

Revolutionising electronic payments, the mobile way

Paynimo powers your existing smartphone to become a virtual point-of-sale

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A Deloitte report earlier this year forecasts that in-store mobile payments will increase by a 1000 per cent globally, and that smartphones will be used increasingly for these payments. Although this indicates a revolution in the retail sector, we'll look at how one start-up zoomed in on the space of payment transactions to make a difference across sectors, much of it mobile-led.

TechProcess was set up in 2000 and along the way transformed itself from a heavy, process-oriented model to a fin-tech one. This is the story of a product that has multi-sector impact and has involved multi-faceted transformation of the company behind it.

In banking

On an average per year, over POS and ATM, credit card transactions in India now number just under 590 million while debit card transactions are just below 7560 million and ATM withdrawals are above 6800 million.

While many of these transactions are made at POS, TechProcess handles about 150 million transactions a year. The company's big idea was the virtual POS.

"There are about 6-7 million registered retail outlets with nine lakh POS terminals in India. But we figured why have the POS if we can make electronic payments," says Kumar Karpe, CEO, TechProcess.

Its virtual POS product Paynimo powers, for example, the Bank of India (BOI) EasyPay engagement. This is a person-to-person payments product and Paynimo reportedly makes sending money as easy as sending a text message.

"We're able to provide a unique feature that makes this product stand head and shoulders above others in that it also allows you to request money, which is a powerful need for many individuals," shares Karpe.

So, customers of BOI and any VISA debit cardholder can transfer money to another VISA cardholder (debit or credit) if they know the recipient's mobile number or email address.

You no longer need to memorise complex codes like MMID or IFSC of the beneficiary.

In retail

In the retail sector too, the virtual POS is making strides. Karpe says that in India for 15 million retail outlets, there are only one million POS terminals, which indicates a low level of electronic payment acceptance.

“One of the reasons for this is that the conventional POS systems require some sort of investment from the merchant either as rental fees, installation charges or even fixed telephony costs. Paynimo powers your existing smartphone to become a virtual POS without investing in any additional device/dongle or expensive billing systems,” Karpe shares.

The company recognised that a drawback of the traditional POS system is that the person, the card and the machine all of them have to be at the same place, and during working hours which is restrictive. Paynimo reportedly allows a merchant to collect card-based payments even when the consumer is at a different location and at a time of his choice.

What’s great is that this solution does not have to be only for large retail. It can very well serve small and home-based businesses and help them add the option of online payments for their customers.

TechProcess began as a back-end payments aggregator. Changing from the older model to a mobile-first company took hiring new talent and ‘right-sizing’ the workforce. To get to this place, it hired a slew of top professionals to lead various facets of the business, practically rebuilding the company and transforming not just its business model but also its culture.

“About three years ago, we decided not to go for a device-based strategy. This change has paid rich dividends as, with the explosion of smartphones, users are demanding the same experience across devices,” Karpe says.

The company’s solutions serve education, e-commerce, banking and financial services, government, telecom and SME sectors to name a few. Even with its own transformation, TechProcess has ensured consistent profitability over the years.

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