

SOTpay Innovations Elevate Value in MOTO Transactions with Advanced Payment Technology

By Gala Technology



+44 (0) 1709 911 661

www.galatechnology.co.uk

Pay-By-Link is emerging as a significant alternative in the evolution of digital payments. With the advent of smarter and more sophisticated solutions, costs are being reduced and the customer experience enhanced. This, in turn, is boosting sales in the remote payments market.

MOTO (Mail Order/Telephone Order) payments represent a niche yet significant segment of the overall payment market.

Traditional MOTO Payments Undergo a Transformation

Encryption, tokenisation, and biometric technologies are transforming today's market by significantly enhancing customer trust and experience. Moreover, they play a critical role in mitigating fraud, addressing a widespread challenge in the industry. Payments are big business. So big in fact that UK Finance's Fraud the Facts 2021 report shows that card-not-present fraud constituted 85.3% of all card fraud reported in the previous year – a staggering number. It should come as no surprise, therefore, that an estimated \$200 billion will be lost to online payment fraud by 2025.

The PayTech market has primarily concentrated on enhancing transactions through credit card terminals, online payments, and bank-to-bank transfers. However, one segment of the payments ecosystem that has not kept pace with the initial wave of PayTech innovation is the area traditionally known as mail order/telephone order (MOTO) transactions. In these transactions, credit card details are provided over the phone or written on an order form.

This market segment is more accurately termed "remote payments" today, as traditional mail order has largely become obsolete. Despite this evolution, remote payments still constitute a significant share of the [Card Not Present](#) (CNP) market. In the USA, these transactions total approximately USD over \$620 billion annually, accounting for about 17% of the CNP market. Using the US as a benchmark, the UK's remote payments are estimated to be between over £53 billion each year.

The implementation of Strong Customer Authentication (SCA) in the EU and UK has effectively reduced fraud in online and in-store transactions. However, this shift has redirected fraudsters towards exploiting the remote payment sector. Originating from the Request-to-Pay (RTP) peer-to-peer lending market around 2015, Pay-By-Link quickly evolved. Within just a few years, it was being promoted in the USA as a solution for both retail and business 2 business transactions.

This straightforward process provides the customer with a unique smart digital link that supports all existing payment methods, eliminating the need for customers to disclose their personal card or bank details and freeing merchants from the responsibility of storing customer payment information. Additionally, customers have the flexibility to complete the payment at a time that suits them best.

Advances in Pay-By-Link technology have significantly enhanced the customer experience, leading to increased sales for merchants while simultaneously reducing fees and mitigating risks related to fraud and data protection.



Exploring the Enduring Importance of MOTO Payments

Remote payments continue to be a staple in many industries, showing no signs of decline. These transactions often involve higher-value goods and services, tailored to meet specific customer needs and the nature of the products sold. In the United Kingdom and United States, the average transaction value in remote payments is triple that of typical e-commerce transactions. The range of these transactions can vary widely, stretching from hundreds to several thousand pounds, reflecting their critical role in high-value markets.

Key Markets Responsive to Remote Payments Include Builders' Merchants, Luxury Retail, Hospitality, Travel, Automotive, IT Hardware Suppliers, and Professional Services and many more case studies click [here](#)

Customer engagement in remote payments is primarily influenced by their need for assistance or guidance before finalising a purchase. Support is typically available through various communication channels such as phone, live web chat, email, or WhatsApp, with the transaction often processed via the same medium. This practice is common in specialised sectors where products feature minor variations in part numbers or versions, or where orders are customised or variable. For example, industries that offer products with subtle style differences, travel bookings that include multiple elements like flights and accommodations, car rentals, automotive parts with unique performance features, or services with different package options. This personalised guidance ensures that customers make well-informed decisions, thus enhancing their purchasing experience. In such scenarios, a payment technology like **Securafone** is crucial for completing the MOTO transaction..

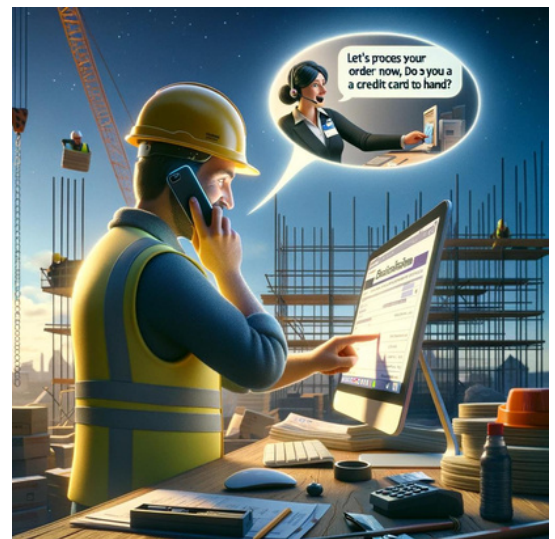
Customer service plays a crucial role in distinguishing a business within both retail and wholesale markets. Differentiating from the mainstream e-commerce landscape, businesses that offer superior customer service can enhance value, driving high customer satisfaction and loyalty. This focus on quality interactions not only supports customer retention but also fosters referral business, reinforcing a company's market position.

While there are numerous online options for purchasing products that precisely meet customer requirements, offering personalised engagement in the customer's preferred channel while ensuring a safe and secure checkout experience akin to an e-commerce transaction remains a significant challenge. Achieving this balance is crucial for businesses aiming to enhance customer satisfaction and trust in an increasingly digital marketplace.

Builders' merchants will field inquiries regarding product availability, pricing, and guidance on suitable solutions. However, callers may refrain from providing payment details over the phone either due to their lack of authority for payment or because such transactions contravene company policies aligned with compliance regulations.

In the travel sector, travel agents craft tailored travel packages for both families and businesses. Clients are presented with a variety of options and ultimately select the package that aligns most closely with their needs and budget. Meanwhile, in the automotive sector, auctioneers operate under uncertainty, as the final bid price remains undisclosed until the gavel falls. Settlement terms typically mandate payment within a specified timeframe, often necessitating partial payment via phone and the remaining balance settled through a bank transfer.

These specialised retail and wholesale services are poised to maintain their relevance amidst the proliferation of online "click and buy" platforms.



Merchants Face Mounting Challenges: Navigating an Evolving Landscape

Accepting orders over the phone has historically posed challenges, particularly with regard to implementing 3D Secure and achieving PCI-Level 1 compliance. Until [Securafone](#), this has not been feasible. Merchants handling remote payments often incur higher processing fees or Merchant Discount Rates (MDR) to mitigate the elevated risk of fraud.

Non-secure [telephone payments](#) often lead to increased rates of false declines, also known as false positives. These occur when a bank or payment processor mistakenly rejects a legitimate transaction. The Card-Not-Present (CNP) channel, in particular, is highly susceptible to these issues. False declines not only frustrate and embarrass customers but may also result in lost business if a payment cannot be processed due to non-compliance or security deficiencies.

Safeguarding customer data presents a significant challenge for merchants conducting non-secure transactions over the phone. Customers often feel uncomfortable or may even refuse to share their card details, especially in public settings, leading to potential delays or lost sales. To address this, some merchants store card information in internal systems, which requires them to securely manage and regularly validate this data in compliance with card scheme rules and data protection regulations. This approach poses substantial security risks. However, these risks are mitigated by using a payment platform like [SOTpay](#), which eliminates the need to store sensitive information on merchant systems.

Discover how SOTpay has enhanced the payment experience for others. Read customer reviews by clicking [here](#).

Delivering high-quality customer service support is essential, as the skill of sales representatives significantly influences customer satisfaction. Mistakes in order specifications can lead to returns, and potentially harm your brand's reputation through negative reviews. Moreover, non secure telephone transactions may lead to fraud-related chargebacks. In such cases, not only do you lose the goods, but the bank also withdraws funds from your account, incurring additional losses in labor, delivery, and administrative costs. Each chargeback letter incurs a fee of £25. All these challenges can be mitigated by adopting SOTpay's Securafone, a secure payment platform that offers a 100% guarantee against such risks.

Bank transfers can be efficiently executed with Securafone following a sale, using the Pay-By-Link method similar to card payments, thus offering customers a flexible choice. This streamlined approach eliminates the need for customers to undergo the cumbersome process of setting up a bank transfer through account creation. By simplifying this procedure, Securafone enhances the customer experience by removing unnecessary friction and reducing the likelihood of order abandonment.



Innovative PayTech Solutions: Introducing Pay By Link for Seamless Transactions

Entry-level Pay-By-Link services, often referred to as Basic or Dumb, provide a straightforward payment solution using conventional processing methods, particularly beneficial for small-scale retail merchants. While many [payment gateway](#) providers include a basic payment link feature, advanced platforms like [SOTpay](#) cater to businesses with intricate and advanced needs.

The evolution of Pay-By-Link is progressing with Software as a Service (SaaS) offerings. This model enhances basic Pay-By-Link services by incorporating value-added capabilities. These innovations encompass advanced features like [customised branding](#), omnichannel messaging, and agnostic payment orchestration abilities that can seamlessly switch between card and open banking payments based on transaction value and predefined payment rules. Providers of such services act as intermediaries between customers, merchants, and payment service providers.

Smart Pay-By-Link SaaS presents numerous advantages over traditional payment methods within the remote payment sector. These innovative services aim to provide equivalent protection for remote payments as seen in online transactions. Additionally, Pay-By-Link securely interfaces across various channels, including telephony, SMS, WhatsApp, email, live web chat, and social media messaging platforms.

Unlocking Numerous Advantages: The Power of a Sophisticated Pay-By-Link Solution

Enhanced Risk Management

- Mitigating fraud risks through strict adherence to PCI-Level 1 compliance and GDPR regulations.
- Managing credit limits for customer-nominated accounts to control exposures effectively.
- Enhancing credit management by automating follow-up procedures.
- Streamlining refund processes with minimal manual intervention.
- Providing a customer portal to facilitate comprehensive financial controls, reconciliation, and reporting.
- Offering seamless integration with customers' internal systems through an open Application Programming Interface (API).

Enhanced Customer Experience

- Branded payment [omnichannel](#) requests originating from the merchant's domain, secured by an SSL certificate.
- Efficient payment processing directly over the phone during customer interactions.
- Time-limited or scheduled links aligned with the merchant's policies or the customer's time zone.
- Forwarding capability for links, allowing payment completion by a different recipient.
- Significant decrease in false decline rates, streamlining the customer experience and reducing potential sales abandonment.
- Orchestration configuration facilitating payment by card, bank, or a combination, accommodating diverse customer preferences.
- Partial payment via credit card with the remainder from a bank account, all within a single transaction—an especially valuable feature for installment and recurring payments.
- Support for abandoned sales by providing an alternate pathway to finalise transactions when payment details are not initially provided at checkout.

Merchant Cost Reduction Strategy

- Implementing best practice payment security methods leads to significant reduction in Merchant Discount Rates (MDR) while enhancing loss protection.
- Lower acceptance costs through strategic payment orchestration, prioritising bank payments over card transactions or restricting options to bank payments for higher value transactions.

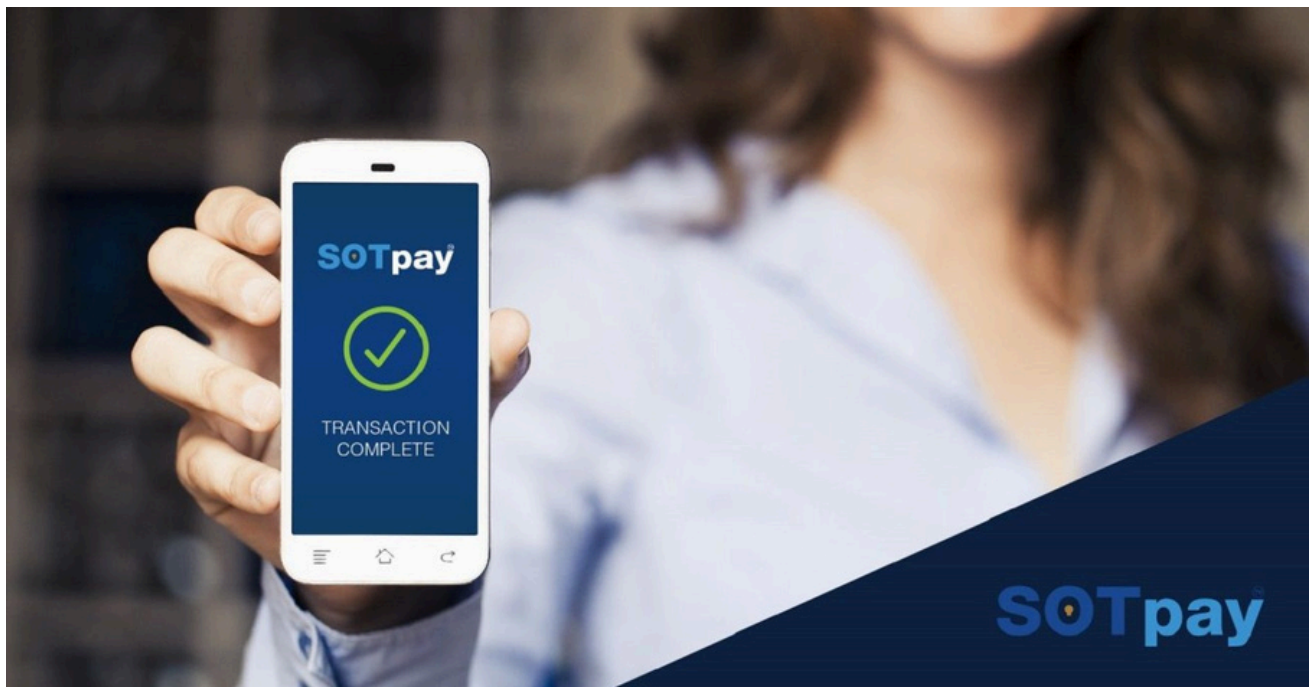


In Summery

With the advent of the SaaS **SOTpay** Pay-By-Link solution, the traditional method of Mail Order/Telephone Order (MOTO) payments has become a thing of the past. In today's payment landscape, combating fraud and safeguarding customer data presents a growing challenge for the industry. However, the evolution of Pay-By-Link solutions represents a significant stride forward, offering enhanced protection and assurance to both customers and merchants, particularly those dealing in high-value goods and services.

This advanced technology not only fortifies and bolsters the entire payments ecosystem but also elevates the customer experience to new heights. By providing a seamless and secure payment process, Pay-By-Link solutions furnish merchants with a potent tool to drive sales and expand their footprint in specialised markets. In essence, it's a win-win scenario, ensuring peace of mind for all stakeholders while empowering merchants to thrive in an increasingly competitive landscape.

Discover how Pay-By-Link can empower your business! Click [HERE](#) for more information.



Secure Order Transfer.
Smart Payment Requests.

