

# Retail Payment News

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## Key Stories in the Issue



### Editorial: Credit Card EMI Offers Taking Off In High Street Retail

Credit Card EMI is becoming increasingly popular with retailers and manufacturers alike. Across retail segments - from apparel retailers like Levi Strauss, to electronics manufacturers like Videocon - merchants report significant sales lifts and higher bill sizes. The advantage of credit card EMI over conventional financing is convenience, as any customer with a credit card can apply for EMI financing. Now Pine Labs is launching a single-swipe EMI solution, allowing consumers to simply swipe their card at the POS to avail of pre-defined EMI offers with 0% financing. [Read more...](#)

### Pine Labs Partners with VISA to Expand the Reach of Credit Card EMI Offers

In partnership with VISA, Pine Labs has introduced new instant EMI at the POS for Issuers. Previously, retailers had to tie up with individual banks for EMI offers and provide a separate EDC terminal for each bank. Now, a retailer can choose to sign up with multiple card issuers and manufacturers through a single solution at the Point of Sale, reaching millions of credit cardholders. [Read more...](#)

### Bajaj Allianz Launches Jiyo Fit Program on Pine Labs' NOVA Loyalty Platform

Jiyo Fit is a unique program designed to offer consumers a world of health and wellness benefits, in conjunction with Bajaj Allianz's health insurance cover. Given the rise of lifestyle-related diseases such as hypertension, diabetes and heart ailments, it's imperative to promote a proactive and preventive outlook towards one's health. Jiyo Fit encourages its members by rewarding them for every step taken towards leading a healthier, fitter life. Simply by using their Jiyo Fit debit card at participating merchants, members accrue points and avail of discounts. [Read more...](#)

### Pine Labs' Plutus Expands in 2010

2010 has been a very successful year for Pine Labs' Plutus, India's first card acceptance solution for the PC POS. Pine Labs launched its proprietary PCI-certified processing network for internet broadband, and its new integrated discount solution. Plutus launched at new retail chains, including Aircel, Sangeetha Mobile and Café ' Coffee Day. [Read more...](#)

## Credit Card EMI Offers take Off In High Street Retail

Buyers of cars, two-wheelers and home appliances have long relied on Equal Monthly Installment (EMI) financing to leverage their purchasing power. Over 20% of consumer vehicle purchases are financed, and consumer durable financing is growing at 30% a year.

### Key benefits of Credit Card EMI offer

- Most convenient form of consumer loan for customers
- Available at a swipe of a card
- Generates sales lift and increases bill size for retailers
- Most effective and measurable promotion (direct to customer) for manufacturers

Now the appeal of EMI has reached high-street retail: premium apparel retailers like Levi Strauss, electronics chains like Next and even healthcare providers like **Kaya Skin Clinic** are encouraging customers to buy more and pay over time using Credit Card EMI offers. This facility allows consumers to pay for purchases through credit cards in monthly installments. It is also one of the most convenient forms of consumer loan - consumers do not have to produce any documentation, and are accepted on the basis of their existing credit history.

**Dr Batras' Positive Health Clinic** reported a 12% jump in its clientele after launching an EMI scheme to pay for their beauty enhancement. Levi's saw 60% increase in average bill size as reported by Shyam Sukhramani, marketing director, Levi Strauss India.

The convenience of Credit Card EMI allows **rising middle-class consumers** with strong income growth to advance their purchases. "A person can avail the facility to leverage on their monthly income and can take their lifestyle to the next level," says Manish Parekh, Director of @home, a lifestyle furniture chain. The firm expects 25-30% of its sales to come through the EMI scheme.

At the same time, borrowers know precisely how much money they will need to pay toward their loan each month, making the personal budgeting process easier. Plus, financing rates are typically lower than on personal loans.

To expand the reach and improve the convenience of Credit Card EMI, Pine Labs has introduced its instant EMI at the POS service. Whereas consumers previously had to proactively call their banks to convert a purchase to EMI, Pine Labs' Plutus Point of Sale solution presents EMI options to the consumer at the time of purchase, based on a single card swipe.



Better yet, Pine Labs' solution presents pre-approved zero-rate EMI offers, sponsored directly by the manufacturer. The manufacturer sets offer duration terms for each product and each retailer, and ties up with any credit card Issuer to pay the financing cost for EMI purchases. This is an ideal way to offer trade promotions directly to the consumer, while maintaining complete control over merchandising and financing decisions.

All the consumer has to do is present his card at the POS to see what EMI offer is supported for his purchase. The manufacturer can target his EMI promotions by product and retailer and cardholder, and the Issuer gains the financing charge without any overhead.

"Pine Labs' EMI solution is a unique trade promotion tool which helps us attract consumers across multiple card issuers and control the offer presented to them at the POS. And the MIS we receive helps us to not only audit the final beneficiary of our promotion but also to engage customers over their product lifecycle," says Yash Chawla, Head of Sales and Distribution for Videocon.

### Key benefits of Pine Labs EMI program

- Unparalleled Flexibility: Target EMI offers by Retailer, Location, and Product
- Offer Control: Deliver offer based on centrally set rules – no Cashier decision making
- Reach: Tie up with multiple Issuers through a single, convenient POS solution
- "Off us EMI" – Target cardholders of issuing banks who are not currently acquiring at the retailer e.g., Yes Bank, Kotak Mahindra Bank, Standard Chartered bank etc.
- Easy Configuration: Launch new EMI offers and edit existing ones using intuitive web-based interfaces
- Enhanced Security: EMI transactions are verified in real-time, with centralized reporting
- Rich MIS: View daily reports of EMI transactions, providing real-time performance measurement
- Fast Delivery: Can integrate cashier interface with POS
- Application for seamless processing

In the hyper competitive ₹ 300 billion consumer durables market, such schemes help manufacturers stand out from the competition and more importantly, forge life-long ties with their customers.

## ***Pine Labs Partners with VISA to Expand the Reach of Credit Card EMI Offers***

Pine Labs is proud to announce its partnership with VISA to take the growth of credit card EMI offers to the next level. Now manufacturers don't need to sign up multiple banks for offering EMI options and retailers don't need to keep multiple EDCs to enable EMI for their customers. Cardholders that previously had no access to in-store EMI offers - like Standard Chartered and Kotak Mahindra - can participate in the program. Unlike conventional EDC-based EMI offers, Pine Labs' Plutus EMI solution delivers manufacturer-sponsored offers in real time with a single card swipe. This provides unparalleled reach and consumer convenience - and increases sales for participating merchants.

Manufacturers willing to offer 0% EMI to customers tie up directly with VISA and Pine Labs to offer promotions. VISA manages Issuer Bank enrollment, and facilitates settlement between parties. All that retailers have to do is sign up for the program.

Pine Labs Plutus EMI solution is successfully running at more than 200 retailer outlets for Videocon and Samsung.



**VIDEOCON**  
Experience Change



**Kaya Skin Clinic**

## ***Bajaj Allianz Launches Jiyo Fit Program on Pine Labs' NOVA Loyalty Platform***

It's our privilege to announce the launch of a new Health and Wellness initiative on NOVA loyalty platform - the Bajaj Allianz Jiyo Fit program, designed for individuals who value the art of Healthy Living.

The Jiyo Fit program encourages its members' efforts to stay fit and active, and rewards members for making the right decisions for a healthier lifestyle. To illustrate a scenario, enrollment at a gymnasium comes at a discounted price for enrolled members. To encourage continued active lifestyle, members earn points for every subsequent visit that can be redeemed for gifts and rewards. Jiyo Fit is powered by Bajaj Allianz and YES BANK, using Pine Labs' NOVA loyalty solution to avail an assortment of unique health & wellness benefits.

Key benefits to Jiyo Fit Members include:

- ▣ Integrated VISA debit and NOVA loyalty card, enabling payment and loyalty transactions on a single card
- ▣ Instant & hassle-free claim preauthorization and reimbursement at participating hospitals, using single swipe on NOVA PC or EDC
- ▣ Discounts from gyms, spas, beauty clinics, diagnostic centers and retail chains, as well as special offers from brands, airlines, hotels and restaurants
- ▣ Earn and burn of reward points at partner outlets and at online member portal

## ***Pine Labs' Plutus Expands in 2010***

2010 has been a very successful year for Pine Labs Plutus, a state of the art PC based credit/debit acquiring solution. New features added in 2010 include:

- ▣ First & only EMV certified card acceptance for the PC POS
- ▣ PADSS certification of broadband-based card processing using Plutus Secure
- ▣ Launch of 0% Financing EMI solution, in partnership with VISA

Plutus continued expanding its reach across retail segments in 2010. A few of our large wins in the year are:



### Value proposition of Plutus for retailers

- Eliminates dial-up charge for cr/dr transactions and landline charges for each EDC terminal by switching to always-on high speed internet processing
- Streamlines operations at the POS by directly integrating with billing application
- Centralize transaction routing with multi acquirer capabilities
- Leverage transaction warehousing and automatic reconciliation
- Rely on highest security standards – end to end PCI and EMV compliance
- Launch your own gift card and loyalty program using single interface on PC-POS

### Retail Grocery / Supermarket

- Needs Super Market
- MK Ahmed Retail
- MK Ahmed Supermarket
- Nilgiris
- Carrefour Retail India
- Margin Free Supermarket

### Fashion and Apparel

- Pothys
- Rex Fashions
- United Apparel
- Sports Station India Limited
- Khadims
- Kuberan Retail
- Catwalk

### Electronics and Consumer Durables

- Sangeetha Mobiles
- Poorvika Mobiles
- Univercell Mobiles
- Aircel India Limited

### Airport Convenience and Food Services

- Delhi Duty Free Shop
- Hyderabad Duty Free Shop
- WH Smith
- Travel Food Services
- Visa Port Lounge Program
- Café Coffee Day

### Others

- Fame and Swanston Cinemas
- Mega Cabs
- Waman Hari Petha Jewellers



## NOVA

Customer Loyalty Program

[www.pinelabs.com/nova.html](http://www.pinelabs.com/nova.html)



## PLUTUS

Credit/Debit Processing

[www.pinelabs.com/plutus\\_desktop.html](http://www.pinelabs.com/plutus_desktop.html)



## ONEDesk

Value Added Services

[www.pinelabs.com/payment\\_platforms.html](http://www.pinelabs.com/payment_platforms.html)



## Gift Card

Closed Loop Payment Solution

[www.pinelabs.com/giftcard.html](http://www.pinelabs.com/giftcard.html)

Generate higher sales with flexible rewards – choose from points, coupons or discount offers

Issue cards or use customer's mobile number to best fit your needs and your budget

Create dynamic loyalty schemes and personalize messages on the charge slip, SMS or email

Accept Visa, Mastercard and American Express cards on your PC and eliminate EDC terminals at the checkout

"Switch to a "always on" internet connection for cheaper, faster transaction processing than on EDC terminals

Adopt a one-stop solution for all consumer payment needs: instant mobile recharge; utility bill payment; air, train, bus and movie operators for on-site ticketing

Earn transaction commissions and generate higher customer footfall by offering new attractive services

Switch from paper vouchers to electronic gift cards on your PC POS – reduce fraud and accelerate transactions

Expand brand awareness using attractive card designs, or choose mobile accounts for easy gifting and redemption

## FEEDBACK

Readers may please send their suggestions / news articles / letters to:

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