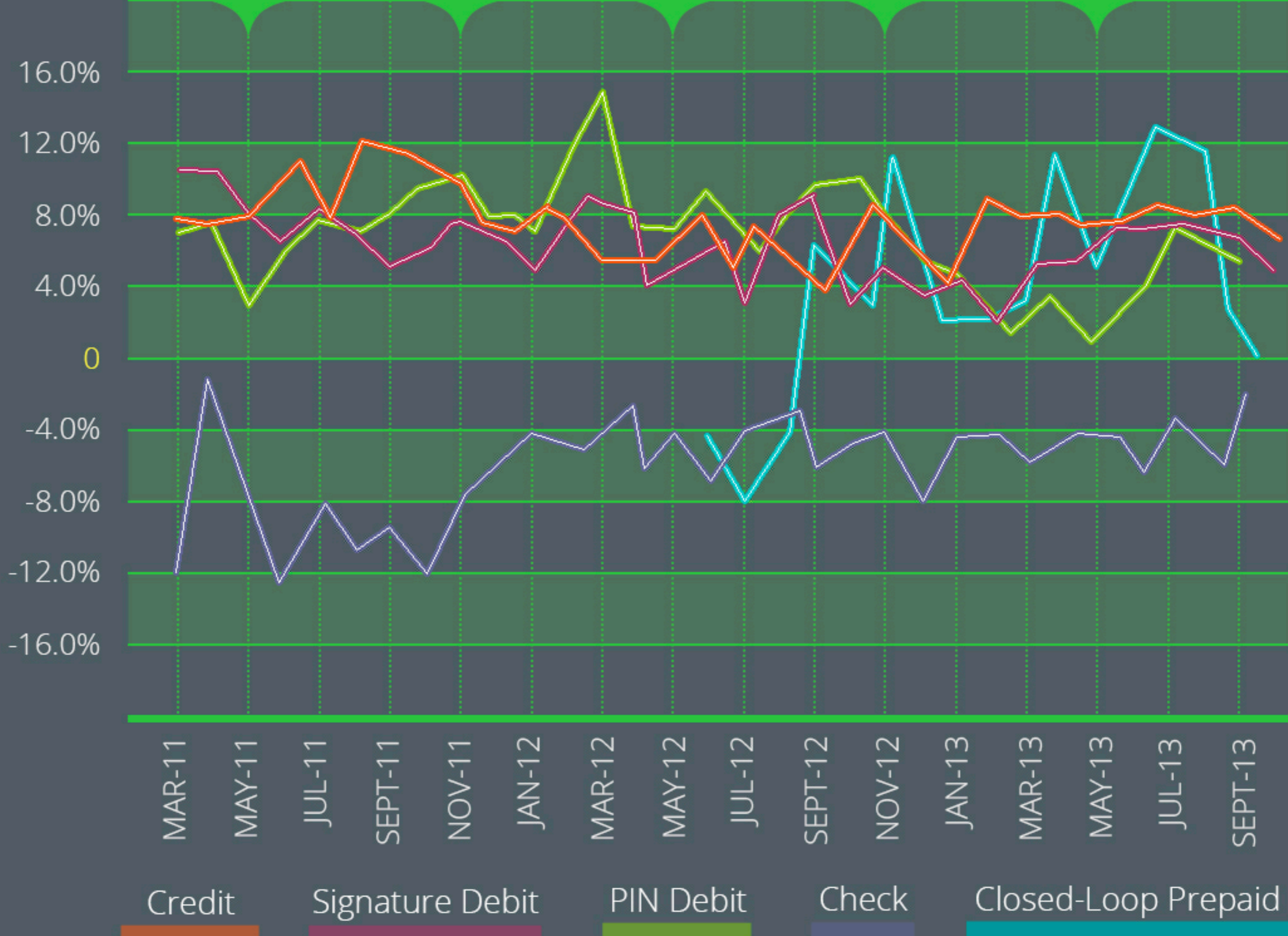


# THE EVER-CHANGING FACE OF PAYMENTS: TRENDS AND THE FUTURE

## SPEND TREND DOLLAR VOLUME GROWTH (JAN 11 - SEPT 13)

FIRST DATA SPEND TREND DOLLAR VOLUME GROWTH



Source: www.paymentsource.com/statistics/

## THE NUMBERS ARE IN: CHECKS REMAIN BIG

Businesses continue to rely on checks more than individuals. Checks written by business accounted for **78.5%** of the total value of checks paid in 2012. Checks payable to businesses were **82.7%** of that total.

Source: www.remotedepositcapture.com/news/The-Numbers-are-in-Checks-Remain-Big.aspx



**78.5%** written by businesses



**82.7%** of the 78.5% were payable to businesses



**53.2%** written by consumers



**74.9%** of the 53.2% were payable to businesses



**55.2%** checks for bill payment

### Checks Written in 2012:

More than half (53.2%) were written by consumers. Of those, nearly three quarters (74.9%) were payable to businesses. Over half (55.2%) were for bill payments, breaking down into:

- 31.5% C2B checks
- 23.7% B2B payments

Source: 2013 Federal Reserve Payments Study Report

## CHECK IMAGING GETS CONSUMERIZED

Increasingly fewer checks enter the banking system as paper at all. In 2012, about one in six checks was deposited by account holders as an electronic image rather than paper.



Source: 2013 Federal Reserve Payments Study Report

## FRAUDULENT 3RD PARTY TRANSACTIONS PACK A PUNCH

The estimated annual number of unauthorized transactions (third-party fraud) in 2012 was 31.1 million, with a value of \$6.1 billion.

Source: 2013 Federal Reserve Payments Study Report



**31.1** MILLION



**6.1** BILLION

## CARD FRAUD OUTPACES ACH & CHECK FRAUD

In 2012, cards had substantially higher total unauthorized transactions by number and value than ACH and checks. Card fraud rates by number and value were also substantially higher.

Of Total Unauthorized Transactions in 2012



**92%**

Transactions made using general purpose cards



**65%**

Of total value made by general purpose cards

Compared to ACH:

- 5% of the transactions
- 19% of the total value

Compared to Checks:

- 3% of the transactions
- 16% of the total value

Source: 2013 Federal Reserve Payments Study Report

## BIG MOVES FOR MOBILE PAYMENTS

~\$37 billion in transactions | 2013

In North America, mobile transactions nearly doubled since last year, now accounting for 17% of all transactions.

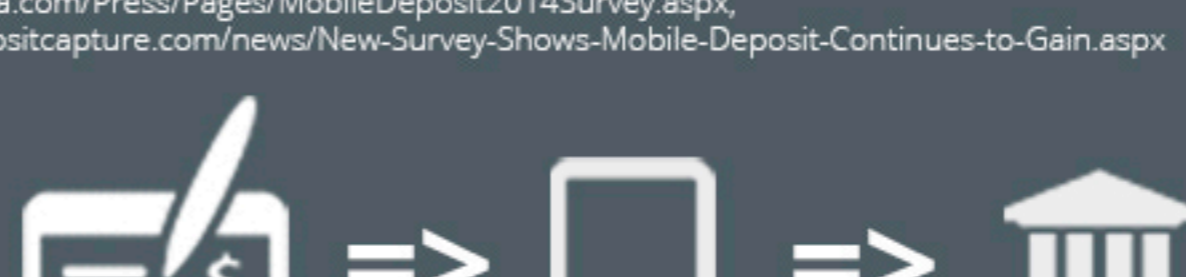
Sources: www.gartner.com/newsroom/id/2504915  
www.omis.com/Worldwide-use-of-Mobile-Payments.php

## MOBILE DEPOSIT: OPPORTUNITIES ABOUND



More than one in eight Americans have made at least one check deposit to a financial institution account using their mobile devices in the past year. Among those who do use mobile deposit, 80% use the service regularly – at least once a month.

Sources: www.aba.com/Press/Pages/MobileDeposit2014Survey.aspx  
www.remotedepositcapture.com/news/New-Survey-Shows-Mobile-Deposit-Continues-to-Gain.aspx



## RDC AND mRDC GROWTH

17% of checks paid in 2012 entered depository banks as electronic deposits sent using mobile phone cameras or other remote capture devices.

93% of checks deposited came from business customers.

Source: www.remotedepositcapture.com/files/2014\_special\_report.pdf



**1 million** check scanners

### Growth for RDC

There are now over one million check scanners deployed in the market.

Source: www.remotedepositcapture.com/files/2014\_special\_report.pdf

## mRDC: THE NEXT WAVE OF GROWTH FOR RDC

~160+ million smartphone users in the US in 2014

30% (48 million) smartphone users are expected to use mobile deposit features by 2016

### Cost Savings

Banks can save up to \$3.88 on each mobile check vs. a teller check

Sources: www.pymnts.com/uncategorized/2013/how-popular-is-mobile-check-deposit  
www.statista.com/statistics/201182/forecast-of-smartphone-users-in-the-us



**\$100 Million** | **total savings** (banks utilizing mRDC)



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