



# e-LinX

## NEWSLETTER

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E-linx is the e-newsletter for The CardLinX Association. For more information or to subscribe go to [www.cardlinx.org](http://www.cardlinx.org) or email [info@cardlinx.org](mailto:info@cardlinx.org).

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### Microsoft Soft Launches NFC Payments

Microsoft Wallet will offer support NFC-based payments by the end of this summer. The functionality will be available to a select number of Windows mobile phones and users will be able to add both Visa and MasterCard payment cards from a growing number of banks including Bank of America.



**CardLinX Insight:** More The Microsoft mobile wallet launch is evidence that the largest technology platforms in the world have fully embraced payments as a core product. CardLinX members Microsoft, Facebook and Samsung have all either launched a mobile wallet or added payment capability to their core products.

But what comes next is even more interesting. These companies will not stop at just payments, they will likely add card-linked offers to drive consumer usage. Research also suggests that many of the platforms will bring wallet and card-linking to their other hardware technologies like virtual reality goggles, watches and more. CardLinX calls this the "IoCT" - or the "Internet of Commerce Things" and the core underlying infrastructure is card-linking

### Walmart To Stop Accepting Visa in Canada



Walmart Canada will no longer accept Visa in its locations starting in Ontario in mid-July. Walmart Canada made this decision to protest Visa's credit card transaction fees. Some reports indicate this move smooths the way for Walmart's roll out of its own payment system Walmart Pay to its Canadian stores in early 2017. Walmart has rolled out Walmart Pay to 17 states in the US.

**CardLinX Insight:** Walmart's threat to turn off Visa in Canada is another shot fired in the ongoing war between Visa and merchants. While other networks like CardLinX members MasterCard, Discover and American Express have heavily invested in card-linking technology to deliver more value to both merchants and banks, Visa in Canada is not seen as value added by Walmart.

### Apple Pay Pivots From "In Store" to "eCommerce" Payment

Apple announced at WWDC 2016 this month, that Apple Pay will be coming to online purchases and reduce the number of abandoned online shopping carts. Starting this fall, Apple Pay can be used on iPhone or desktop Safari browser by using Touch ID. Apple has lined up 21 of the top 100 online retailers to accept Apple Pay. Analysts predict that Apple's web payment feature may impact PayPal's main business.

**CardLinX Insight:** Apple Pay was originally launched as an innovative way for consumers to pay "in store" where over 90% of purchases occur. However the lack of a compelling Apple Pay "in store" consumer use case (for example card-linked offers) has led to limited repeat usage by Apple Pay users. Apple Pay adoption is not helped by the fact that it is accepted only at NFC enabled merchants. These merchants represent less than 20% of merchant points of sale in the US. Apple Pay's pivot to e-commerce is a dramatic admission that it has lost the in-store battle to traditional payment cards enabled with card-linking and to more widely accepted mobile wallets like Samsung Pay.



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