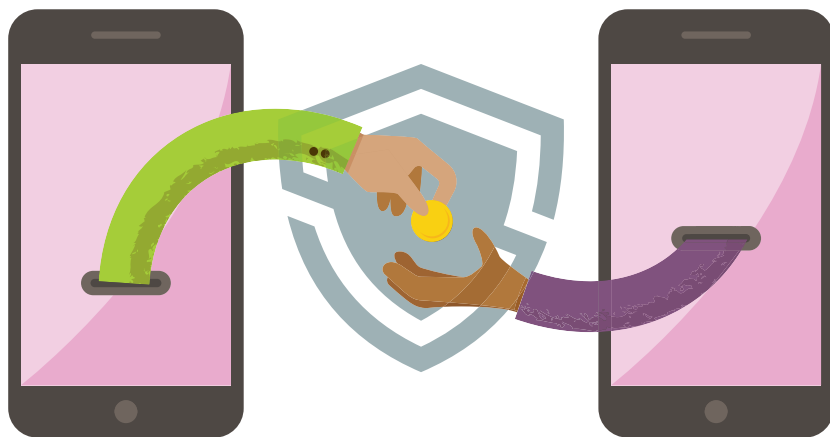




# Open minded

Don't let the latest financial technology confuse you. Retail Jeweller considers 'open banking' and how it is helping luxury jewellers avoid instances of fraud



**"It's an opportunity for businesses to significantly cut transaction fees associated with payments"**

**Sam Jennings**  
Tink

service providers (PSPs) and software providers like Prommt work together to create a "payments ecosystem" that luxury jewellers can benefit from without having to make any drastic changes to their day-to-day operation. Prommt chief marketing officer Lorraine Fahy adds: "In a challenging economic climate, 'pay by bank' is a much easier option. Plus, it gives retailers the capability to extend their brand into the customer payment journey in a finessed way."

Elsewhere, companies like Tink are also utilising open banking to create a more seamless payment journey for retailers. Head of payments strategy Sam Jennings notes it's all about "enabling a smooth user experience". He continues: "It's an opportunity for businesses to significantly cut transaction fees associated with payments. Secondly, it reduces fraud because with open banking, every transaction is biometrically authenticated by the user."

Here, it is important to note the type of fraud being referenced. Imagine a criminal has got hold of someone's bank account information or card. Even with this, they could not complete an open banking transaction without a fingerprint or 'face ID' used with many mobile banking apps, which adds a layer of security. "A lot of the time, people don't know they're using open banking; that's the beauty of it because it's just a slick, click-through process that enables something super straightforward," he adds.

If your interest is piqued, speak to your payment services provider about 'pay by link' and 'pay by bank' services. They may have an established relationship with a third party like Prommt or Tink that you can utilise without having to undergo headache-inducing technical work. So, next time you're feeling deflated by sky-high card transaction costs or worried your online payment options are turning customers off, think about open banking with an open mind. ●

The world of online banking and payments can feel like a rabbit hole; once you fall down it, there are many different (and often confusing) things to consider. Even if you haven't heard of 'open banking', chances are you're familiar with phrases like 'pay by link', 'bank pay', 'pay with bank transfer' or 'instant bank transfer'. Some of these are likely to utilise open banking - a technological initiative that became part of the UK banking landscape around 2018. It was designed to facilitate payments directly from your current account safely, as an alternative to the traditional 'pay by debit or credit card' option or to replace the cumbersome experience of setting up a bank transfer.

So, what are the benefits for jewellers? Firstly, open banking payments are secure, sometimes requiring a personalised payment request via SMS or email to a customer's phone, followed by bank log-in processes (passwords and biometrics). Rather than taking card details over the phone, retailers can send a quick link to speed up securing deposits or payment for items. Customers don't have to send their bank details to the retailer (again, enhancing security for both parties) or type them in online and, crucially, retailers can cut the hefty card transaction

fees charged by payment providers.

As *Retail Jeweller* discovered when researching this article, open banking payments are one aspect of a thriving industry of bespoke and customisable online payment solutions that connect brands with their customers in innovative ways. Businesses like Prommt, which recently joined the Company of Master Jewellers as an approved supplier, and Tink, are using open banking as a launchpad for consumer-facing, stress-free, white-label payment solutions, that can be integrated into a retailer's buying journey, with their branding, colours and tone of voice. If your customers trust you, this trust can be carried through into the transaction process.

Using Prommt, retailers can send customisable payment requests to their high-value clients (sometimes called a 'payment link') via SMS or email. This request can include both 'pay by bank' and 'pay by card' options or can be used strategically to only offer open banking solutions where a high-value item would result in hefty card transaction fees for the retailer (presuming the customer selected a 'pay by card' option). As Prommt B2B content marketing executive Sneha Padavala explains, the open banking framework, payment

**(Below) Prommt offers customisable payment solutions**

