



# DIGISEQ & ENABLE WORLD'S FIRST

## TOKENISED PAYMENT SERVICE FOR PASSIVE WEARABLES.

CASE STUDY

MARCH 2019

Fumbling through your pockets for your wallet or smartphone? Pay with a smartwatch. Put off by its clunky interface? That's so 2018. Ushering in the new year, DIGISEQ, together with Mastercard, enabled the world's first tokenised service for passive wearables in ABN Amro's nation-wide roll out. Retail clients of the Dutch bank can purchase accessories like rings, watches and bracelets from a variety of external brands. Thereafter, their bank current accounts are provisioned onto the wearables by DIGISEQ. These wearables can make contactless payments - even high value transactions over €25 by entering a PIN at the point-of-sale. In the near future, anyone can enjoy tokenised services on their passive wearables as long as their banks have opted to be issuers on DIGISEQ's platform.



Users can make fuss-free payments with a simple tap of their wearable, which links directly to their current account.

The idea of enabling passive wearables has everything to do with the fast pace of payments and keeping up with the consumers' freedom of choice. As payment devices gradually merged with fashion, pay-tech had still yet to offer the level of variety as demanded by the fashion industry. Customers were restricted by the wearables banks created in-house and the limited selection of active wearables (wearables with an interface) sold in the market. This ended in 2017, when DIGISEQ strove to bridge the gap between external wearable makers of passive devices, issuing banks, and end-consumers. A partnership was organically formed between Mastercard - who tokenises passive devices, ABN Amro - the pioneering issuer, and DIGISEQ - whose Mastercard-integrated MDES platform provisions the customer's bank account onto their wearable.

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When the K-ring came into the market in 2016, I was intrigued. Finally, a payment wearable that looked nice! The previous ones sold commercially were too bulky and just did not appeal to me. My new piece of pay-tech is comfortable and sometimes I even forget I have it on. The convenience of not having to carry a handbag is tremendous. I can make payments seamlessly - for travelling in the London Underground, purchasing a quick snack on the go, and even making more deliberate purchases such as groceries, only being limited by the current £30 limit. With DIGISEQ's latest collaboration with ABN Amro, I am glad that tokenised payments can now be extended to even passive wearables, thus offering more security, and I look forward to the potential added flexibility that Open Banking might bring. The future is bright!

**Neira Jones, Ambassador  
Emerging Payments Association**



A quarter of Europe is ready to pay with wearables. That's over 175 million people.

Stats from Mastercard, 2018

## Our Tokenisation Product

- DIGISEQ provisions Mastercard Tokenised accounts remotely to any wearable at any location
- Compatible with e-commerce and retail sales channels
- Includes a mobile application – Manage-Mii, for customers of wearable makers to manage services on their wearables



## Pilot Study Findings

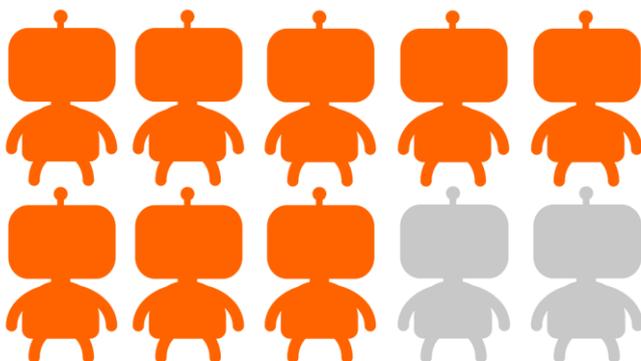
From a wide variety of devices, participants were asked which type of contactless payment device they prefer – by rating them out of 5.



Passive wearables like rings



Wearables with interfaces like smartwatches



Out of 500 participants, 8 out of 10 of them preferred paying with passive wearables compared to bank cards.

Stats from ABN Amro, 2018

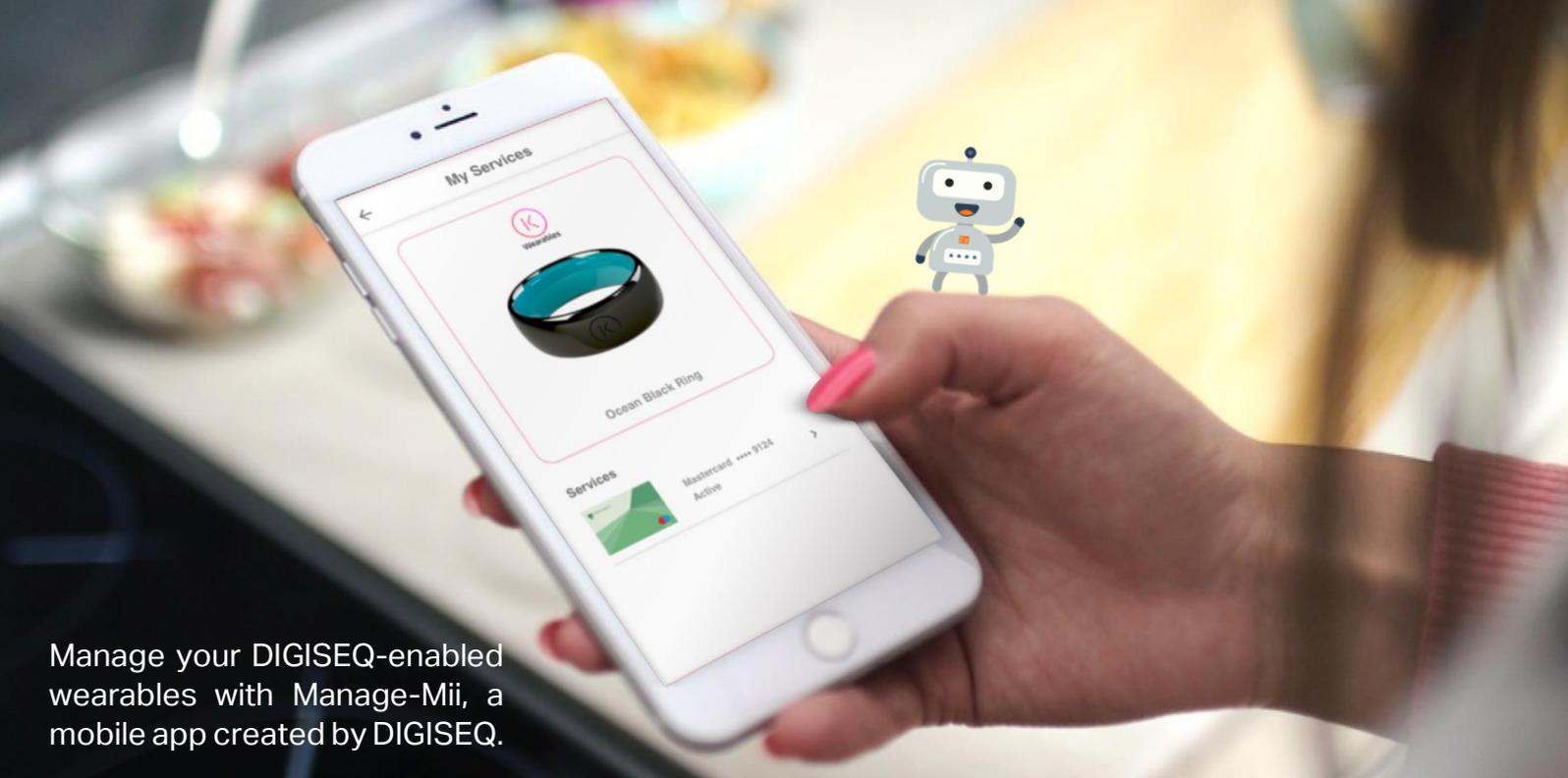
After 2 years of joint trials, the campaign finally went live in The Netherlands on 14<sup>th</sup> January 2019. ABN Amro's retail clients can purchase any compatible wearable through the wearable makers' websites, as advertised on the bank's webpage. Clients can then activate their wearables and manage their wearable settings via ABN Amro's mobile banking app – for example, to temporarily disable the wearable for contactless payments. Alternatively, they can configure their wearable settings with Manage-Mii, a mobile app created by DIGISEQ.

Manage-Mii is designed to be a one-stop service application that spans the entire customer journey. As such, issuing banks can choose to interface the activation of wearables using Manage-Mii to expedite commercial deployment.

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We continuously work on all kinds of innovative payment methods. Last year, we embarked on a joint pilot with partners Mastercard and DIGISEQ. The 500 clients involved thought very highly of this payment method, reporting how good it was not always to have to bring their debit cards when going out or taking part in sports. Just use your ring to pay the bill and then prompt your friends to repay you by sending them a Tikkie reminder. Very useful indeed!

Yvonne de Warrimont-Duits  
Product Owner, Payments  
ABN Amro



Manage your DIGISEQ-enabled wearables with Manage-Mii, a mobile app created by DIGISEQ.

DIGISEQ's end-to-end service guides wearable-makers from chip selection to live deployment. Whether the wearable-maker sells via e-commerce or retail channels, enablement is seamlessly integrated into manufacturing and distribution processes. From tiny accessories like rings to large articles of clothing like coats, virtually any piece of fashion wear can be outfitted with a chip and enabled with payment functionalities. In ABN Amro's campaign, chips from Infineon, Gemalto, NXP and Idemia are embedded into a range of wearables and certified for EMVCo tokenisation.

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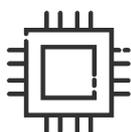
The market-leading wearable payment and multi-application product SECORA™ Pay W from Infineon and the DIGISEQ provisioning and management platform create a seamless customer journey ranging from service enablement to wearable-based purchases.

I am honoured to see Infineon's solutions used in such prestigious and value-adding flagship project. It shows the flexibility and ease of use of our SECORA™ Pay W for Smart Payment Accessories (SPA) products in multiple applications and I am looking forward to supporting more of those interesting showcases as we move towards high-volume projects.

**Björn Scharfen, Head of Payment & Wearables  
Infineon**

## DIGISEQ is **PCI CP** compliant.

From data preparation & delivery into the smart NFC chips embedded within devices to requesting tokens from Mastercard, DIGISEQ fulfils the entire provisioning process. This allows us to work with any Mastercard approved chip and operating system, which translates to cost-savings and flexibility for wearable makers.



# Be Payment Ready

We currently support over 100 different devices of various designs and sizes.

Here are some of the brands we support in ABN Amro's campaign:

MONDAINE®  
Swiss Watch



LAKS



 Ring



OLYMPIC 



Terrie Smith, CEO of DIGISEQ said, "We envision functional wearables as the future of fashion technology and recognise the consumer need to have a freedom of choice to make personal fashion statements. Over the past 4 years, we have worked with the biggest names across multiple sectors the likes of Mastercard and Infineon to create our industry-leading payment solution. As the world's first passive device enabler of tokens, we have designed our solution to scale - we strive to provide the underlying technology that underpins an abundant marketplace of payment wearables. With our unique provisioning platform breaking ground in other use cases like provenance, this is only the beginning..."

The demand for diversity in wearable tech presents countless opportunities for wearable-makers and banks. DIGISEQ supports brands to fill in this market gap with a scalable, quick-to-market solution and helps banks enhance their customers' experience. Banks can speak to their Mastercard account manager to be an issuer onboard DIGISEQ's platform and gain access to the myriad of brands selling quality accessories.

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At Mastercard, we are constantly seeking to innovate in the payment space, and we know consumers have an expectation of convenient and seamless payment options. We're delighted to work with DIGISEQ to take payment-enablement beyond smart watches, to a wide variety of passive devices including rings, bracelets and bands. This provides consumers with endless choices for fashion and convenience whilst providing banks a unique way to bring value to their customers, with the confidence of secure and trusted payments.

**Caroline Casey**  
Vice President  
Innovation, Partnership & Labs  
Mastercard

Keen to be a payment-enabled  
wearable-maker or an issuing bank?  
Get in touch with us today.

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