



Laying the foundations for profitable merchant acquiring growth at PaySquare BV

"We were looking for a flexible, highly-skilled processing partner who could grow with us and our merchants. OmniPay clearly met that description."

René Smits, COO, PaySquare

Over 4 decades of leadership in electronic payments

Founded in 1964 as part of Eurocard NV—later Interpay Group—PaySquare has been active in the Dutch payment services sector for some 45 years. In 2004, PaySquare was established as a wholly-owned subsidiary of the Equens (formerly Interpay) Group.

As the dominant merchant acquirer in the Netherlands, PaySquare is enjoying over 45% market share in the Dutch acquiring market. Its specialty areas include POS, ATM, e-commerce and MO/TO transaction acquiring. As such, PaySquare's merchant base includes a broad variety of hotels, car rental companies, tax-free shopping retailers and a wide range of E-Commerce PSP's. Furthermore, PaySquare issues both MasterCard and Visa credit cards.

The growth imperative

In 2002, PaySquare decided to embark on a strategy of growth through accessing new markets and new merchant segments. They saw the potential in the e-commerce merchant space and recognised that in order to be a market leader they needed a partner who had the flexibility to innovate and develop to meet the dynamic market needs. OmniPay was well positioned to meet PaySquare's needs. With a platform developed to serve many different merchant and acquirer needs in multiple countries and multiple currencies and a good understanding of the needs of e-commerce merchants, OmniPay and PaySquare quickly developed a working relationship.

OmniPay's platform for growth

Launching in multicurrency e-commerce

In 2003, PaySquare launched its multicurrency acquiring offer based on functionality provided by OmniPay. The OmniPay service initially enabled PaySquare's e-commerce merchants and its Internet PSPs to transact in Euro, Sterling, US Dollars and Canadian Dollars for all MasterCard and Visa transactions. Additionally, the OmniPay platform enabled PaySquare and its PSP's to be among the first e-commerce acquirers offering Verified by Visa and MasterCard SecureCode acceptance to their merchants. The option to settle with its merchants in either Euro, Sterling, USD or any combination thereof gave PaySquare further flexibility in serving its customers.



Expanding into Card Present and Cross-border Acquiring

Following the successful launch of its multicurrency e-commerce acquiring on the OmniPay platform, PaySquare quickly recognized additional opportunities to enhance its service offering and grow its acquiring business in partnership with OmniPay.

By taking advantage of additional OmniPay platform functionality, PaySquare subsequently expanded its acquiring business to include:

- Implementation of a Card Present solution for hotels
- Implementation of Dynamic Currency Conversion, making PaySquare the first acquirer to implement DCC within the Dutch market
- EMV card acceptance, making PaySquare the first acquirer to implement EMV acceptance within the Dutch market
- Acceptance of additional card products, including Maestro and V Pay, to enable online PIN acceptance and acceptance of payments from unattended/outdoor payment terminals, such as in the fuel industry.

In addition, OmniPay's multi-country, multi-language platform was easily able to support PaySquare and its merchants as PaySquare expanded into cross-border acquiring in the Benelux, Germany, and most recently, Portugal.

Benefits measurable in growth and in savings

Since migrating to the OmniPay platform in 2003, PaySquare has enjoyed significant growth in its processed volumes and its number of merchants acquired. Additionally, the OmniPay infrastructure has allowed for direct connectivity for PaySquare's e-commerce PSP's, resulting in significant cost-savings from the phase-out of costly legacy systems.

This high growth has been supported by OmniPay's unique interchange qualification system, which enables highly sophisticated pricing and cost savings for PaySquare, flexible funding options for merchants, and highly automated merchant reconciliation and chargeback processing. Additionally, PaySquare and its merchants have access to all their transaction processing, funding, exception item and account data via OmniPay's integrated, web-based customer administration portal.

Tying it all together, PaySquare's merchant operations team works very closely with OmniPay's processing staff to minimize duplication of effort, and to continuously identify areas for further performance improvement.

The bottom line

PaySquare COO René Smits captures the spirit of cooperation and innovation that is at the heart of PaySquare's and OmniPay's successful partnership:

"PaySquare has a vision to be the pre-eminent merchant acquirer in the new, SEPA-driven acquiring landscape in Europe. In working closely with OmniPay, we feel confident that we have a partner who is up to the challenge, and who will be a key factor in our pan-European success going forward."