



# Il futuro dei pagamenti

Salone dei Pagamenti, Milano

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**Chairman:** Giovanni Fazio (Bain&Company)

**Speaker:** Roberto Catanzaro (Nexi), Fabiana Piscitelli (Mastercard),  
Federico Rajola (CeTif)

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# The world is becoming **undeniably digital**



## CUSTOMER RELATIONSHIPS

- Need to **interact with, and leverage information from**, customers across mobile, online and brick-and-mortar channels
- Customers gather buying decision data **before calling you**
- B2B sales cycle is **omnichannel and 24/7**; thinking like B2C marketers



## PRODUCTS AND SERVICES

- By 2020, there will be **~50B connected** devices
- **Mobile phones drive ~40%** of total internet traffic
- Average car now has **100M lines of code**
- A 737 engine generates **1 terabyte of data** per flight



## VALUE CHAIN

- By 2020 **80% of processes will be digitized** or eliminated
- It takes **5 seconds to download a song now**, (compared to over 10 minutes in 2005)
- Since 2015, **more mobile devices (~8B)** than people on Earth
- **55% of SMBs** have a FB page

# There are very **different interpretations of what digital is** and what it implies

**A brand** is no longer what we tell the consumer it is – **it is what consumers tell each other it is**

- Scott Cook, co-founder Intuit

It's **hard to find things that won't sell online.**

- Jeff Bezos, founder Amazon

...most CEOs point to **operational efficiency** as the area where they have seen **the best return on digital investment.**

- Forbes Tech

Stop **thinking of tech** as a back-office, cost center and start thinking of it as **a front-and-center revenue generator.**

- J. Hooley, CEO State Street

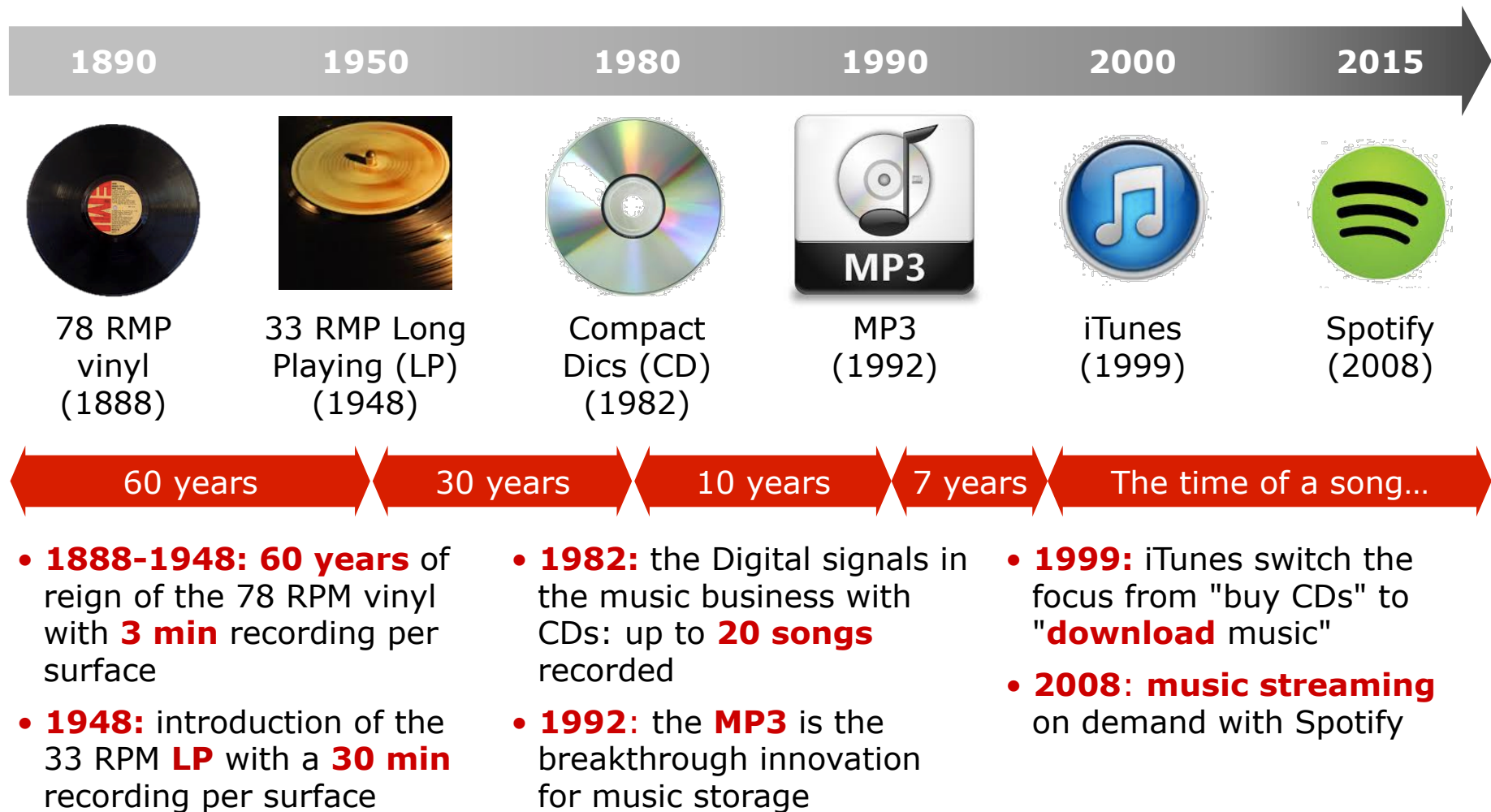
...it is about to focus on our potential and the **distance between where we are and our potential.** And as you focus on that space, **you're gonna create some incredible things**

- M. Parker, Nike CEO

**With several millions invested in new IT systems digital is fully under control in our company**

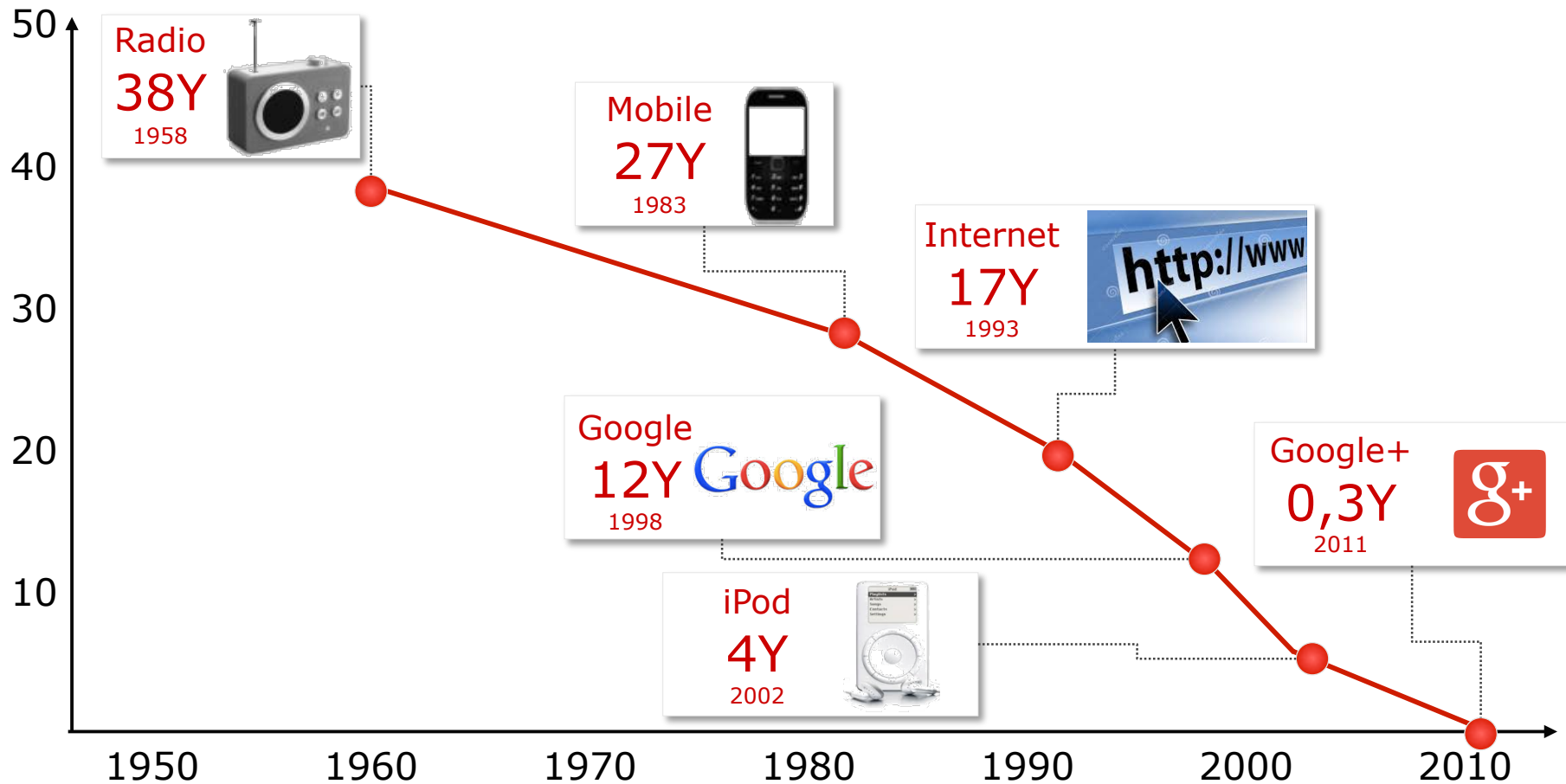
- Travel and Leisure CEO

# Digital has **shortened the lifecycle of many products** ...



# ...and has **fastened adoption times**

Number of years to reach **50Million** customer base



# Customer experience as key engagement and loyalty lever in all value chain is reinforcing

*Product design with "early feedback" or "active engagement" of customers*



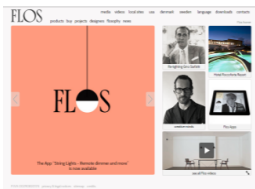
*Production of "customized" products enabled by technology*



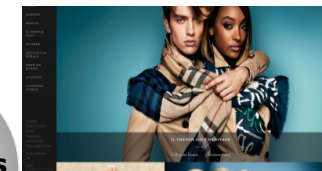
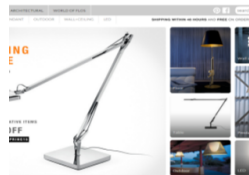
*New models of service*



*New models to manage processes*



*Opportunities to "reach" new markets*



*Activation of new e-commerce channels*

*Optimization of the physical distribution vs. online (omni-channel approach)*



**INNOVATE** No need to sift through piles of clothes or wait for a salesperson. Tap the clothing you like and your items will be delivered to your fitting room in under 30 seconds.  
**DISCOVER** Browse and try on over 150 styles from premium jeans brands. Choose a color look want to wear or try the mirror one look for a right cut.  
**SIMPLIFY** Like it? Design your credit card and sign it. Take it away. Thanks. We'll take care of the rest.

*New advertising models ...*

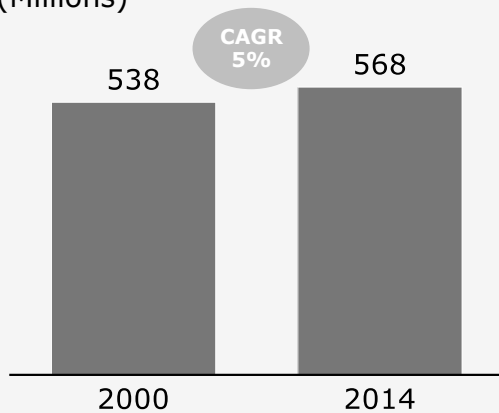


*... and customized offer*

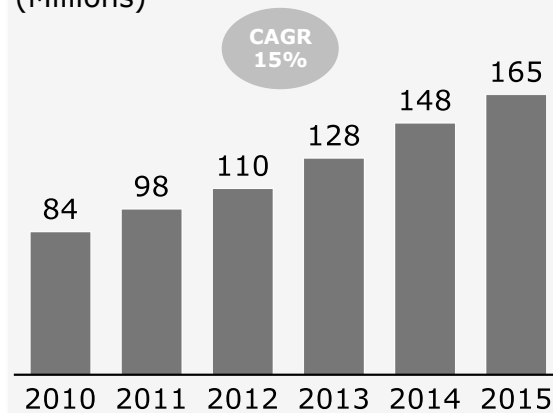
# Traditional frontiers among service industries are blurring



US # of top circuits credit cards (Millions)



Worldwide Paypal Active accounts (Millions)



**1M users registered in the first 72 hours after launch**

Source: Report statistica.com; Paypal users taken from Q1 of each year

# The progressive "entrance" in the economy of **new generations further accelerates speed of change**

**FROM....**

**GENERATION**

4 out of 5  
of daily activities  
involve use of  
technology

50%  
share info online  
about products  
with friends

9 out of 10  
own a personal  
electronic device

5<sup>th</sup> most popular  
job is **owner**

Accounts for  
**21%** of total  
online apparel  
purchases

**\$1,6T**  
Estimated  
purchase power

**....TO**



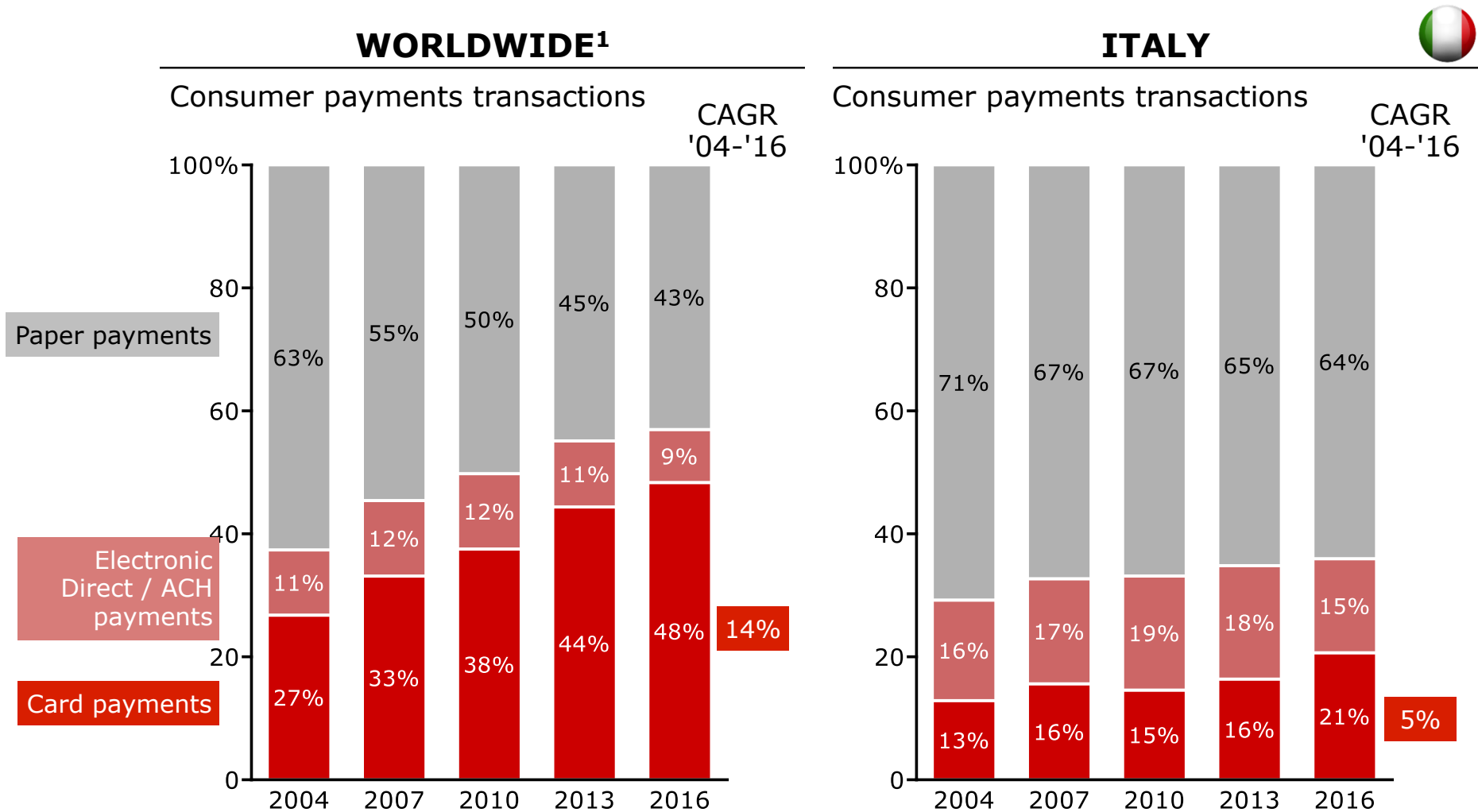
**...connected from birth**

**Born from early 1980s to early 2000s**

**Born from early 2000s to date**

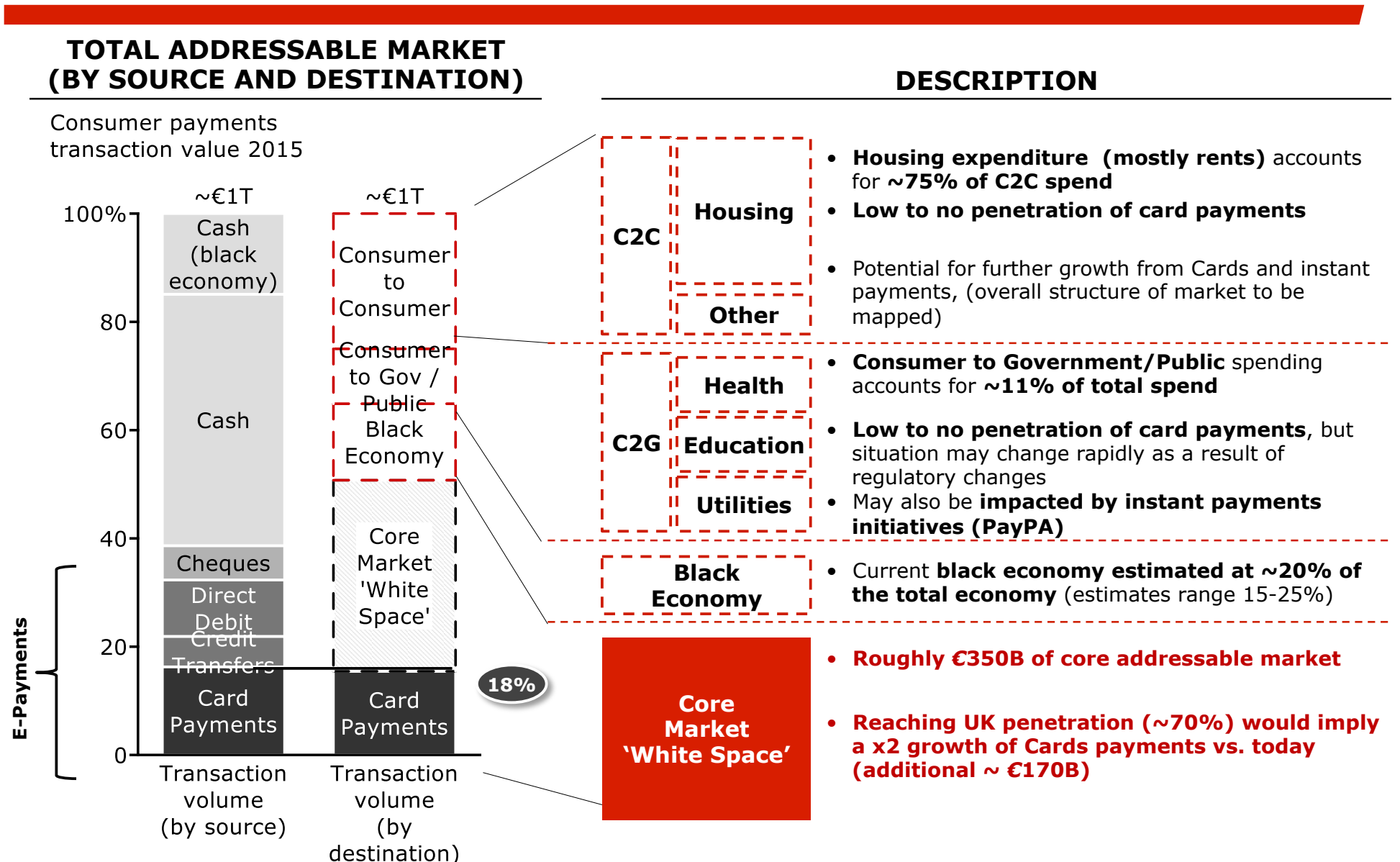


# Payments are becoming digital, worldwide and in Italy too, although at a slower pace



1. Panel includes Brazil, Canada, China, Denmark, France, Germany, Hong Kong, Israel, Italy, Japan, Netherlands, Norway, Portugal, Russia, Singapore, South Korea, Spain, Sweden, Turkey, UK, USA  
Source: Euromonitor data

# There is a **big opportunity** to address **in Italy**



Source: Istat; Euromonitor; Bank of Italy, Bain analysis

# Something is changing



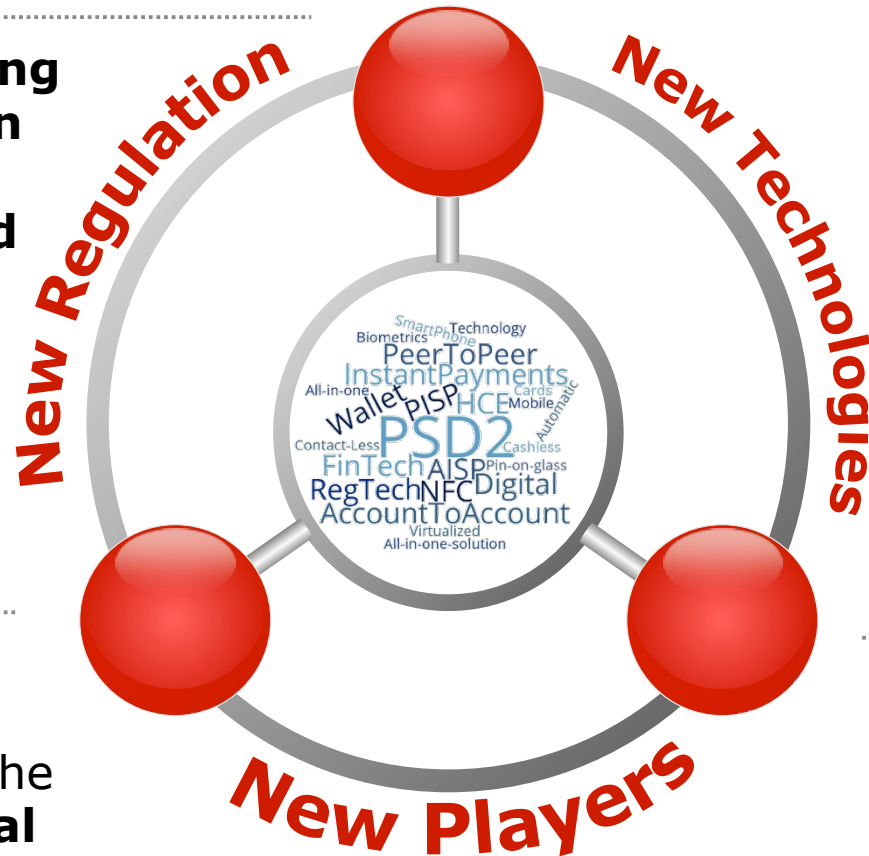
- Regulation is **driving more competition and increasing security standard**

**nexi**  
every day, every pay

**N&TS GROUP**

**PayPal**

- **FinTech and international players** entering the market; **traditional players re-newing themselves**



- Technology transforming **payments experience for consumers and for merchants**

...but **are we ready for change?**

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# Reaching full potential will require leaders to **address digital key strategic imperatives**

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 **Growing importance of customer experience**

 **Changing role of international circuits**

 **Persisting "resistance" of merchants**

 **Evolving competitive arena**