



Case study: OxPay

One-stop collections solution drives significant cost savings

Non-bank financial institutions like OxPay are not permitted to directly access the real-time payments infrastructure in Singapore. As a result, OxPay was unable to serve the instant-payment needs of its merchants. Implementing our instant collections capability via our payment gateway, **Straight2Bank Pay**, solved this issue for OxPay and its merchants.

“ We are very happy to be working so closely with Standard Chartered Bank. The relationship is on several levels and involves various teams. Over the last two years, our processing volume for PayNow with the Bank has become a significant cornerstone of our overall payment volumes. We see this trend continuing and will soon launch enhancements that will place OxPay and Standard Chartered Bank as leaders for SME PayNow processing in the market. ”

John Tan

Regional Sales Director, OxPay SG Pte Ltd

40%

transaction volume
to be routed through
new channel

30%

FTE time saved



Reduced card MDR
charges and no
chargeback for PayNow

Client background

OxPay is a payment technology and merchant service company that facilitates payment collection for commerce transactions between suppliers, merchants, and end consumers in Singapore. It has offices in Singapore, Malaysia, Indonesia, and Thailand.

Client objectives

To offer customers instant payments, merchants need to integrate their payment systems with that of their banks.

This can be a challenge for some small and medium-sized enterprises as they may lack the capacity, resources, and technical know-how required.

The COVID-19 pandemic accelerated the shift towards e-commerce and digital payments. This has intensified the need for payment service providers like OxPay to update and differentiate their services to attract more merchants to their platform.



Solution

Standard Chartered's **Straight2Bank Pay** omnichannel collections solution enables OxPay to generate dynamic QR codes, which merchants provide to customers for payment via PayNow Corporate (a local funds transfer service that sends payments using a mobile number, Singapore NRIC/FIN, UEN or Virtual Payment Address). As Master Merchant, OxPay integrates with Standard Chartered and uses the Bank's API to generate QR codes during checkout, collecting funds on behalf of merchants.

The solution provides a shortcut for merchants to access PayNow Corporate instant payments without the need to integrate separately with different banks. Furthermore, OxPay merchants now enjoy lower merchant fees compared to credit card and e-wallet payments and are not subject to credit card chargeback risks for PayNow processing.

Results

OxPay can generate QR codes during the checkout process and collect funds on behalf of its merchants. As a result, merchants no longer need to individually integrate with their banks in order to access instant payment capabilities.

OxPay expects to enable PayNow via Standard Chartered to all of its merchants as a default. This will differentiate OxPay's services from other market providers. With a surge in demand, the company expects to route at least 40% of its volumes through the new QR-code channel this year as consumers increasingly move away from card and cash toward instant payments.

There are also significant cost savings for OxPay. These include reducing card MDR charges by a healthy percentage and a projected saving of approximately 30% of full-time equivalent (FTE) through reconciliation and other process improvements.

Furthermore, OxPay's merchants now enjoy lower merchant fees compared to card and e-wallet payments, and are not subject to the risks of credit card chargeback for PayNow processing.

Disclaimer

This material has been prepared by one or more members of SC Group, where "SC Group" refers to Standard Chartered Bank and each of its holding companies, subsidiaries, related corporations, affiliates, representative and branch offices in any jurisdiction, and their respective directors, officers, employees and/or any persons connected with them. Standard Chartered Bank is authorised by the United Kingdom's Prudential Regulation Authority and regulated by the United Kingdom's Financial Conduct Authority and Prudential Regulation Authority.

This material has been produced for reference and information purposes only, is not independent research material, and does not constitute an invitation, recommendation or offer to subscribe for or purchase any of the products or services mentioned or to enter into any transaction.

Some of the information herein may have been obtained from public sources and while SC Group believes such information to be reliable, SC Group has not independently verified the information. Information contained herein is subject to change at any time without notice. Any opinions or views of third parties expressed in this material are those of the third parties identified, and not of SC Group. While all reasonable care has been taken in preparing this material, SC Group makes no representation or warranty as to its accuracy or completeness, and no responsibility or liability is accepted for any errors of fact, omission or for any opinion expressed herein. The members of SC Group may not have the necessary licenses to provide services or offer products in all countries, and/or such provision of services or offer of products may be subject to the regulatory requirements of each jurisdiction. Any comments on investment, accounting, legal, regulatory or tax matters contained in this material should not be relied on or used as a basis to ascertain the various results or implications arising from the matters contained herein, and you are advised to exercise your own independent judgment (with the advice of your investment, accounting, legal, regulatory, tax and other professional advisers as necessary) with respect to the risks and consequences of any matter contained herein. SC Group expressly disclaims any liability and responsibility whether arising in tort or contract or otherwise for any damage or losses you may suffer from your use of or reliance of the information contained herein.

You may wish to refer to the incorporation details of Standard Chartered PLC, Standard Chartered Bank and their subsidiaries at <http://www.sc.com/en/incorporation-details.html>.

This material is not for distribution to any person to which, or any jurisdiction in which, its distribution would be prohibited.

© Copyright 2022 Standard Chartered Bank. All rights reserved. All copyrights subsisting and arising out of these materials belong to Standard Chartered Bank and may not be reproduced, distributed, amended, modified, adapted, transmitted in any form, or translated in any way without the prior written consent of Standard Chartered Bank.