

eProcessing Network and *The Green Sheet* Advisory Board: The State of Mobile Today.

August 8, 2016 – As leaders in the payments processing industry, understanding the importance that mobile technology plays in the market, now and in the future, is key to survival. As innovation in the mobile payments arena continues to grow and change, *The Green Sheet*, one of the premier magazines focusing exclusively on the payment industry's ISO and merchant level salesperson channel asked their Advisory Board members to weigh in on the state of mobile. As a well-respected member of the Advisory Board, eProcessing Network President, Steve Sotis was asked to provide his perspective and answer the following questions which were recently published in the August 8th edition of the magazine.

What is your opinion of the various mobile payment options available today?

eProcessing Network believes that mobile payments are still emerging and the “land grab” is still wide open, with no clear winner in sight. There are basically two forms of mobile payments in play – mobile payments initiated by the end-user and mobile payments initiated by the merchant. Beyond the leverage of Apple Pay, Samsung Pay or Google Pay, many mobile payment offerings are meeting the needs of the fragmented mobile merchant market segments that include “pay within the app” or pay with an app” in conjunction with a variety of card reader devices that function with mobile devices. The profile of Mobile Merchants is very diverse – consisting of businesses or individuals that facilitate festivals, flea markets, garage sales, seasonal rentals – the list continues to grow. And usage of merchant-initiated payments through device attachments is more readily adopted than usage of in-app payments by the aforementioned companies, at least for the time being.

What technologies do you feel make for the best merchant and consumer experience?

Technologies that create a positive merchant and consumer experience are emulating from SaaS based Retail/Restaurant POS systems. These SaaS based platforms and systems allow for unique vertical merchant markets to be addressed. The hardware and software are disruptive to the status-quo of the past 30 years. These SaaS based solutions are elegant, user-friendly, intuitive and affordable. They also help keep the merchant “out-of-PCI-scope” by using semi-integrated POS terminals or other in-app solutions. The new world of “hardware” (tablets, phones) is far less

expensive than the legacy hardware systems of the past, and unlike legacy hardware, rarely requires any updates since the software is updated ubiquitously via the platform.

Do you see clear mobile payment winners emerging? Why or why not?

Perhaps a clear winner of the mobile market will emerge in the future, however, it's more likely that there will be several winners or technologies that are preferred by the merchant and the end-user. There is no one clear winner in the card issuing world, just certain card brands with more cards issued than the others and they are ranked accordingly, as will mobile payment technologies and companies; the market ultimately will determine and define the rankings and winners.

Have you adapted your business model to incorporate mobile payments? If so, what have you done, and why? If not, why not?

eProcessing Network has been involved in mobile payments since the late 1990's and has continued to evolve accordingly. As a payments company, ePN continually develops and enhances technology, in particular, mobile payments. We offer an elegant payment app for merchants to use in tandem with a variety of unique, state-of-the-art mobile payment devices that either plug into a smart phone or tablet or connect via Bluetooth. These affordable and efficient devices support both EMV and MSR card types. In addition, ePN offers simple to use mobile SDKs for software developers to incorporate within their software products and services.