October 27, 2017

GMO-PG to launch a comprehensive payment solution
"GMO-PG Processing Platform"

-Payment infrastructure to support card issuing and merchant business-

GMO-PG has launched "GMO-PG Processing Platform", a complete payment solution for financial institutions and other financial service providers, tapping into its know-how earned through provision of payment services to Ecommerce merchants on October 27, 2017.

Coming in by API*, "GMO-PG Processing Platform" is a compilation of systems and functions necessary for payment business that covers issuing of debit cards, credit cards, prepaid cards and house cards as well as merchant management function and transaction processing. With "GMO-PG Processing Platform", financial institutions (banks, card companies, etc.) and other financial service providers can choose the payment solutions they need and build new payment infrastructures in short time, at low cost and with ease. They can also expect operation efficiency with platform introduction since all solutions are managed on a single, central administration page.

*API (Application programming interface) is a system that connects multiple software such as services and applications
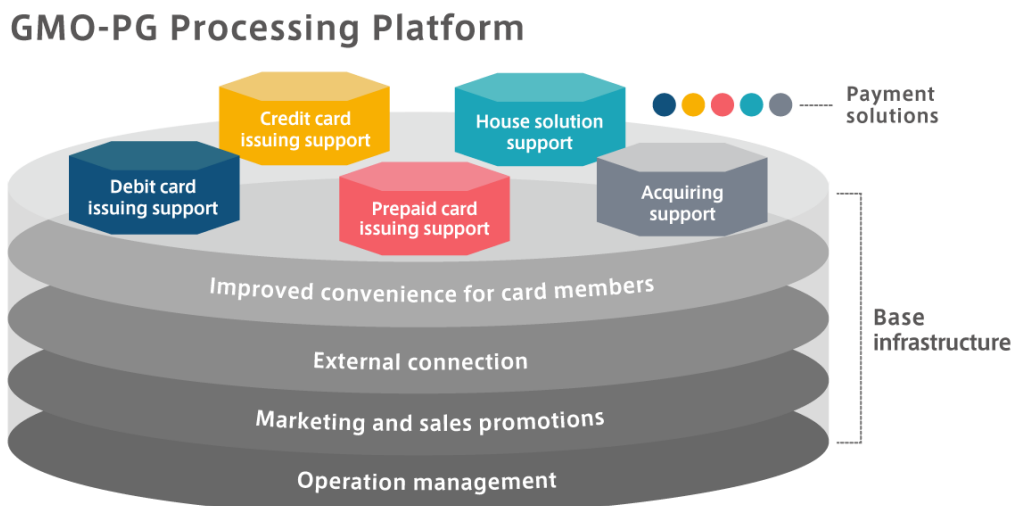
【Background and overview】

Lately, Japan's financial institutions, mainly banks, have been increasingly coming up with new businesses or taking local revitalization initiatives to help its society go more cashless. There have also been a rise of unconventional financial services launched as Fintech products despite the conventional view that financial industry is hard to enter.

However, it is often the case that building system and establishing operation flow needs meaningful time and money when there is generally a limited timeframe in release of new services.

Seeing an opportunity here, GMO-PG has decided to offer "GMO-PG Processing Platform", leveraging its experience and knowledge.

【GMO-PG Processing Platform】(URL： https://www.gmo-pg.com/service/processing/)

GMO-PG Processing Platform covers the following five payment solutions to both online and offline merchants, irrespective of card type. The package also includes various payment-related operation management functions as well as a base infrastructure which merchants can connect to external systems. Financial institutions and financial service providers can use the payment solution and base infrastructure of their preference. All solutions are provided by API, which makes infrastructure building less costly, relatively fast and easy. What's more, all our solutions are designed to be centrally managed on a single administration page, delivering efficiency.

■Payment solutions

1) Debit card issuing[1] support
Issuing debit cards of international brands and other functions needed for the card transactions
Customizable to suit your needs including virtual card issuing, immediate issuing and corporate card issuing
【Main functions】
・Membership management: receiving applications, card issuing, master management of member data, membership web page (configuration on conditions of use, usage history review, etc.)
・Transaction management: authorization[2], sales processing, overdraft[3] response, acting authorization

2) Credit card issuing support
Issuing credit cards of international brands and other functions needed for the card transactions
Linked with existing systems of financial institutions, credit card-issuing system can be installed immediately.
【Main functions】
・Membership management: receiving applications, card issuing, master management of member data, membership web page (configuration on conditions of use, usage history review, etc.)
・Transaction management: authorization, sales processing, credit line management, delay damage management

3) Prepaid card issuing support
Issuing prepaid cards of international brands and other functions needed for the card transactions
Reloading via credit card or convenient store, point/reward linkage and app usage are available.
【Main functions】
・Membership management: receiving applications, card issuing, master management of member data, membership web page (configuration on conditions of use, usage history review, etc.)
・Transaction management: authorization, sales processing, balance management, overdraft response

4) House solution support
Issuing non-international brand, house[4] credit/prepaid cards, merchant management and other functions necessary for the transactions
【Main functions】
・Membership management: receiving applications, card issuing, master management of member data, membership web page (configuration on conditions of use, usage history review, etc.)
・Transaction management: transaction data processing, transaction master management, credit line and balance management, fraud detection
・Merchant management: merchant master management, creation of report for merchant's settlement, merchant web page (settlement information, transaction-level inquiry[5])

5) Acquiring[6] support
Merchant contract management, merchant settlement operation and functions for payment message processing of various card types
【Main functions】
・Merchant management: merchant master management, report creation for merchant's settlement, merchant web page (settlement information, transaction inquiry)
・Transaction management: authorization and sales processing, handling of international brands, fraud detection, dynamic credit monitoring[7]

■Base infrastructure

Improved convenience for card members
Smartphone app and web page (configuration on conditions of use, usage history review, bank account activity review) to improve convenience for card members and to expand their usage

External connection
API or settlement-network connection among financial institutions, Fintech firms and international brand card companies

Marketing and sales promotions
Marketing support through CLO[8], points/rewards, coupons, etc., dynamic credit monitoring, fraud detection

Operation management
Storing data (member data, merchant data and transaction data) on database, transaction review, creation of reports for settlement

Issuing[1] : Looking for potential card members, issuing cards, delivering services and billing for card usage

Authorization[2] : Checking card validity (to confirm as not cancelled or lost, etc.) and checking credit to confirm that transaction is within bank account balance (for debit cards), credit line (for credit cards) or prepaid card balance

Overdraft[3] : Card usage above bank account balance or prepaid card balance

House card[4] : Card whose usage is limited to merchants in contract with the card issuer

Transaction-level inquiry[5] : Inquiry per transaction

Acquiring[6] : Looking for potential merchants, contract management and settlement for new merchants, and settlement processing of card transaction

Dynamic credit monitoring[7] : Identifying if there is fraudulent transaction out of merchants' card transactions

CLO[8] : A short for Card Linked Offer. A service to provide benefits such as coupons and points/rewards based on attributes or transaction history by member

【GMO Payment Gateway】

GMO-PG offers comprehensive payment services and financial services to 88,425 merchants (as of June 2017, GMO-PG Group), including operators of online shops and sellers of digital content, operators who collect recurring monthly payments, such as NHK and those who offer subscription purchases, and public organizations such as the Japan Pension Service and the Tokyo Metropolitan Government. Services for added value such as online advertising services that contribute to boosted merchant sales, focused chiefly on payment services. Supplying loans and other financial services that support the growth of merchants from a funding perspective and actively engaging in overseas initiatives like overseas payment services, the yearly payment amount processed by GMO-PG over 20 billion USD.

GMO-PG aims to enable both consumers and businesses to enjoy payment methods that are convenient and equipped with high levels of security and to serve as the infrastructure for payment processes in Japan. GMO-PG will promote initiatives for new innovation such as FinTech and contribute to improving the rates of e-commerce in Japan as a leading company in the payment industry.

【Related Links】
・GMO-PG （Service） URL ： https://www.gmo-pg.com/en
・GMO-PG （Company Profile） URL ： https://corp.gmo-pg.com/en