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ON THE MONEY

RAMY MOSELHY, COMVIVA'S MARKET UNIT HEAD FOR THE MIDDLE EAST AND NORTH AFRICA, BELIEVES THAT THE MIDDLE EAST IS JUST BEGINNING ITS TRANSFORMATIVE FORAY INTO DIGITAL PAYMENTS.

HOW HAS THE DIGITAL PAYMENTS SPACE EVOLVED IN THE MIDDLE EAST?

The digital payments landscape in the Middle East does not conform to any single template, as it mirrors the socio-economic diversity of the region. So, while digital wallets and contactless payments have taken root in the richer GCC countries, mobile money continues to hold steadfast in the economically underdeveloped countries of the Middle- East.

Aided by the government push and a favourable regulator environment, the market has witnessed a burgeoning digital payments space, with mobile operators, banks, device makers, merchants entering the fray.

Of late, we are witnessing a new phenomenon, where banks and

telecom operators have launched digital wallets which provide integrated payments and marketing platforms for increasing service adoption. Very recently, Bank Muscat in Oman launched its mobile wallet bm Wallet, catering to its mobile first customers. Similarly, in Bahrain, we saw a leading telecom provider Batelco introduce its mobile wallet bwallet to its customers, with a pan nationwide view.

The digital readiness of the GCC countries has allowed the digital payment players to experiment with new technologies, like Near Field Communications (NFC), HCE, biometrics with an eye on providing faster, smarter and more convenient payments experience. In Kuwait, the National Bank of Kuwait and Kuwait Finance House have come out with their mobile wallets which are facilitating quick and seamless contactless payments.

In the UAE, another Middle East country big of digital payments, we saw the nation's largest telecom operator come out with its mobile wallet. Not to be left behind, one of the leading banks in the UAE launched its NFC enabled mobile wallet, which allowed customers to pay quickly and merchant POS. All these initiatives proved that digital payments are picking up momentum in the GCC. The region is also waiting for the launch of UAE's Emirates Digital Wallet, which will be led by 16 banks in the UAE, and is expected to support m-POS and P2P payments.

HAS THE MIDDLE EAST NOW REACHED A WATERSHED AS A RESULT OF REGULATORY, CULTURAL AND TECHNOLOGICAL SHIFTS?

Culturally, the Middle East is primed for the digital payments revolution.

The consumer readiness to pay online is 71% in UAE, 58% in Saudi Arabia, 51% in Egypt, 53% in Kuwait, 49% in Lebanon, 52% in Jordan and 54% in Qatar according to a report conducted by Arabnet.

We see NFC, HCE and tokenisation, and biometrics playing an important role in the development of digital wallets in the region. While NFC facilitates quick and convenient payments, HCE and tokenisation ensures every transaction is safe and secure. The combination of contactless payments and biometric authentication at merchant POS systems allows for faster checkouts and seamless paying experience.

How can companies take advantage of this situation?

Telecom companies can use the digital payments opportunity to their advantage by building stronger relationship with their customers. In the Middle East, all the key digital payments enablers are place, such as subscriber base, infrastructure, technology and millions of customer data points to cater to customer requirements. On the revenue front, digital payments have bolstered telecom revenues

through recurring fees. Another critical facet of telcos' foray into digital payments is loyalty, with digital wallet's integrated marketing and loyalty platform allowing the telecom operator to offer discounts and personalise offerings at N=1 level to retain the customer as well as to drive customer behavior according to organisation goals.

Digital wallets are playing a key role in rise of digital banking in the Middle East. Bank digital wallets are bringing the speed and convenience of contactless payments to every customer.

WHAT ARE COMVIVA'S FUTURE PLANS FOR THE REGION?

Comviva is a global leader in digital financial and prepaid domain, with over 130 deployments in over 60

countries, servicing over one billion customers. In the Middle East, through its flagship mobility platform, Comviva is enabling over 10 banks and telecom operators to provide mobile wallets to their consumers facilitating digital payments. Features like digital self-registration; transactions using mobile number, NFC Tap & Pay and

Dynamic QR Codes; and integrated marketing and promotions are revolutionising the way consumers make payments.

In GCC countries we offer the latest digital wallets, providing an engaging and intuitive digital payment experience to consumers, In low and middle income countries we are powering mobile money services that enables unbanked and under-banked to perform an array of financial transactions fulfilling their financial needs.

Comviva also offers Digital Banking Experience Platform (DBXP) allowing banks to not only build, manage and control omni-channel experiences, but also continuously iterate and engage consumers, through instant configuration capability, marketing automation and personalisation and experimentation engine. This empowers the bank to deliver a hyper-personalised experience, thereby enhancing the customer's value, and, subsequently, profitably transition to the digital age.

On acquiring side, payPLUS empowers bank's or acquirer's merchant partners with a unified payment acceptance platform that enables acceptance of multiple payment instrument such as cards, digital wallets and QR code based payments across channels such as in-store, app and web thereby significantly reducing barriers to adoption of new technologies. For online payments, payPLUS Smart Payment Gateway offers smart routing based on multiple parameters, maximising conversion ratio of online payments. **CTMA**



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