



# Get on board **with the new e-commerce checkout method**



What organizations need to know to begin the journey with Paze<sup>SM</sup>, the new wallet offered by banks and credit unions

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# Introduction

**Merchants and their customers want a simple and secure online checkout process.** If the checkout process isn't easy and reliable, merchants risk losing the sale. Consumers already have confidence in financial institutions with their banking and credit card information.

82%

According to a survey by Digital Commerce 360, [Optimizing the E-Commerce Payment Experience](#), 82% of merchants want to have a wallet option offered by their financial institutions.



# Paze<sup>SM</sup> is a new bank-offered wallet

Paze is a service operated by Early Warning® and offered by participating financial institutions – initially including seven of the nation’s largest banks. The Paze checkout solution offers the experience consumers expect from their financial institutions while enabling easy online purchases.

Integrating Paze into the checkout experience means merchants eliminate the need for tedious manual input of full card numbers and reduce the chance for human error. There’s also no need to fear declined transactions due to expired cards or any mistakes associated with updating them. Customers can have their choice amongst the cards they use for online purchases, as eligible cards from participating banks can be consolidated into a single wallet.



## What is a **bank wallet**?

A bank wallet is a **new type of digital wallet that’s offered by a consumer’s trusted financial institution**, rather than provided by third-party technology companies. With Paze, there’s no third-party app to download and nothing new to set up. Consumers can manage their wallet cards through their bank’s mobile app or website. [Learn more.](#)

# Seven of the nation's largest banks work with Paze<sup>SM</sup>

—with more coming.

Seven of the largest banks in the United States offers Paze—and the number of participating financial institutions will only continue to grow, expanding the customer base who can use Paze to check out online.



The Paze checkout solutions helps solve key obstacles that consumers and merchants are faced with.



# Benefits for **e-commerce** merchants

**Merchants and their customers both want a simple online checkout process.** After the pandemic drastically changed the way people shop, its effects continue to reverberate throughout the e-commerce world today. Consumers continue to shop online in ever increasing numbers with e-commerce as a percentage of U.S. total retail activity continuing well above pre- pandemic years.

A recent Boston Consulting Group and Shopify report, “Leading Online Shoppers to the Finish Line,”<sup>1</sup> found that trust is key to customers who want safe and secure checkout experiences from merchants. Digital wallets offered by financial institutions can provide security through tokenization without adding more transaction fees for merchants. Using Paze to obtain consumer information can drive higher transaction approval rates<sup>4</sup> since the Paze checkout solution leverages tokenized card information.



## What is **tokenization**?

**The process of tokenization replaces actual card numbers with a random number representing the card number provides added security during checkout than manual entry.** Actual card numbers aren't shared with merchants. The Paze solution goes a step further and uses network tokenization, so customers' full card details are only retained by the customer, issuer, and card network. Other forms of tokenization may give direct access to customers' full card details to third-party payment service providers, even though merchants don't have access to them.



## Quick look: Merchant benefits

- Tokenized card information leads to higher approval rates versus non-tokenized guest checkout options<sup>1</sup>
- No incremental transactional costs to merchants
- More convenient checkout can improve sales conversions<sup>1</sup>
- No rejected transactions caused by mistyped payment credentials
- Opportunity to build personalized relationships with customers

A simple and hassle-free checkout process is also paramount; customers oftentimes abandon carts when they must enter their full 16-digit card number, expiration date, security code, and billing address.

The Paze<sup>SM</sup> checkout method offers a solution for the many merchants that believe cart abandonment rates would be reduced by using an online checkout solution that doesn't ever require manual entry of card details.

### Better consumer experience

- Checking out with Paze eliminates the opportunity for human error, reducing frustration at checkout from mistyped card numbers.
- The Paze wallet simplifies checkout to just a few clicks, making it easy to complete purchases, resulting in less lost revenue due to purchase friction.

### Merchant flexibility and scalability

- Paze is easy to set up with one simple, flexible integration that helps merchants build personalized relationships with their customers and select their experience with Paze based on their existing checkout flow.
- When the Paze checkout experience reaches general availability, participating banks will make more than 150 million eligible credit and debit cards available to activate—numbers that will only continue to grow as new financial institutions join.

# Benefits for **e-commerce customers**



## Quick look: **Customer benefits**

- More secure e-commerce experiences with tokenized transactions in comparison to manual entry<sup>2</sup>
- No more manually entering in full credit card numbers or worrying about expired cards
- Access to all eligible cards within a consolidated wallet
- Nothing new to set up—no additional passwords to remember or apps to install

Digital wallets are making it easy customers to check out online, allowing them to skip the tedious and error-prone task of typing in their credit card information before every purchase. A McKinsey report found that consumers prefer banks more than any other providers to provide digital solutions, including wallets.

Consumers rely on the experience from their financial institutions. Providing a simple, streamlined process to setting up digital wallets is also very important to customers. While it's crucial for digital wallet providers to meet the industry standard for tokenization to secure transactions, requiring customers to set up another account with additional usernames and passwords can create issues during the checkout process. This in turn can cause customers to abandon their cart altogether.



# Get your org on board

Collaborate with your internal stakeholders to answer these questions:

- Is cart abandonment due to the tiresome manual entry of card information a concern or issue for your organization?
- Would your customers benefit from a checkout option offered by their own bank or credit union?
- Do you want to create direct, personal relationships with your customers?



If yes, then get on board with Paze<sup>SM</sup> with these five simple steps:

1. [Contact our sales team](#) for an in-depth review of your checkout process.
2. Regroup internally to **identify areas** where Paze can simplify your consumer checkout process.
3. We'll help you determine whether a Paze technical integrator has a solution that can plug into your existing checkout processes, simplifying integration.
4. **Sign up** with a Paze distributor.
5. Complete integration and testing to get access to our production environment.

**That's all it takes to enable your customers to check out with Paze! If this resonates with your organization, you may be ready to optimize your checkout experience and delight your customers with a reimagined wallet.**

[CONTACT US](#)



# Offer your customers a simple, convenient e-commerce experience



General availability for Paze<sup>SM</sup> begins in 2024. To learn how to participate as a merchant, visit [paze.com](https://paze.com).

## About Paze<sup>SM</sup>

Paze is a reimagined online checkout solution that banks and credit unions offer to consumers and merchants, combining all eligible debit and credit cards into a single wallet and eliminating manual card entry. Solving long-standing challenges in e-commerce, Paze provides an easy experience for consumers and merchants alike. At general availability, more than 150 million debit and credit cards will be available to consumers for making online purchases. To learn more about Paze, visit [www.paze.com](https://www.paze.com). Paze is operated by Early Warning Services, LLC, an innovator in financial and risk management solutions.

1 [Leading Online Shoppers to the Finish Line](#)

2 When compared to non-tokenized transactions. Tokens have led to a 28% reduction in fraud rates and 3% increase in approval rates. Visa Tokens Surpass Physical Visa Cards in Circulation

3 Source: New trends in US consumer digital payments | McKinsey & Company

4 Source: Reasons for Cart Abandonment | Baymard Institute