

# Global Payments in Cross-Border E-Commerce

International Business Pedagogy  
Workshop

GSU and CU Denver CIBER

July 22, 2021

---

STACEY C. ESPINOSA

INSTRUCTOR, BUSINESS SCHOOL

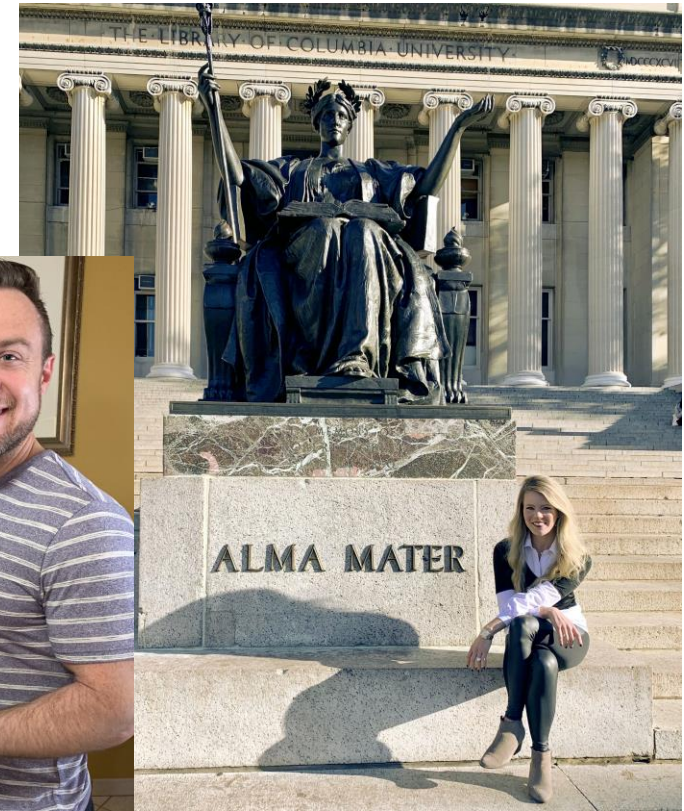
UNIVERSITY OF COLORADO DENVER

SENIOR DIRECTOR, VISA

# Introduction: Stacey Espinosa

---

- Sr. Director - North & Latin America Lead for Visa Direct, Global Business Optimization
- *Data is not in short supply but effective methods to maximize data capabilities are*
  - BS Communication & MBA, Florida State University
  - MS Applied Analytics, Columbia University



# VISA

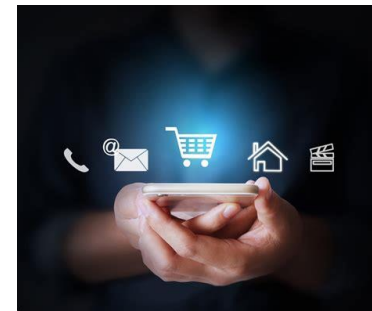
- What type of company is Visa?
  - Technology
- What IS Visa?
  - Network

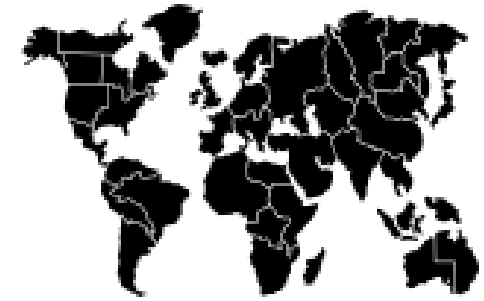


# Global Payment Trends

---

1. Mass acceleration towards digital
2. Embedded FinTechs are optimizing user experience across industries
3. Fraud and risk concerns
4. Technology advances are incentivizing banks to keep pace with digital commerce (open banking)
5. Financial Inclusion





# XB Payments: Complexities

---

XB Payments are when the acquiring bank and issuing bank are located in 2 different countries.

- Many different scenarios need to be accounted for like:
  - XB governance
  - Conflict of laws issues
  - Adherence to multiple anti-money laundering (AML) requirements
  - Foreign exchange (FX) conversion and liquidity management in foreign currencies
- These complexities make XB payments **slower, more expensive and less transparent** vs. domestic payments
  - DLT (Distributed Ledger Technology) is a solution

# Value Proposition of Visa Direct for XB: *Speed*

---

Visa Direct allows safe, convenient, **real-time funds (guaranteed 30 minutes)** delivery directly to financial accounts using card credentials to an eligible debit or prepaid card. Visa Direct use cases include:

- Person-to-person
- Funds Disbursements
- Bill Pay
- XB remittances

Remittance providers enhancing, expanding, and digitizing money transfers with Visa Direct.



- Remittances using card credentials offers immediate confirmation (through authorization) and validation as opposed to wire payments.

# Visa Direct is all-digital and has grown tremendously since the pandemic

---

## ➤ GIG Economy

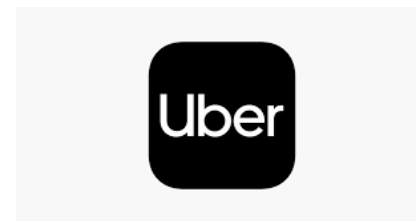
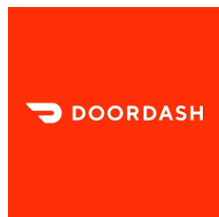
➤ Quicker and faster payments for contract workers

## ➤ Merchant Settlement

➤ Helps small businesses collect money from sales/profit much quicker so they can pay expenses faster and avoid being “cash-flow poor”

## ➤ Funds Disbursement

➤ Used by many digital/neo banks to offer customers faster access to their work earnings





# Financial Inclusion: M-Pesa (Kenya)

---

M-Pesa is Africa's most successful mobile money service. It provides access to financial services to the millions of people who have a mobile phone, but do not have or have only limited access to a bank account.

- Customers register for the service at an M-Pesa agent
- Deposit cash in exchange for electronic money
- All transactions are completed securely by entering a PIN
- Both parties receive an SMS confirming the amount
- The recipient receives the digital money instantly and can redeem for cash or spend at a M-Pesa merchant
  - Compatible with merchants via QR codes.





# Course Modules

Week	Topic
1	Intro to the Global Payments Ecosystem (pt 1)
2	Intro to the Global Payments Ecosystem (pt 2)
3	Understanding Card payments and their role in e-commerce trends and digital payments
4	Comparing Payment Systems Across the Globe
5	The Rise of Fintech's and their disruption/innovation in Global Payments
6	The Role of Data and Analytics in Global Payments (pt 1)
7	i. The Role of Data and Analytics in Global Payments (pt 2) ii. Guest Speaker – Betsabel Feddeler, Director of Global Business Optimization and Data Strategy Lead at Visa
8	Digital Payments' Effect on e-Commerce
9	Regulation and Compliance in Global Payments (pt 1)
10	i. Regulation and Compliance in Global Payments (pt 2) ii. Guest Speaker – Dustin White, VP of Global Risk and Fraud Strategy at Visa
11	Cryptocurrencies, Blockchain and Artificial Intelligence Technology in Payment
12	The Future of Global Payments and Banking
13	The Emergence and Importance of ESG in Global Commerce and Payments
14	Group Project Paper and Class Presentations