

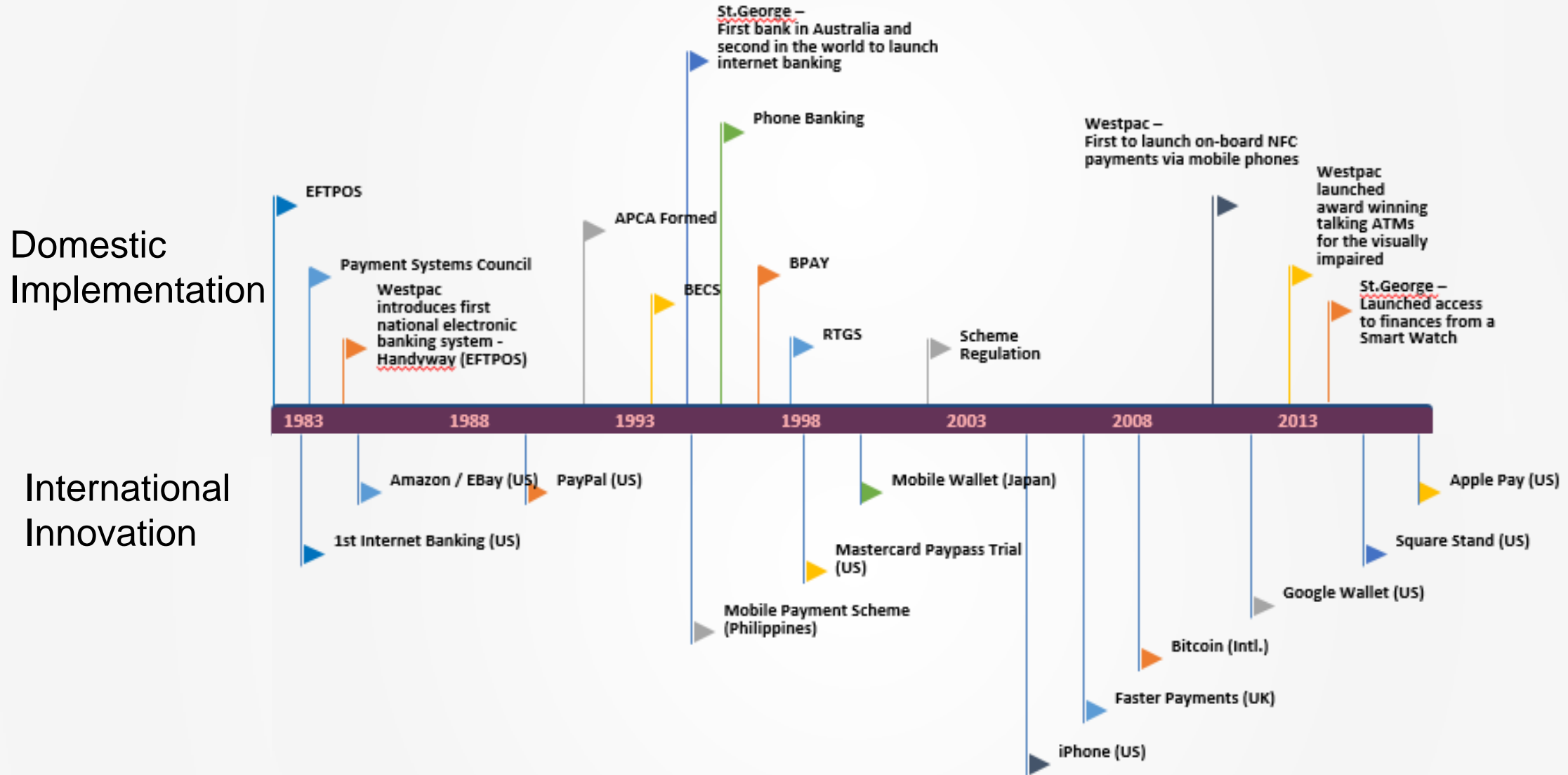
The Future of Payments

Matthew Brotherton

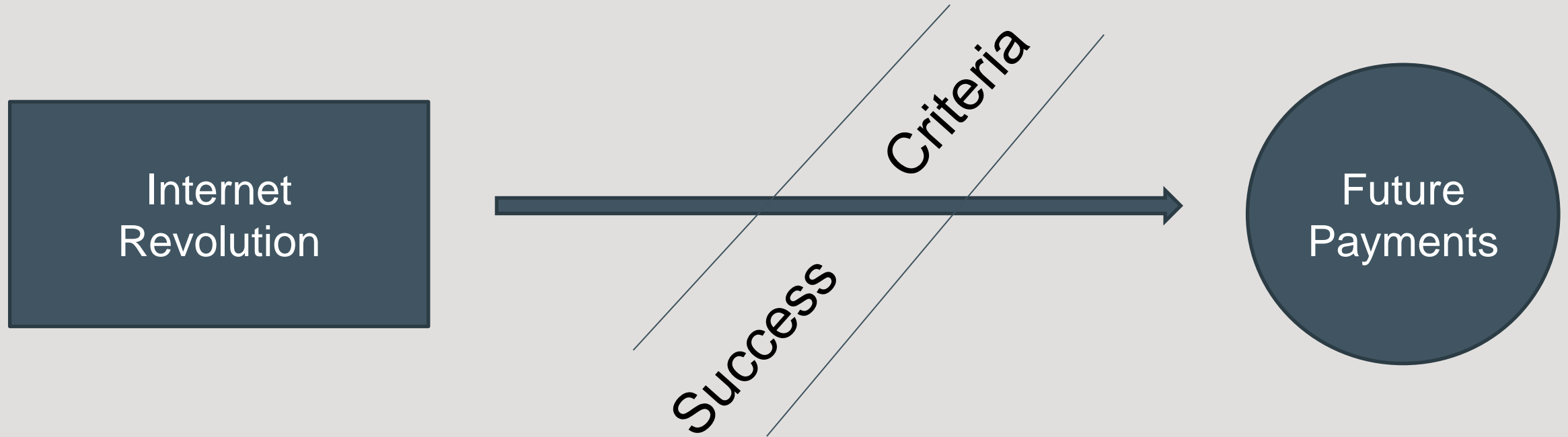
*Chief Information Officer - Payments,
Group Technology*



Australia and the world are entering the next wave of payment innovation



Our Customer needs are changing rapidly

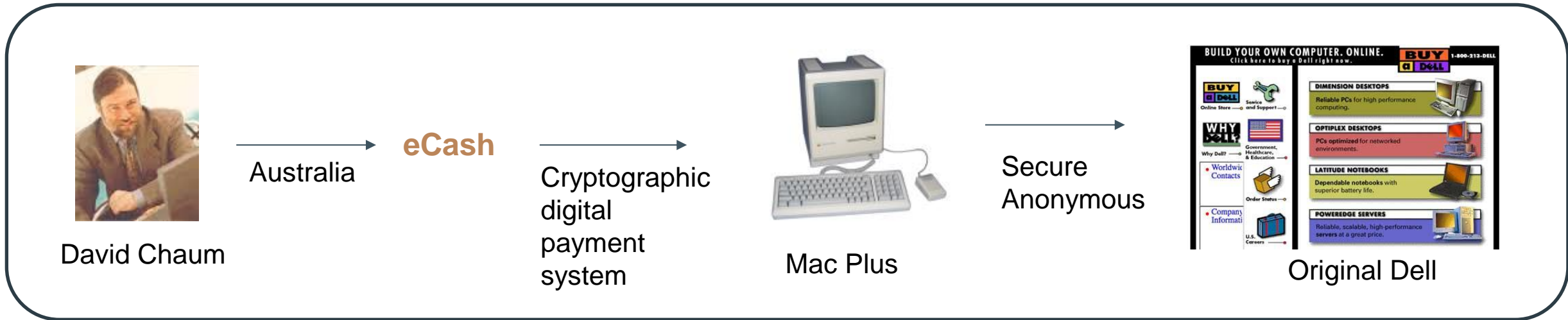


driving a revolution in the way that we service them



Human psychology can trump technical elegance and creativity

1996



“Typing a credit card number on the Internet didn’t seem that much worse than giving it to a waiter who goes away.”


The first green shoots of the revolution are becoming apparent

online banking
has **never been**
so simple

Westpac Live is your secure new online banking experience. With award-winning design and user-friendly features, it's going to save you a lot of time.



W live




do
more business
on the **MOVE**

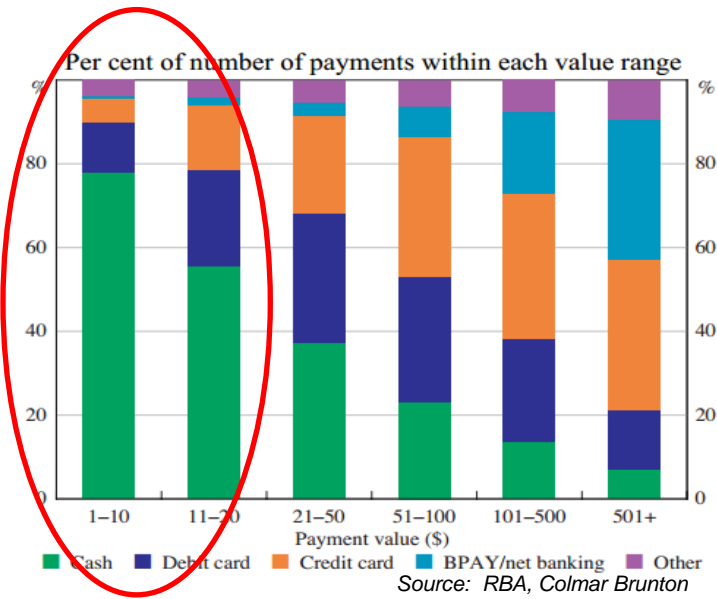
Take payments on the go with your smartphone.

Lost wallet?
Don't lose your cool.

Westpac Emergency Cash



Contactless is replacing Cash for low-value payments



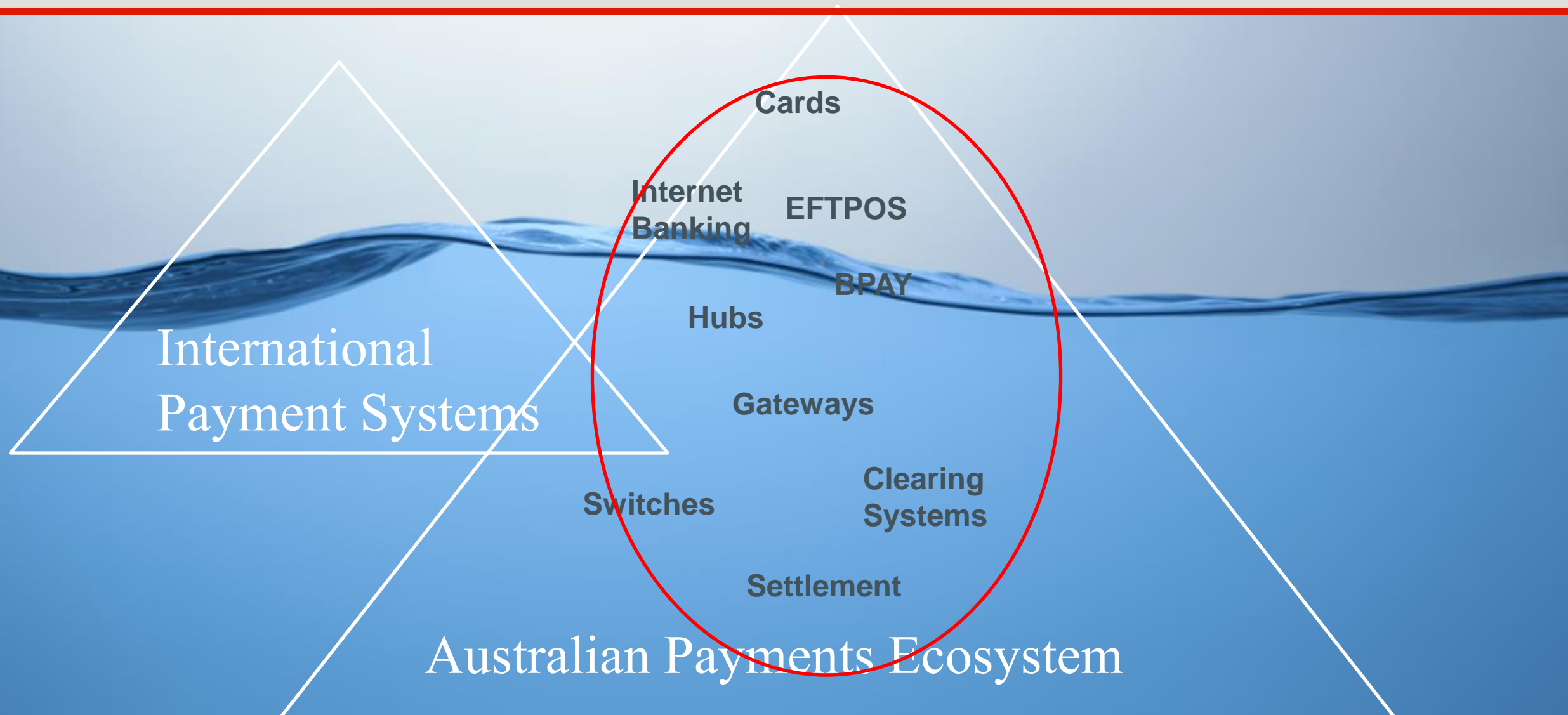
Contactless Debit Scheme Card Payments last 18 months



Australia leader in contactless uptake



Next Innovation Wave touches all Payments Ecosystem levels



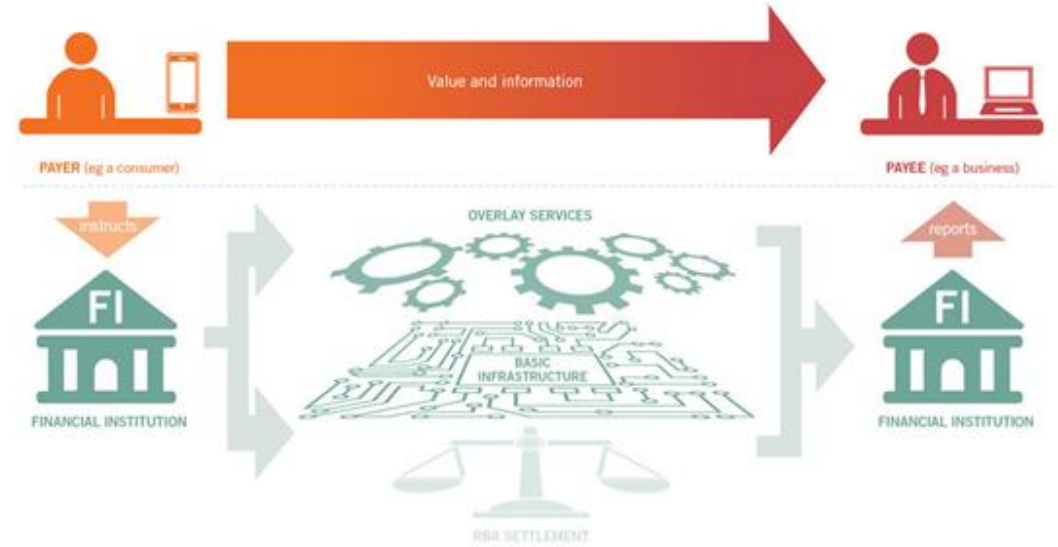
Industry Aspiration to Innovate our Payment Systems Offering



Experience Gained



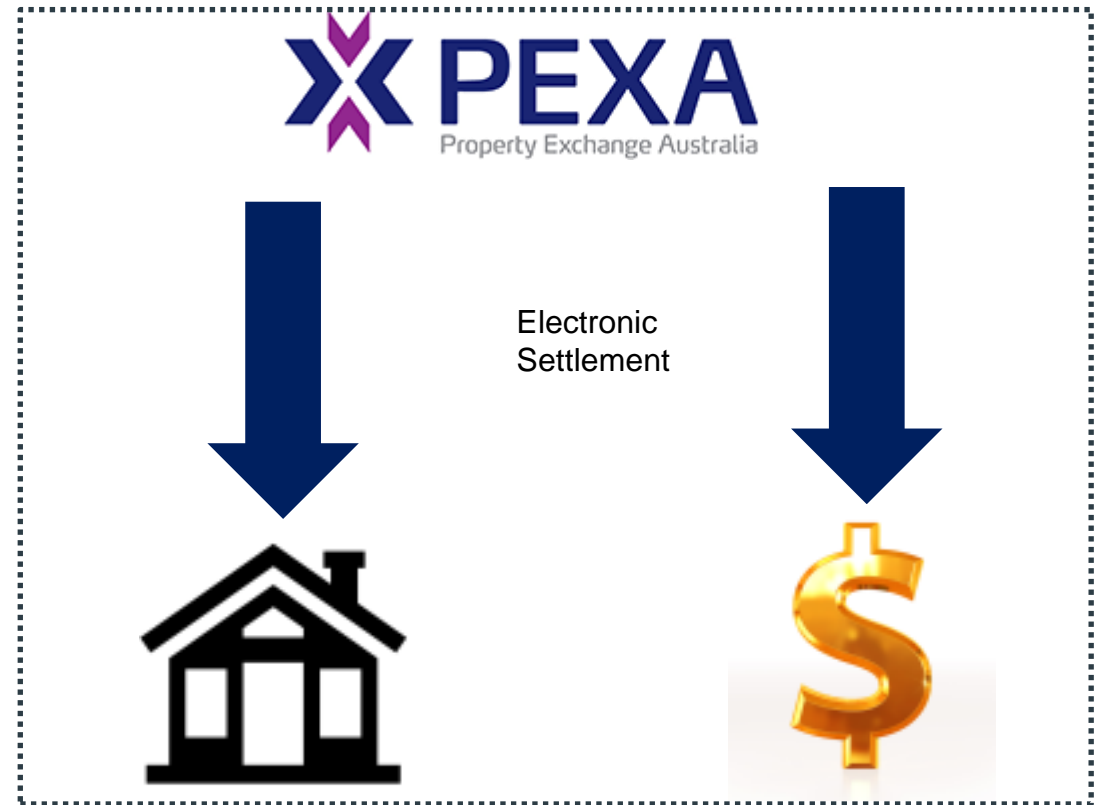
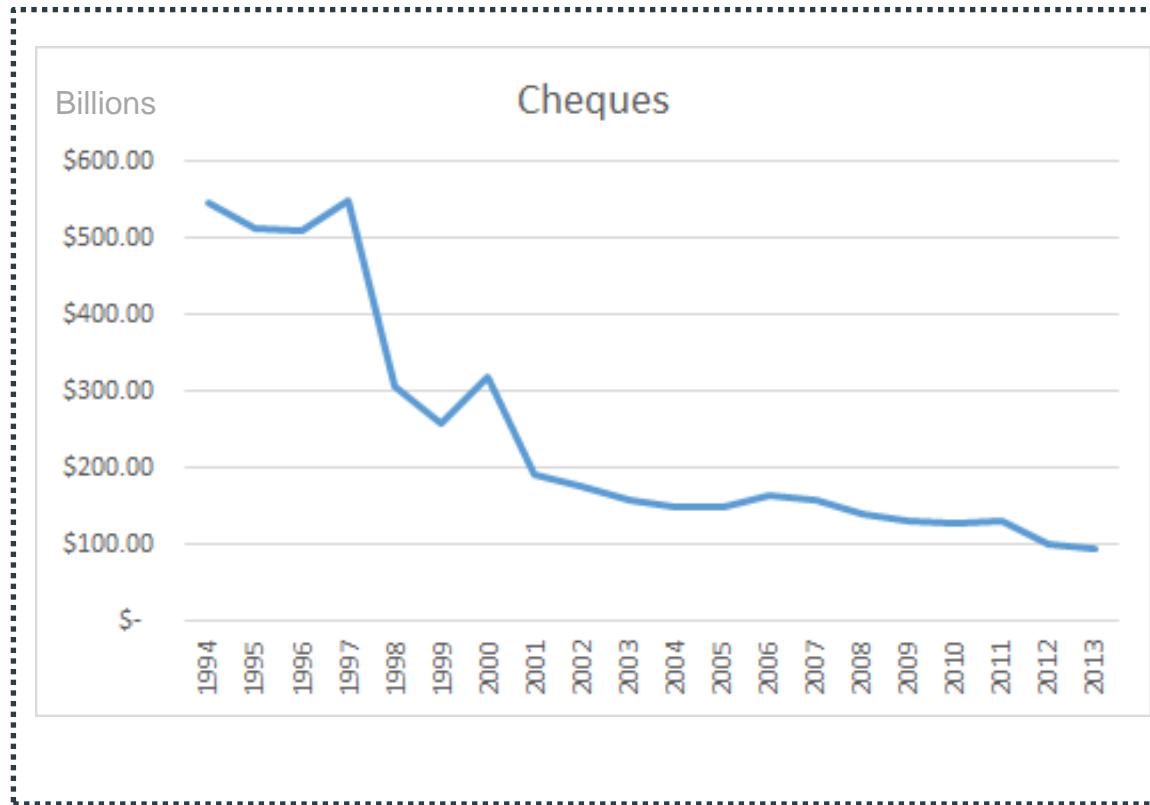
The New Payments Platform



Government and industry working together to realise RBA vision of a real-time general-purpose platform

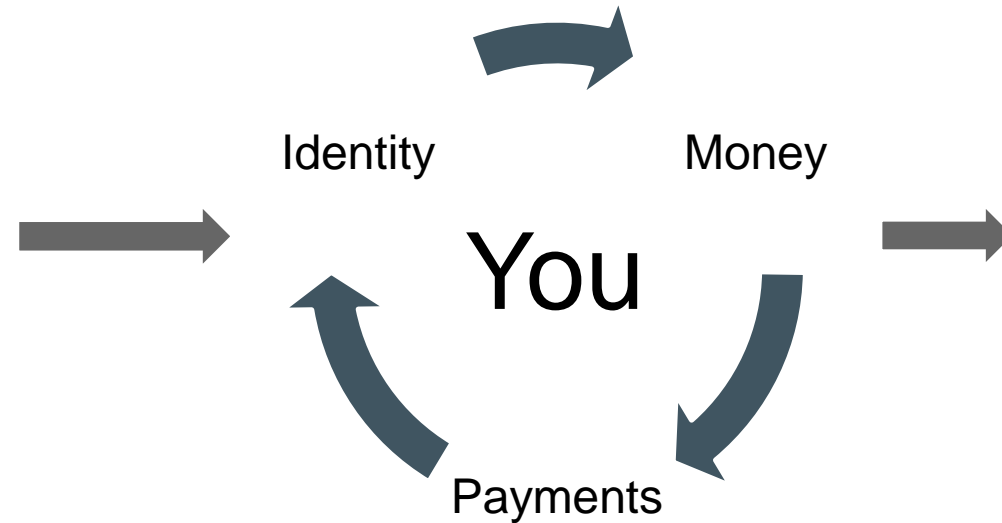


The demise of cheques has been predicted since the 1960s



However, average Cheque Values are Rising as Commercial overtakes Retail

Mobile Payments - Virtualising Your Identity



More than intelligent authorisation and fraud prevention



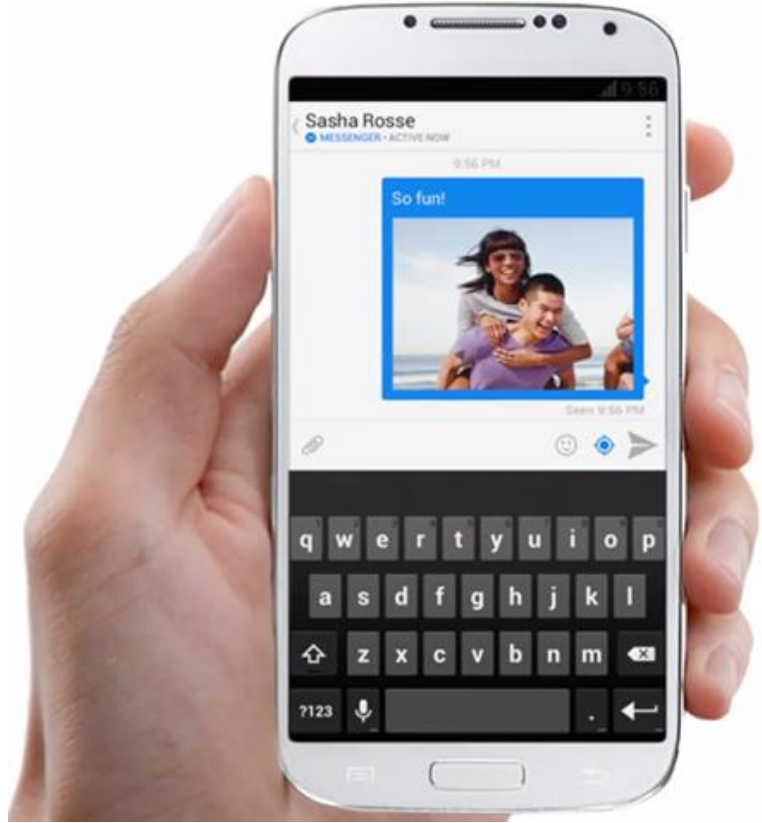
Known disruptors are spreading their wings



Disruptors leveraging Customer Base in Online Payments



Who is going to conquer micro-payments?



PayPal™



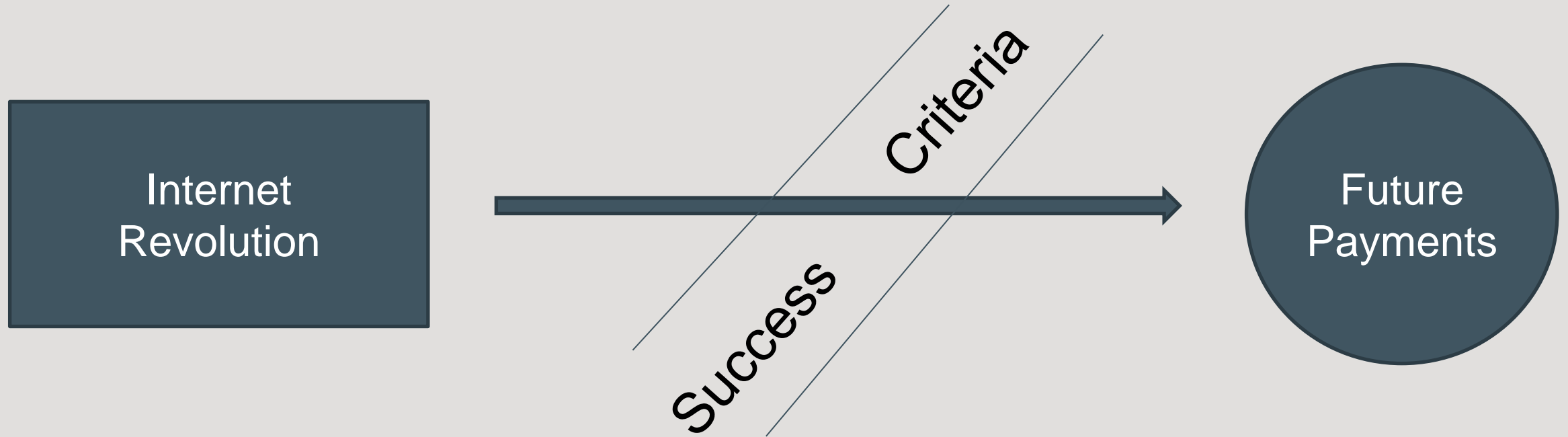
Messenger



Ongoing cash substitution is inevitable



Our Customer needs are changing rapidly



driving a revolution in the way that we service them



Physical cheques will eventually go the way of passbooks



Continued support for traditional payment mediums



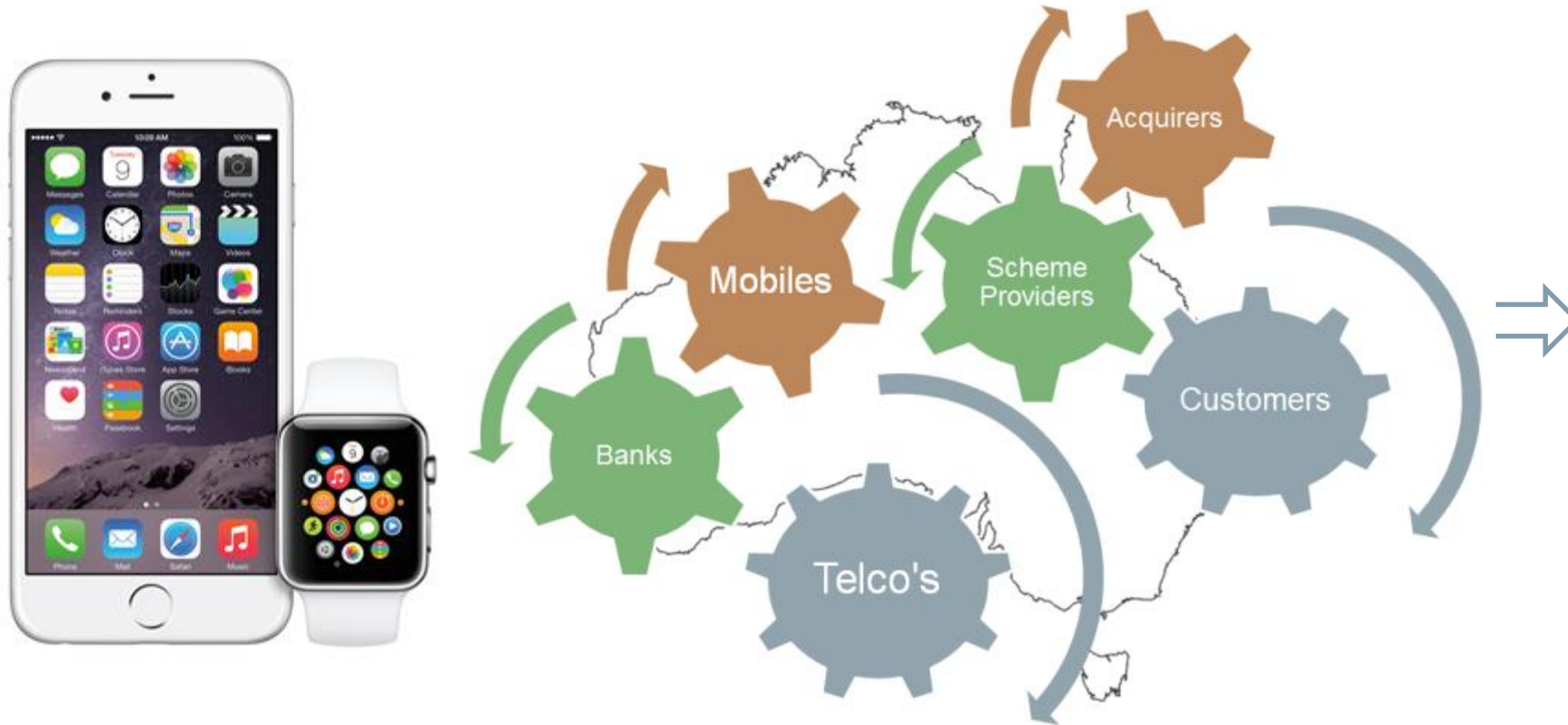
Cards will be virtualised



The mobile wallet will supersede the physical wallet



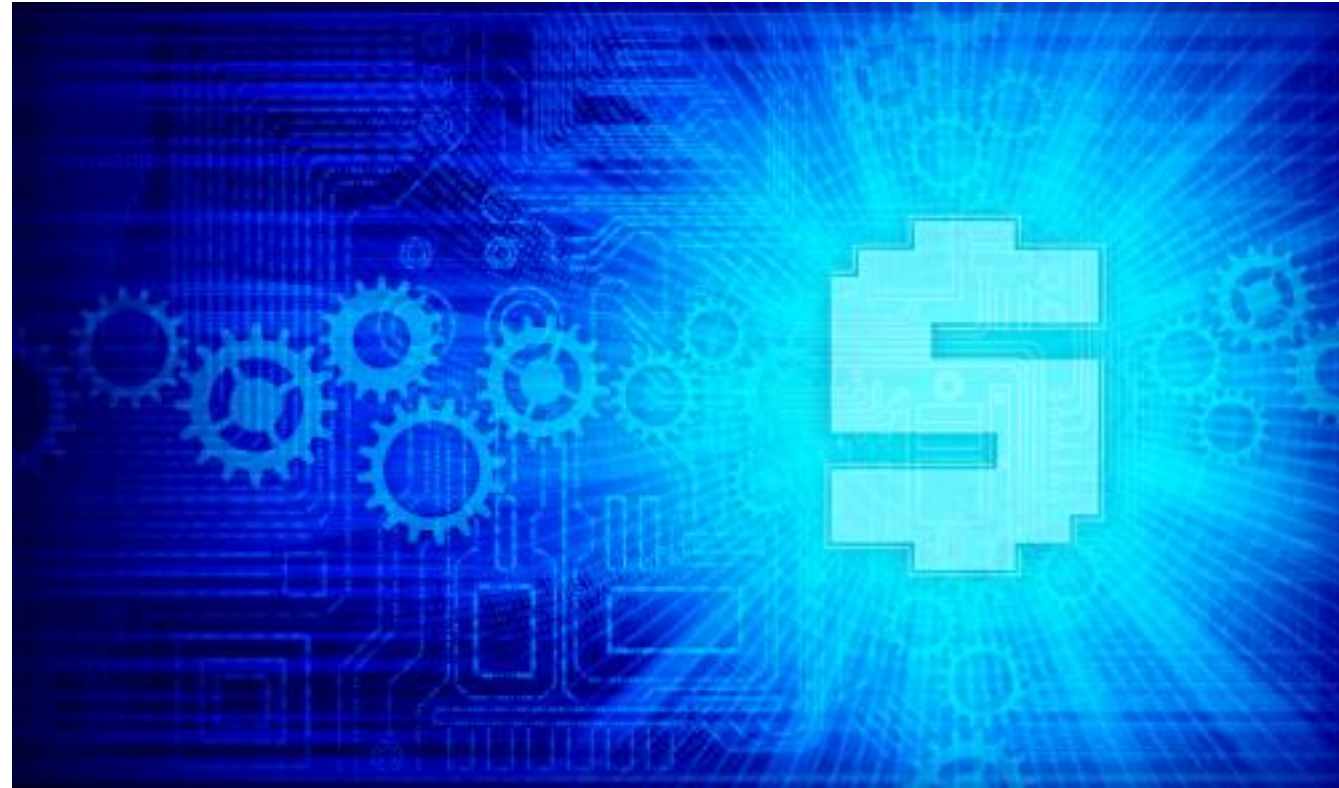
Australian Payment Ecosystem is well-positioned for Mobile Payments



Mobile payments is the next wave of contactless innovation



Our sovereign Currencies will become increasingly digital



As digital micropayments increasingly replace cash transactions

The revolution of payments is in its infancy

We always **overestimate** the change that will occur in the next **2** years and **underestimate** the change that will occur in the next **10**.

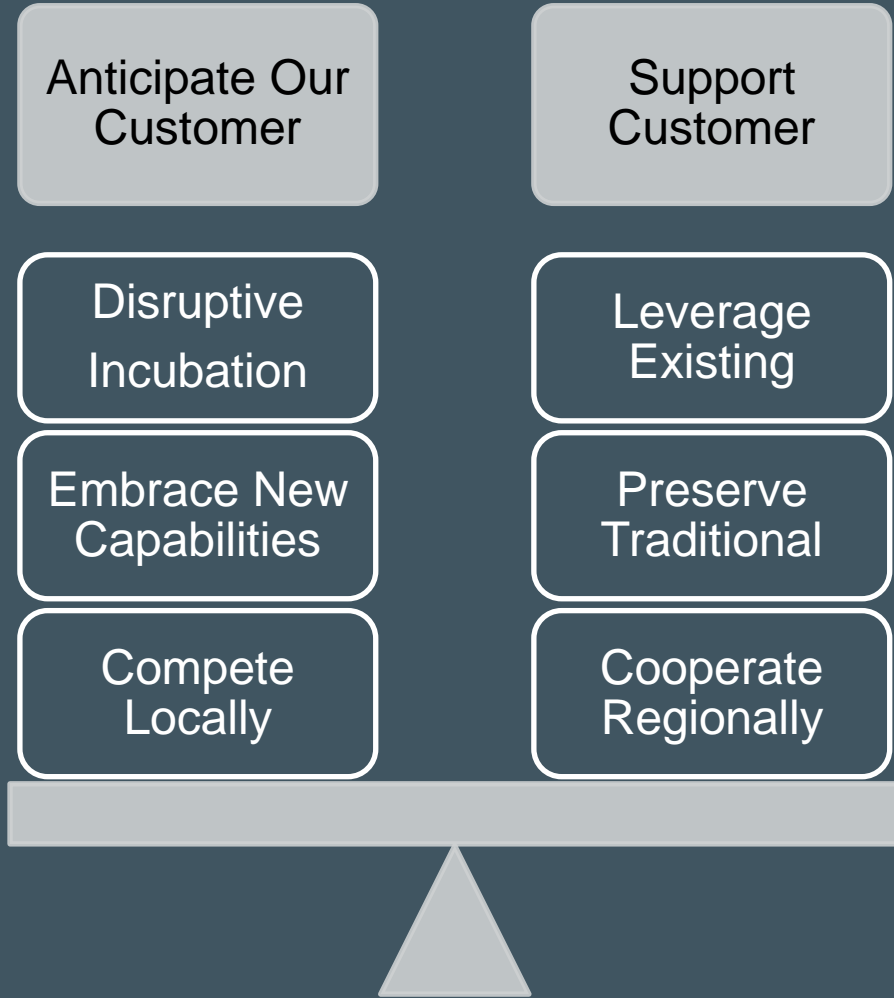
Don't let yourself be lulled into inaction.



2011 no NFC purchases - now 60 % of purchases are tap and go;



How do we help our Customer through this revolution?



Our bank's response
Is a balancing act.



WESTPAC GROUP HAS A PROUD HISTORY OF FIRSTS AND SUCCESSFUL INNOVATION

