



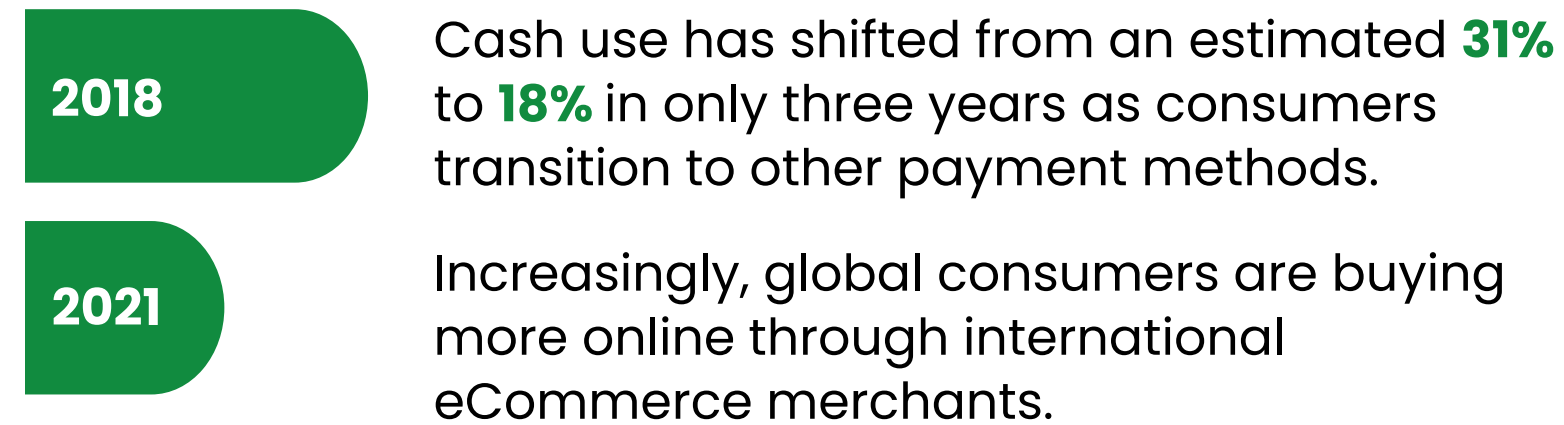
April 2023

# **The Untapped Potential of JCB: The Massive Asian Market**

# Global Payments Industry Outlook

## SHIFTING PAYMENT TRENDS

The COVID-19 pandemic altered the way consumers pay for goods and services globally.



## GLOBAL PAYMENTS ARE THRIVING

Payments volumes globally have largely recovered from the slowdown of the pandemic.

The elevated role of eCommerce transactions is most important during this recovery. Global eCommerce payments have grown nearly 500% faster than all other payment volume over the past two years.



**Global eCommerce payment volume has grown 500% faster than ALL payment volume since 2019**

# Global Payments Industry Outlook

## INTERNATIONAL TRAVEL IS STRENGTHENING



International travel  
traffic rose

**325%**

in May 2022\*



Asia-Pacific travel  
traffic rose

**492%**

in June 2022\*

\*compared to the previous year

**International travel is expected to exceed growth estimates as the world continues to recover from the pandemic**

While global travel restrictions have loosened considerably, one notable exception is China which continues to retain its pandemic travel restriction protocols.

These continued travel restrictions are the primary reason international travel figures lag pre-pandemic levels.



# Global Payments Industry Outlook

## APAC TRAVEL RECOVERY IS WELL UNDERWAY



**Annual spending in the U.S. from international visitors reached \$81 BILLION in 2021 with more room to grow**

As global travel begins to return to normal, one of the most significant prospects for international businesses will be the opportunity to serve travelers from the APAC region who are still emerging from varying degrees of lockdown.

Of surveyed international travelers from Asia, travelers from Japan, China, and South Korea indicated they are very interested in travel to the U.S.



**39%**



**45%**



**50%**

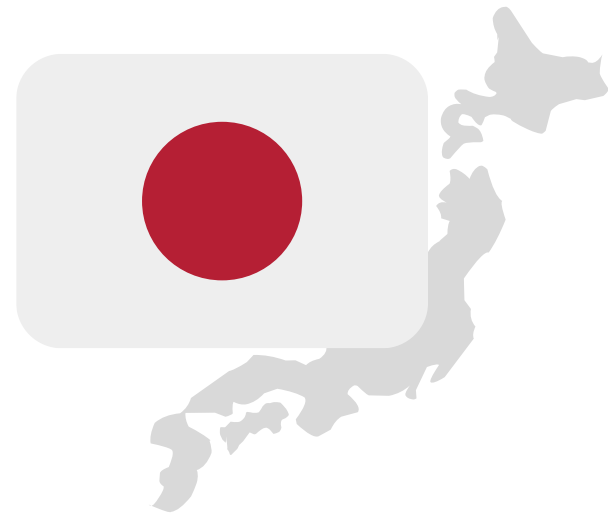


**52%**

# Global Payments Industry Outlook

The U.S. receives **~40 MILLION** overseas travelers a year, with many of these travelers originating from countries within the APAC region.

In 2019, the four countries with the largest number of inbound travelers destined to the U.S. were responsible for **~\$70 BILLION** annual economic activity:



Japan

**11,500,000**

**Annual Overseas Travelers  
(2032 Estimate)**



China

**10,500,000**

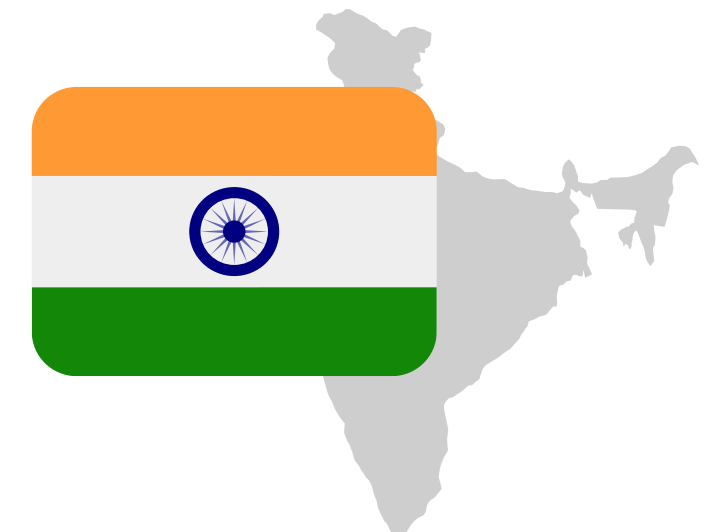
**Annual Overseas Travelers  
(2032 Estimate)**



South Korea

**5,100,000**

**Annual Overseas Travelers  
(2032 Estimate)**



India

**4,400,000**

**Annual Overseas Travelers  
(2032 Estimate)**



# Payment Networks, JCB, and the Tourism Boom

## WHAT IS A PAYMENT NETWORK

**A payment network is** an electronic network maintained by a small group of entities that exchanges data relating to the value of card sales and credits between issuers and acquirers, serving as an intermediary between the acquiring and issuing sides.

Authorizations pass between merchant, acquirer, and issuer. Payment is settled through the network between the issuer and the acquirer via the sponsor bank.

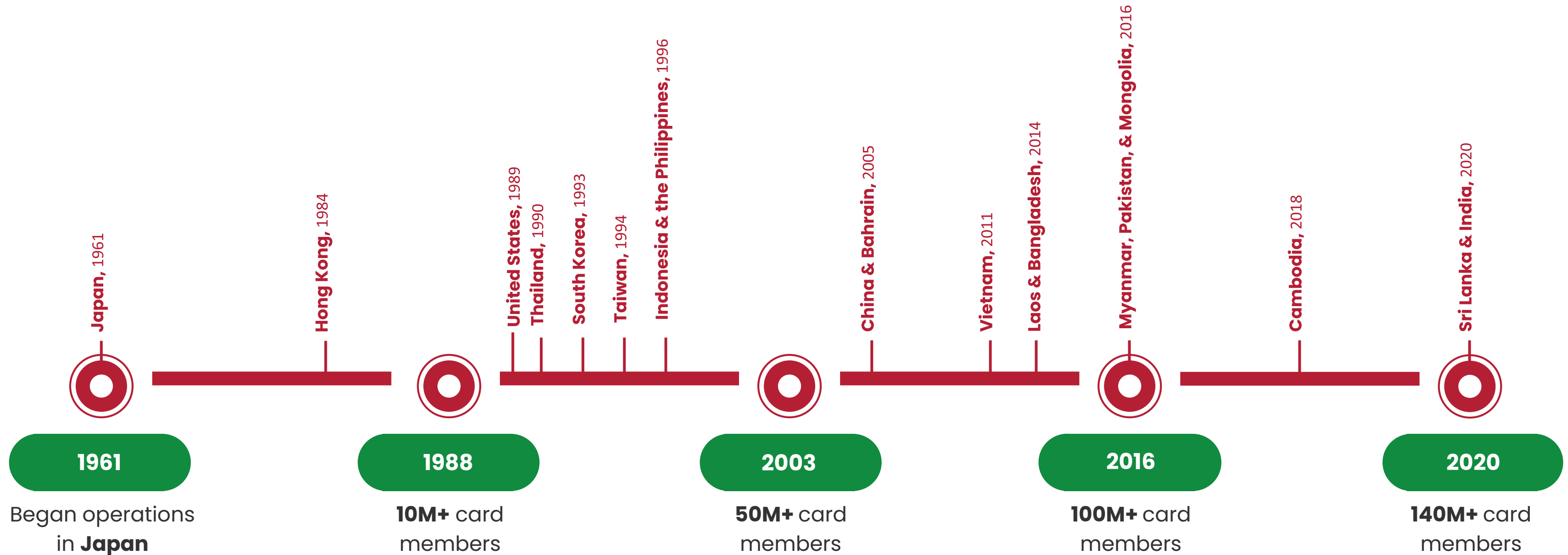
## WHY DOES IT MATTER

While Visa, Mastercard, Discover, and American Express are ubiquitous and known across North America and Europe as the major payment networks, in the APAC region, other international and universally accepted payment networks have dominance as the familiar first choice of payment for consumers.

Most notably, **payment networks such as JCB are the familiar first choice of payment method for consumers** – no matter where in the world these Asian consumers find themselves.



# History of JCB Growth



## THE ORIGINS OF JCB

The **Japan Credit Bureau** (JCB) was founded in 1961 and began issuing cards later that year. Over the next sixty years, JCB has been at the forefront of innovation in international payment acceptance. JCB continues to be a global juggernaut, from being an early adopter of the credit card point reward program in the late 1970s and an early issuer of contactless cards in 2007.

# History of JCB

## THE GROWTH OF JCB

JCB has grown substantially over the past six decades, expanding as a card issuer in most countries within the APAC region and becoming an outstanding payments giant with millions of accepting merchants in 150 countries.

- |                   |                  |                    |
|-------------------|------------------|--------------------|
| <b>Japan</b>      | <b>India</b>     | <b>Philippines</b> |
| <b>Bahrain</b>    | <b>Indonesia</b> | <b>South Korea</b> |
| <b>Bangladesh</b> | <b>Laos</b>      | <b>Sri Lanka</b>   |
| <b>Cambodia</b>   | <b>Mongolia</b>  | <b>Taiwan</b>      |
| <b>China</b>      | <b>Myanmar</b>   | <b>Thailand</b>    |
| <b>Hong Kong</b>  | <b>Pakistan</b>  | <b>Vietnam</b>     |



**+21%**

**Cardmember Growth**  
2017 - 2021

**+30%**

**Merchant Growth**  
2017 - 2021



# Why should you partner with JCB?

## EXPANSION OF REACH

Accepting **JCB** allows access to unique demographics across the rapidly growing and developing APAC region.

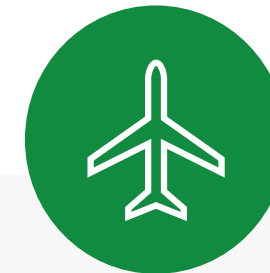
### *THESE CARDHOLDERS:*



Are among an **affluent upper-income** bracket of global consumers traveling abroad often.



Have an average ticket size **double the amount** of the average domestic credit card holder.



Are often held by the **tens of millions** of **tourists** who travel annually to the U.S. from APAC countries where JCB cards are issued.

# Why should you partner with JCB?

## THE POWER OF CHOICE

Global consumers are becoming **increasingly frustrated** as merchants expect them to conform to foreign payment methods that they lack experience using – leading to a substantial risk of lost sales.

**In a separate study, 59% of surveyed consumers indicated they would abandon their shopping cart if their preferred payment method was unavailable at the point of sale.**

**JCB** has committed to designing their international payment infrastructure to allow the payment experience for the cardmember to be the same whether they're conducting a transaction in Japan, the United States, or across Europe.

Merchants who force these consumers to use domestic payment options run the risk of creating sales impairment as these international consumers often exclusively seek merchants that allow them to pay in a way familiar to them.

# Why should you partner with JCB?

## THE VALUE TO CONSUMERS



Simply displaying the JCB logo at checkout has influenced merchants' payment volume directly. **Websites which post the JCB logo at checkout tend to have greater JCB sales volume.**

In a JCB study of eCommerce merchants, adding the JCB logo to their websites increased sales volume in a month **by 50%!**

### Cardmembers are incentivized to use their JCB cards often

- With **3,500+ merchant special offers** and promotions globally publicized by JCB, leading to more frequent repeat purchases.
- JCB partners with some of the largest businesses in the world and promotes them successfully to JCB's APAC cardmembers base.



# Why should you partner with JCB?

## THE EASE OF JCB IMPLEMENTATION

### JCB and Discover in the US

- Offering merchants a **one-stop solution** for attracting more customers
- The bin range for JCB Card acceptance is included with the Discover Network agreement
- JCB transactions are managed as Discover transactions

### Multi-Currency Settlement Service

- JCB merchants offering multi-currency\* settlement benefit from reduced costs from foreign funds transfers and currency exchange, while consumers outside of the United States know exactly what their final price is in their own currency at the time they make their purchase.

### Security Measures

- As the speed and scope of payments increase, JCB constantly monitors the changes and challenges that we face in keeping our customers up to date with the international community with secure solutions.
- **EMV compliant chip card**
  - Contactless
  - 3DS
  - Majority of terminals in the US are JCB certified



*\*Available currencies may vary. Please check with JCB Account Manager or your acquirer for details.*

# Partner with JCB Today

**150M+** cardmembers

**18+** countries & regions

*Including Japan, China, India, South Korea, & Taiwan*

JCB is accepted **where Discover is available** in the US



Many merchants don't ask their merchant service provider about accepting JCB cards because they're unaware of JCB. Now that you know of JCB,

***Why Wouldn't You Accept?***

**CONTACT US TODAY**

to make sure you're enabled and ready to take JCB

