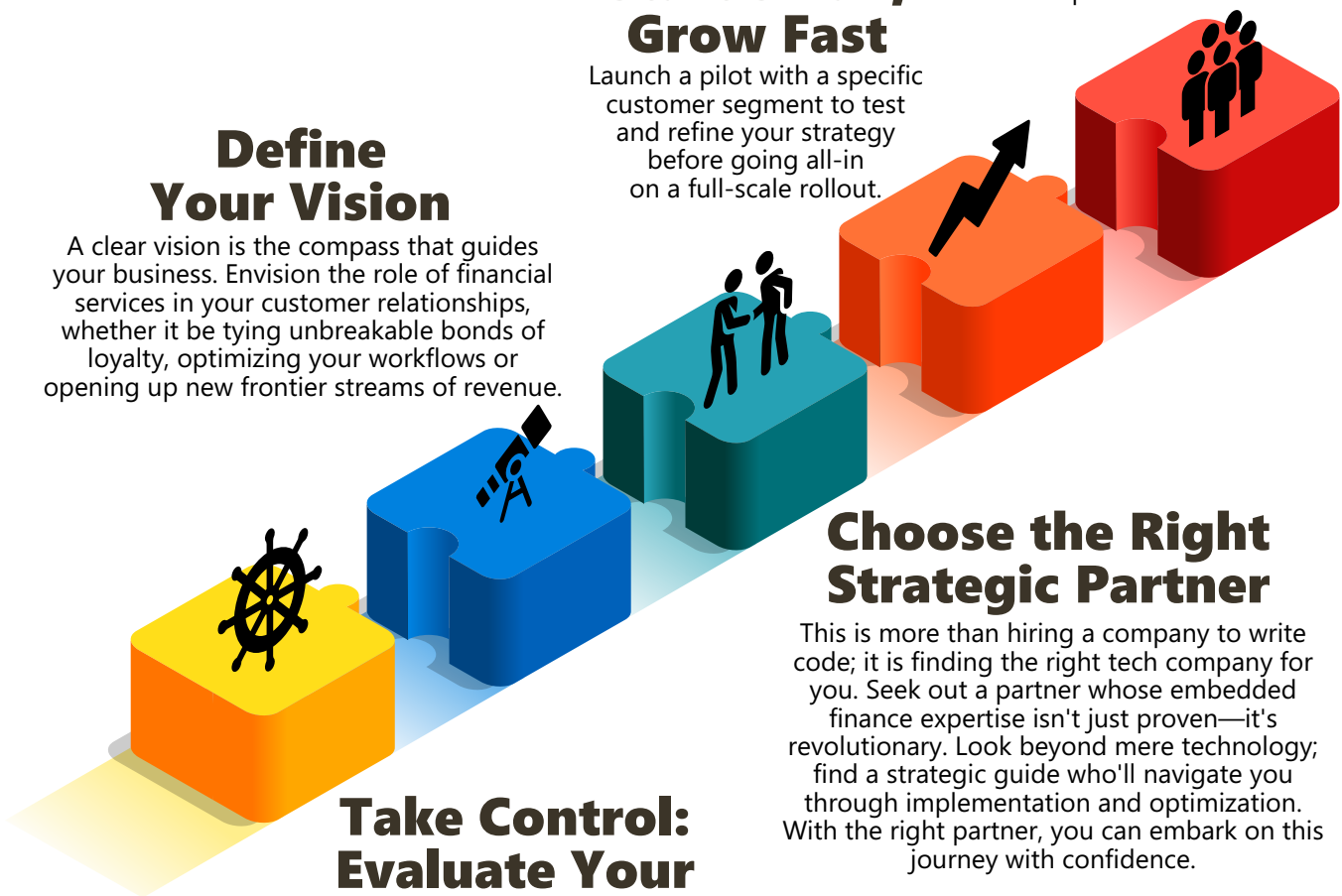
Make sure your vision aligns your team across departments. Empower them with the education and resources to conquer embedded finance.

Choose the Right Strategic Partner

This is more than hiring a company to write code; it is finding the right tech company for you. Seek out a partner whose embedded finance expertise isn't just proven—it's revolutionary. Look beyond mere technology; find a strategic guide who'll navigate you through implementation and optimization. With the right partner, you can embark on this journey with confidence.

Take Control: Evaluate Your Current Position

Evaluate Your Current Position. Examine your existing payment systems and customer experience. Identify friction points and areas ripe for integration and enhancement. This proactive step will put you in the driver's seat of your business's future.





Embedded finance is the answer to not just preparing for but creating the future. Now is the time to ACT—not just participate but lead.



Comviva: Your Catalyst for Embedded Finance Success

comviva
A TECH MAHINDRA COMPANY

Comviva simplifies business complexity. Our innovative portfolio of digital solutions and platforms brings greater choice, faster time to market and flexibility, to better meet the evolving needs of our customers as they drive growth, transform, and bring efficiency. From maximizing customer lifetime value to enabling large-scale digital transformation, we partner globally with organizations in the communications and financial industry to solve problems fast and transform for tomorrow. Comviva solutions have been deployed by over 130 Communication Services Providers and Financial Institutions in more than 90 countries and have delivered the benefits of digital and mobility to billions of people around the world. Comviva is a completely owned subsidiary of Tech Mahindra and a part of the Mahindra Group.

For more information, visit us at www.comviva.com



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