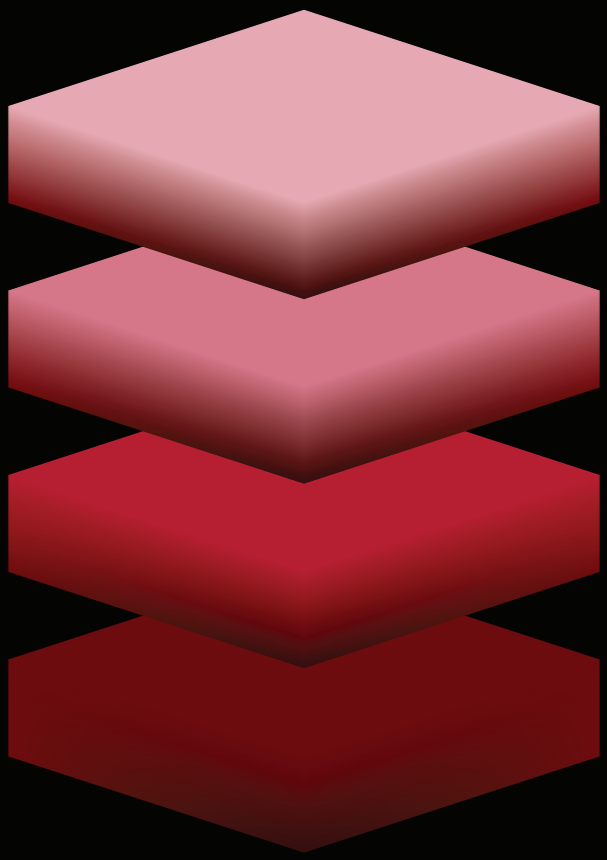
FSS
POWERING PAYMENTS

Reimagining Payments
[THE PLATFORM WAY]



WHITEPAPER

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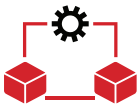
What is a Technology Platform?

Technology platforms are like the building blocks of today's coolest inventions. Think of them as the foundation on which new tech, processes, websites and apps are built. They're a starting point, offering all the tools and services needed to create the next big thing.

Technology platforms are like different species, evolving from hardware, software, or a mix of both. They are also not specific to any particular industry; they cater to various sectors and can be tailored to the needs of different types of audiences.

So, what makes these platforms tick?



Infrastructure

This is the backbone, the physically visible parts like servers and the not-so-visible but equally there parts like the software, which come together to make everything run smoothly. Nowadays, cloud computing and microservices architecture are becoming the go-to for technology platforms, offering a flexible and affordable solution.

Services

Platforms are like a one-stop shop, offering data storage, processing, analytics, communication, security, and more. They're all accessible through APIs, which are like the platform's secret language that developers can use to tap into its powers.

Tools

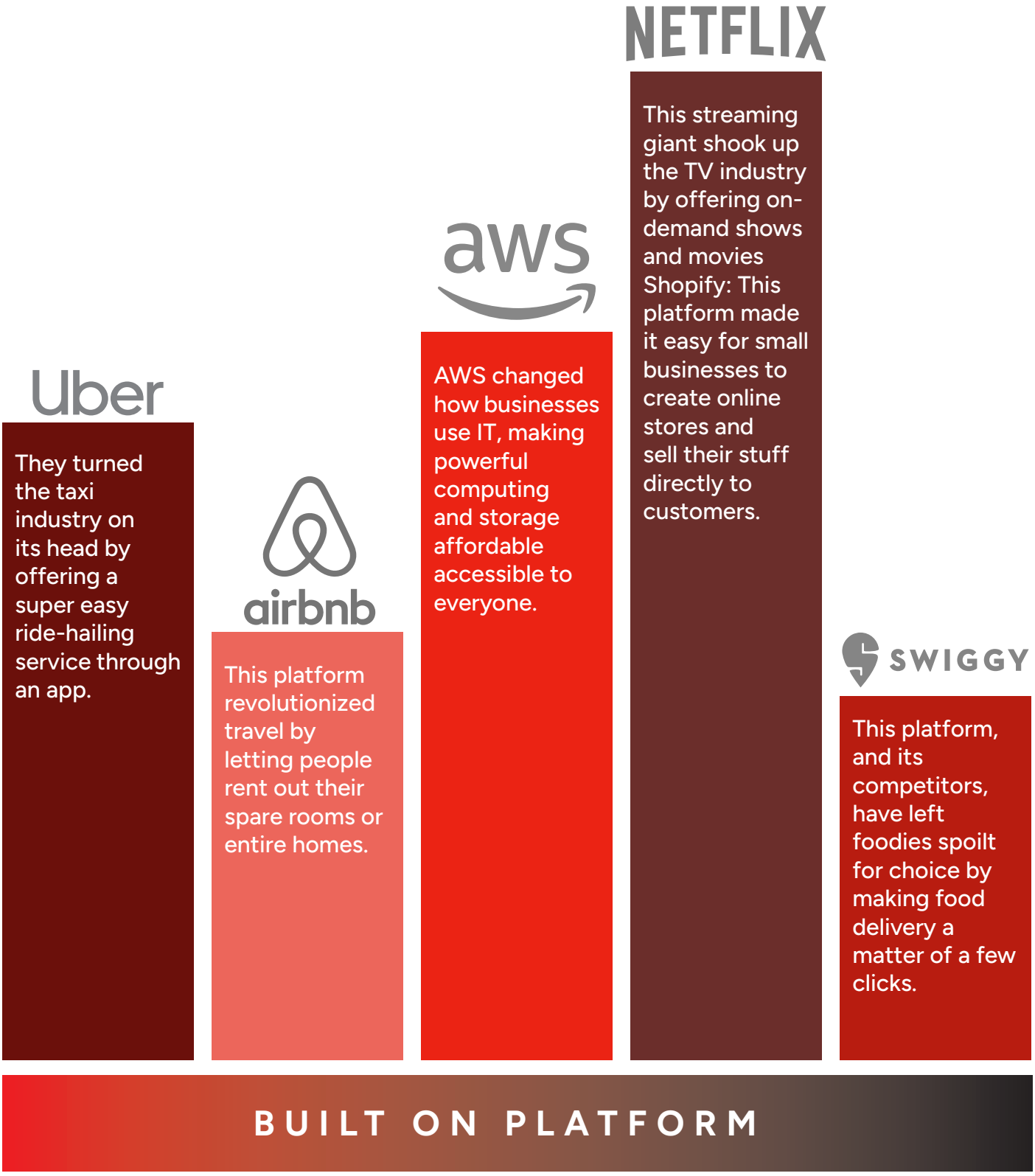
Platforms often have ready-made tools, code libraries, and frameworks that make building apps and products a breeze. They usually also have testing tools and tutorials to help developers get started.

Community

A thriving community of developers, users and partners is key to a platform's success. They provide feedback, support and create new products and services to help the platform grow.

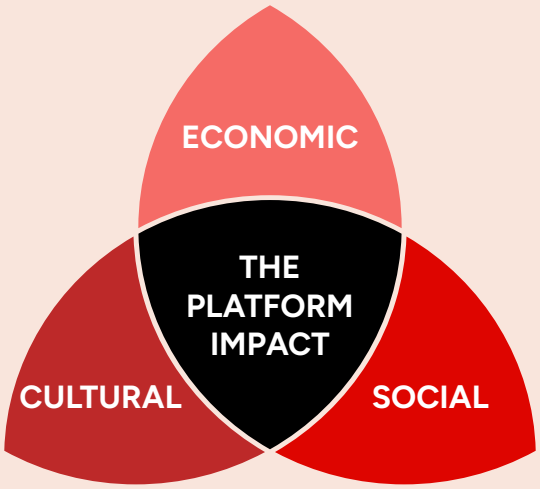
Technology platforms that have changed the game

Disruptive platforms are the rebels of our modern world, shaking up traditional ways of doing things and creating entirely new markets. They're like trailblazers, using new technologies and offering something better to customers.



But what's the big deal?

Are technology platforms really a big deal? Yes, they are, because they have a huge impact on businesses, consumers and society as a whole.



- **Economically:** While on the one hand, technology platforms help create new jobs and industries, on the other hand, they also make businesses more efficient. Think of all the people working now as delivery partners for online food and groceries delivery businesses. These jobs didn't exist earlier, the same way the facility for businesses to take instant data-driven decisions didn't exist.

- **Socially:** Technology platforms have changed how we connect with each other, share ideas and consume news. Think of dating apps that help us find our way out of loneliness, and maybe even our life partners. This was not possible earlier, the same way it was not possible to get news as and when it happened and not on the next day.

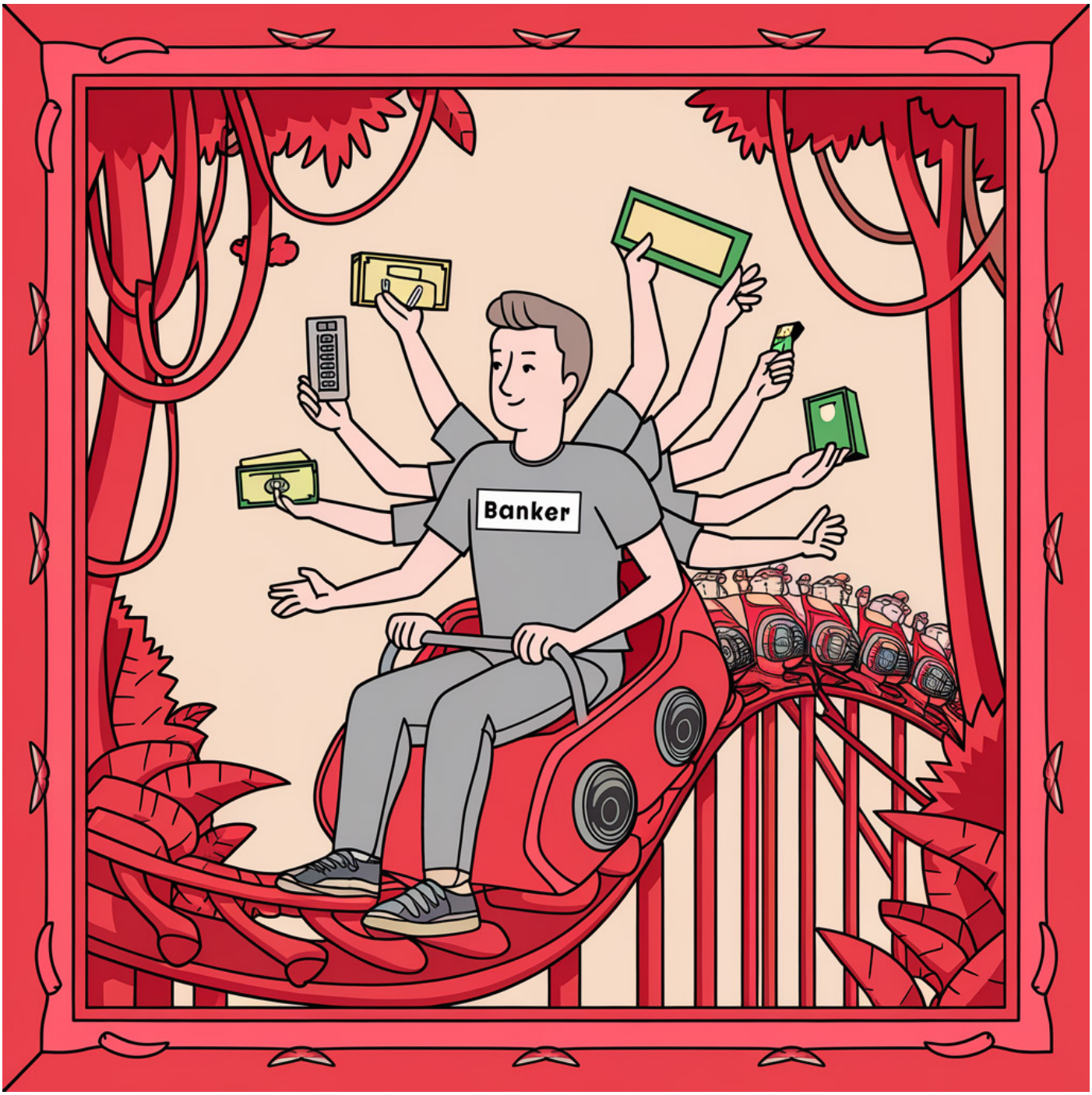
- **Culturally:** They've given us new ways to enjoy entertainment and express ourselves. Think of watching shows and movies on streaming platforms, as and when you want. We couldn't do that earlier, the same way we couldn't share our lives with the world before the advent of social media platforms.

Technology never stops evolving, and neither do platforms. New tech like Artificial Intelligence, Blockchain and the Internet of Things (IoT) are set to create the next generation of platforms. These platforms will be smarter, more connected and even more tailored to our individual needs.

Which brings us to the payments industry. While technology platforms have been the engines of modern innovation, the one industry that has yet to be disrupted is the payments industry.

We believe that payments is the next big frontier for technology platforms. The payments industry has built so many products and services that are changing the way we transact. With the right kind of platform, these products and services can keep advancing and shape the future of the financial industry and the lives of consumers.

Payment processing challenges:
A bank's wild ride through the Digital Jungle



Picture this: You're a bank, juggling millions of transactions every day, each with its own quirks and complexities. Sounds like a wild ride, right? Welcome to the world of payment processing, where banks face a series of hurdles that would make even the most seasoned explorer break a sweat.

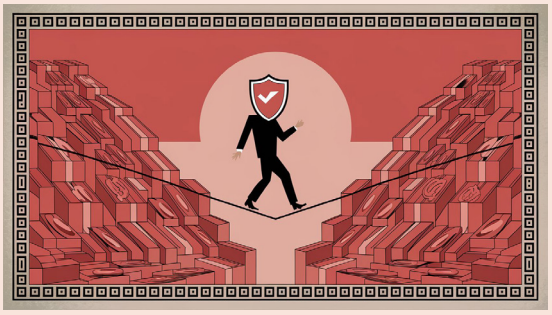
The old tech tango: When legacy systems struggle to keep up

Remember that old flip phone you had back in the day? It probably couldn't handle the apps and features of your sleek new smartphone. Well, banks often feel the same way about their legacy systems. These outdated platforms were designed for a simpler era, long before online shopping, mobile payments, and cryptocurrencies became the norm.

Trying to process today's massive volume and variety of transactions on these old systems is like trying to fit a square peg into a round hole. It's slow, error-prone, and incredibly frustrating. It's like trying to run a marathon in those old flip-flops – you might make it to the finish line, but it won't be pretty.

Banks with these legacy systems often experience delays, glitches, and even system crashes, which are a nightmare for both the bank and its customers. It's like trying to navigate a busy city with a map from the 1950s – you're bound to get lost and frustrated.

The cybersecurity tightrope: A constant battle against hackers



With more and more transactions happening online, banks are constantly walking a cybersecurity tightrope. Hackers, fraudsters and cybercriminals are lurking around every corner, trying to steal sensitive data and cause mayhem. It's like a never-ending game of cat and mouse, where the stakes are incredibly high.

Banks invest heavily in cybersecurity measures, like encryption, strong authentication, and constant monitoring. These measures are a 24/7 security detail for your financial information, scanning for threats and keeping the bad guys out.

But even with these precautions, breaches can still happen. And when they do, the consequences can be devastating. Customer trust is shattered, financial losses mount, and the bank's reputation takes a hit. It's like a domino effect, where one security lapse can trigger a chain reaction of negative outcomes.

The regulatory maze: Navigating a labyrinth of rules

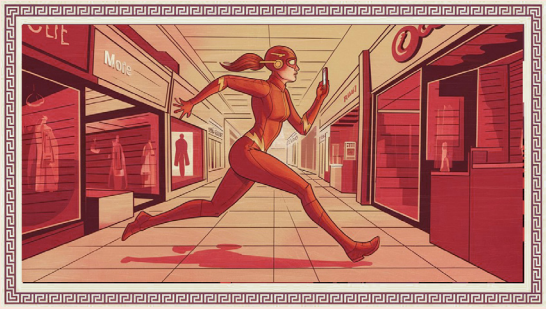
Imagine trying to navigate a maze blindfolded, with the rules constantly changing. That's what banks face when it comes to payment processing regulations. The financial industry is one of the most heavily regulated sectors, and for good reason. These regulations are designed to protect consumers, prevent fraud, and maintain the stability of the financial system.

But complying with these regulations is no easy feat. The rules are complex, often overlapping,

and constantly evolving. Banks need dedicated compliance teams to keep up with the changes and ensure they're not breaking any laws. It's like having a lawyer on speed dial, ready to answer any legal questions that arise.

Failing to comply with these regulations can have serious consequences for banks. They could face hefty fines, legal action, and even lose their license to operate. It's like playing a game of Jenga, where one wrong move can bring the whole tower crashing down.

Meeting the modern consumer: The demand for speed and convenience



In today's fast-paced world, consumers expect everything to be instant and convenient. That includes payments. They want to tap their phones to pay, send money to friends in seconds, and get real-time updates on their transactions.

But meeting these expectations is a challenge for banks. They need to invest in modern technology, offer innovative payment solutions like mobile wallets and contactless payments, and provide excellent customer service across all channels.

If banks can't keep up with these demands, they risk losing customers to more agile and innovative competitors from the startup space. It's like a race where the finish line keeps moving, and you have to constantly adapt to stay in the game.

Crossing borders and currencies: The complex dance of multiple payments

Think about how easy it is to order something online from another country. But behind the scenes, banks are working hard to make those cross-border payments happen smoothly. It's like a complex dance involving different currencies, exchange rates, and international regulations.

Cross-border payments can be slow, expensive, and complicated. They involve multiple intermediaries, which can add to the cost and time it takes to process a transaction. It's like sending a package overseas, where it has to go through customs and multiple checkpoints before it reaches its destination.

Banks are exploring new technologies like blockchain to streamline cross-border payments, making them faster, cheaper, and more transparent. It's like building a tunnel under the ocean to connect different continents – a faster and more efficient way to travel.

Data deluge and analytical adventures: Turning data into gold

Imagine a tsunami of data washing over you every single day. That's what banks are dealing with when it comes to payment processing. Each transaction generates a wealth of information, from customer details to spending patterns to location data. It's a treasure trove of insights, but it can also be overwhelming.

Banks need to figure out how to manage this data deluge effectively. They need to store it securely, organize it efficiently, and analyze it to gain valuable insights. It's a giant library where you need to find the right book among millions.

But here's where things get exciting. With the right tools and expertise, banks can unlock the power of this data. They can use it to identify trends, personalize customer experiences, detect fraud, and even predict future behavior.

For example, if a bank notices that a customer frequently makes international payments, they could offer them a special travel rewards credit card or provide them with information about currency exchange rates. It's like having a concierge who anticipates your every need.

Operational efficiency
The well-oiled machinery behind the scenes

You know how a car needs all its parts to work together seamlessly to run smoothly? Well, the same goes for payment processing. It's a complex machine with many moving parts, and if one part breaks down, the whole system can grind to a halt.

Banks need to make sure their payment processing operations are as efficient as possible. This means automating repetitive tasks, streamlining workflows, and integrating different systems. It's like having a pit crew that can change tires in seconds and keep the car running at peak performance.

If a bank's operations are inefficient, it can lead to delays, errors, and frustrated customers. It's like trying to drive a car with a flat tire – it's not going to get you very far.

The Changing Landscape

New players and technologies disrupting the game

The payments landscape is constantly evolving, with new players and new technologies emerging all the time.

Fintech companies are disrupting the traditional banking model by offering innovative payment solutions that are faster, cheaper, and more convenient. It's like a new species of animal entering the jungle and shaking things up.

Banks need to keep up with these changes or risk being left behind. They need to embrace new technologies, partner with fintech companies, and find ways to differentiate themselves from the competition. It's a race where the rules keep changing, and you have to be agile and adaptable to stay ahead.

The future of payments: A brave new world of possibilities

Imagine being able to pay for your groceries with a simple wave of your hand or sending money to someone with just a thought. These are the kinds of innovations that could become a reality in the not-so-distant future.

But with these new technologies come new challenges. Banks will need to figure out how to integrate these technologies into their existing systems, ensure their security, and comply with evolving regulations. While the road ahead for banks is filled with both challenges and opportunities, they need to adapt to the changing landscape, embrace new technologies, and find innovative ways to meet the evolving needs of their customers. It's a journey filled with twists and turns, but those who are willing to embrace change will thrive.

It's a delicate dance, but one that banks must master if they want to remain relevant in the digital age. To stay competitive, banks need to partner with innovative platform companies, adopt their technologies, and find ways to differentiate themselves. They need to think outside the box and offer customers something unique and valuable that they can't get from a fintech company.

In the end, the most successful banks will be those that can embrace change and find ways to innovate while still maintaining the highest levels of security and compliance. It's a challenging but exciting time to be in the banking industry, and the possibilities for the future of payments are endless.

Embracing the future: A collaborative approach

To navigate the complex and ever-changing landscape of payment processing, banks need to adopt a collaborative approach. This means partnering with fintech companies, technology providers, and other stakeholders in the payments ecosystem.

Payment processing is a critical function for banks, but it's also one of the most challenging. By working together, banks can leverage their collective expertise and resources to develop innovative solutions, enhance security measures, and improve customer experience. This collaborative approach can also help banks stay ahead of the curve and adapt to emerging trends and technologies.

The Need for Platform Technology in Payments

Now that we've understood what platform technology is and what are the challenges faced in payments processing. It's time to marry both. Can platforms technology solve the concerns that payment processors face?

Platform technology has emerged as a transformative force in the modern business landscape. It refers to a digital infrastructure that facilitates interactions and transactions between multiple parties, often connecting producers and consumers in innovative ways.

Advantage 1
Economies of Scale

For the payments industry, platform technology can empower businesses to achieve significant economies of scale, a crucial factor in driving growth and competitiveness.

Shared resources

- **Payment infrastructure:** Payment platforms provide a common infrastructure, including payment gateways, fraud detection systems, and compliance tools, that multiple financial institutions and merchants can utilize. This eliminates the need for each entity to invest heavily in building and maintaining their own complex payment infrastructure, reducing upfront costs and spreading ongoing maintenance across a larger user base.

- **Expertise and talent:** Payment platforms attract a pool of experts in payments, security, and regulatory compliance. Businesses can leverage this specialized knowledge and expertise without having to hire and manage an extensive in-house team, leading to cost savings and access to cutting-edge payment solutions.

Efficient matching

- **Transaction routing:** Payment platforms utilize sophisticated algorithms and real-time data analysis to intelligently route transactions through the most efficient and cost-effective channels. This optimizes processing costs, reduces transaction fees, and ensures faster settlement times.

- **Smart payment routing:** Platforms can implement smart routing solutions that dynamically select the best payment provider based on factors like cost, acceptance rates, and risk profile. This maximizes transaction success

rates and minimizes processing costs for merchants

Streamlined processes

- **Automated reconciliation:** Payment platforms automate the reconciliation process, matching incoming payments with corresponding transactions and accounts. This eliminates the need for manual reconciliation, reducing errors, saving time, and freeing up resources for other critical tasks.

- **Standardized APIs:** Platforms offer standardized APIs (Application Programming Interfaces) that allow easy integration with various payment methods, merchant systems, and accounting software. This simplifies the onboarding of new merchants, streamlines payment processing, and improves overall operational efficiency.

Global reach

- **Cross-border payments:** Payment platforms facilitate cross-border payments by connecting to a global network of financial institutions and payment processors. This enables businesses to accept payments from customers worldwide in their local currencies, expanding their reach and unlocking new revenue streams.

- **Currency conversion:** Platforms often integrate with currency exchange services, enabling seamless currency conversion for international transactions. This simplifies the payment process for both merchants and consumers and eliminates the need for manual currency conversion.

Innovation ecosystem

- **Value added services:** Payment platforms provide a platform for third-party developers to create innovative value-added services, such as loyalty programs, fraud prevention tools, and data analytics solutions. This expands the platform's functionality and attracts a wider user base of merchants and consumers.

- **Open banking:** Platforms embrace open banking initiatives, allowing secure access to financial data and enabling the development of new financial products and services. This fosters collaboration between financial institutions, fintech startups, and other stakeholders, driving innovation and improving the overall payment ecosystem.

By leveraging these capabilities, payment platforms create a powerful engine for economies of scale in the payments industry. They empower financial institutions and businesses to leverage shared resources, optimize transaction routing, streamline processes, expand globally, and foster innovation, ultimately leading to reduced costs, increased efficiency, and accelerated growth in the rapidly evolving digital payments landscape.

Advantage 2
Scalability

There is a struggle going on in the payments landscape. On a daily basis, new finance firms arise, each one equipped with slick user interfaces and cutting-edge functionality. Due to the load of legacy infrastructure, traditional banks and payment processors are having difficulty keeping up with the times.

In terms of scalability, this is where platform technology comes into play, providing a powerful weapon that can liberate banks from limits and catapult them to new heights.

The monolithic maze is a nightmare for scalability professionals.

Traditional payment methods are often built on monolithic constructions, reminiscent of complex fortifications. The addition of features or the incorporation of new payment methods is akin to the construction of a totally new wing; it is a procedure that is both laborious and prolonged. This rigidity provides a chokehold on expansion, which hinders payment processors in several different ways, including the following:

- **A wall against market expansion:** Around the world, regulations and customer preferences are drastically different from one another. A monolithic system has a difficult time adapting to these variations, which hinders a bank's capacity to access lucrative international markets.

Platform power: A marvel of modular development

Platform technology provides a transformative method of implementation. Consider a huge city in which every building performs a distinct purpose while simultaneously integrating with the other structures in a seamless manner. This is the core of what a payment platform is all about.

It is possible to accomplish the following by decomposing core functionalities into independent components, similar to the modules that make up a city:

- **Rapid development**, the process of adding features or integrating new payment methods is like building a new bakery in the city. It is a process that is both swift and targeted, and it does not disturb the services that are already in place.
- **Unmatched flexibility:** New payment methods or services may be easily plugged into the platform, which enables banks to accelerate their ability to adapt to developing trends and the demands of their customers.
- **Minimal investments:** There is no longer a requirement for significant initial investments in hardware when using cloud-

based systems, which results in cost-effective growth. As a result, businesses only pay for the resources that they actually employ, scalability is an expensive task.

Cloud computing: The most powerful scaling engine available

There are numerous platforms that make use of the power of cloud technology, which introduces an additional layer of advantage:

- **On-demand scalability:** With cloud infrastructure, it is possible to automatically scale resources up or down according to the requirements of the situation. During times of high demand, the platform is able to extend its capacity without any disruptions, ensuring that operations run smoothly. On the other hand, during times of lower activity, resources can be reduced, which brings about cost optimization.

- **Always available**: Cloud service providers offer comprehensive disaster recovery solutions, which help to reduce downtime and ensure the continuity of business operations. It is possible for the platform to replicate and restore services in another location, ensuring that payments continue to flow even in the event that a physical server fails.

- **Extended security:** It is common for cloud platforms to come equipped with a full set of security measures, which may include encryption, intrusion detection, and access controls. It is because of this that payment businesses are able to comply with severe industry requirements and protect sensitive customer data.

- **Robust reliability:** Cloud platforms are capable of handling vast transaction volumes without compromising performance because of their built-in resiliency and failover mechanisms that safeguard against failures. So, if one component goes down, the platform can seamlessly route transactions to alternative channels and prevent disruptions.

Because the future is scalable, banks should take use of the platform advantage. The environment of payments requires a high level of agility, flexibility, and the capacity to respond to the constantly shifting dynamics of the market.

Technology that is based on platforms provides payment processors with the capabilities they require to not only survive but also thrive. They have the potential to achieve explosive growth, overcome obstacles related to scalability, and establish themselves as the preeminent powers in the payments industry of the future.

Advantage 3
Faster GTMs

The landscape of payments is like participating in a high-octane race. For payment processors, the rapid emergence of new technologies and demands from customers forces them to shift gears and speed up their innovation processes. Platform technology acts as the ultimate pit crew, providing a powerful engine to supercharge the go-to-market times (GTMs) of payment processors. This is where it comes into play.

A bottleneck on the innovation highway is the traditional general-purpose vehicles. Traditionally, the process of introducing new payment options was much like navigating a winding and confusing backroad. Individualized development was necessary for each and every integration with acquiring banks, gateways, and merchants. This time-consuming procedure resulted in:

- **Long development cycles:** Months, and sometimes even years, could be spent hammering out proprietary code, which would delay product introductions and cause valuable market windows to be missed.

- **High costs:** Every integration point turns into a financial toll booth, which resulted in a drain on resources and a barrier to scalability.

- **Integration headaches:** Each link was a one-of-a-kind puzzle that requires specialized expertise and ongoing maintenance, which diverts attention away from coming up with innovative solutions.

When it comes to speed, platform power comes to the rescue with pre-built infrastructure. The platforms that process payments are the ones that change the game. Instead of the custom-built backroads that were common in the past, they provide a pre-built highway system that comes replete with pre-existing lanes for the purpose of facilitating essential integrations. As a result, this results in a number of significant benefits:

- Platforms remove the necessity for heavy code from scratch, which results in a reduction in the amount of time to develop a product. You may think of it as pre-fabricated bridge parts; all you have to do is slot them into position. This enables banks and payment processors to dramatically shorten the development cycles and free up resources so that you can concentrate on features that bring value.

- Integrations become streamlined, which is similar to having well-marked exits and on-ramps when you have pre-built connectors with acquiring partners, gateways, and merchants. It is not necessary for processors to engage in complicated, bespoke development in order to establish a seamless connection to the various components of the payment

ecosystem.

- Platforms offer a consistent framework for managing a variety of payment methods, which is analogous to standardized traffic indicators positioned throughout the network. Processors can handle their complete payment flow with higher efficiency as a result of this simplification of operations and maintenance.

Additionally, platform-powered GTMs offer a wider range of advantages than just speed. One big factor is the first-mover advantage: A quicker time to market enables processors to capitalize on emerging trends before their competitors, hence establishing a pole position in the competition for market share.

Platforms also enable processors to respond quickly to changing client wants and industry laws, which makes them nimble enough to traverse unforeseen curves in the road. This makes platforms an important component of enhanced agility.

The toolkit for quick GTMs is one of the main features of platform technology. In the same way that a well-equipped pit crew is stocked with tools that are expressly meant to speed GTMs, payment processing platforms incorporate the following capabilities:

- The APIs serve as the communication route for the staff, making it possible for processors to quickly integrate with a variety of payment ecosystems through the utilization of established protocols. This facilitates connections that are both quicker and more efficient.

- Functionalities that require little or no coding can be thought of as tools that are already configured in the pit box. In order to facilitate faster product adaptations, processors have the ability to customize features and capabilities without requiring considerable coding experience.

- Pre-built compliance tools are similar to pre-approved safety tests, and they assist processors in meeting standards in various markets without requiring them to reinvent the wheel. This saves processors important time and resources.

- Modular architectures are created with modular components, which enables processors to pick and choose the functions they require, similar to how a crew chief chooses the appropriate equipment for the undertaking. This ensures that the approach is streamlined, concentrating development resources on the fundamental features.

GTM plans are undergoing a revolution as a result of payment processing platforms, which are transforming the launch process from a tedious and laborious journey into a high-speed race. The development of platform technology will result in the emergence of increasingly more advanced features and capabilities, which will further accelerate payment processors towards speedier GTMs.

In the ever-changing payments market, this enables banks and payment processors to maintain a competitive advantage, consistently innovate, and ultimately solidify their position as frontrunners in the industry.

Advantage 4
Frictionless Innovation

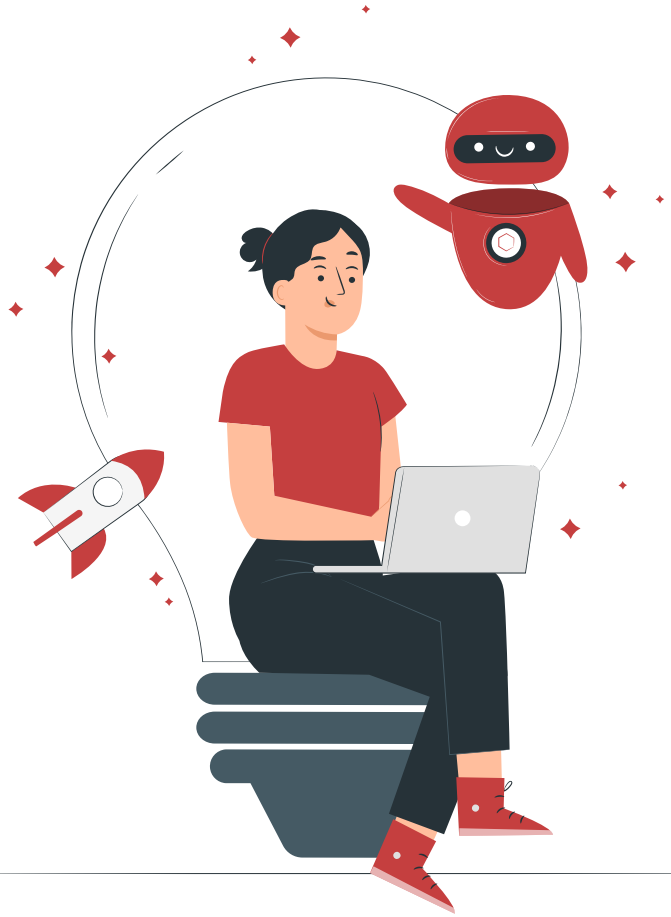
Currently, the landscape of payments is undergoing a remarkable transition. Increasingly, customers are demanding payment experiences that are not only quicker but also more convenient and safer. In order to keep up with the competition, payment processors need to be flexible and creative. These are the situations in which platform technology comes into play, serving as a launchpad for innovation that is frictionless.

To enable frictionless innovation, payment processors can leverage platform technology in a number of different ways, including the following:

- **Rapid integration of new technologies:** As innovation accelerators, platforms are quite useful. Tokenization, real-time payments, and open banking are examples of developing technologies that they offer pre-built interfaces and functionality for. Because of this, processors are able to rapidly incorporate these advances into their products and services without having to begin from scratch. Consider the possibility of a platform that already contains modules for a variety of security protocols. Processors can easily select the modules that are pertinent to their systems and incorporate them into their operations, which considerably reduces the amount of time required for the development of new security features.

- **Reduced time and money spent on development:** Features such as user authentication, fraud detection modules, and shopping cart connections are examples of the pre-built features that platforms allow for. This significantly cuts down on the amount of time and resources that are required for processors to build new payment solutions. Instead of creating everything from the ground up, processors can take advantage of the functionality offered by platforms and direct their resources toward innovation. It is because of this that they are able to experiment with new features and respond more quickly to changes in the market.

- **Openness and working together:** By supplying APIs and developer tools, platforms help to cultivate an open ecosystem. Processing companies are able to work together with fintech startups and other stakeholders as a result of this. A platform that allows developers from multiple firms to access shared resources and features is something that you should imagine. This collaboration has the potential to result in the co-creation of novel payment solutions that serve to satisfy certain market requirements. An example of this would be a processor working along with a startup that specializes in artificial intelligence-powered fraud detection to design a fraud prevention solution that is the best in



its class.

- **Scalability as well as flexibility:** Through their inherent scalability, platforms make it possible for processors to quickly accommodate increases in both the volume of transactions and the number of users. In addition, platforms have the flexibility to tailor solutions to the specific needs of various market groups and geographical areas. Processors are able to take advantage of the main functionality of the platform while simultaneously developing bespoke features on top of it to meet the requirements of individual customers. Because of this, they are able to provide individualized solutions to merchants in a variety of markets without having to make large adjustments to their infrastructure.

- **Data-driven product development:** Insights derived from data can be leveraged to create innovative payment products that can allow payment processors to differentiate themselves from competitors. The power of data can also be used to gain a deeper understanding of the market trends and customer segments, that allows the facilitation of strategic collaborations with industry stakeholders.

The role of platform technology in payments innovation can be further understood through the following examples:

- **Embedded payments:** Platforms have the ability to significantly simplify the process of integrating payment functionalities into a wide variety of applications and websites. Within the user's existing workflow, this makes it possible to have a payment experience that is completely frictionless. Imagine an app for food delivery that allows users to make payments without having to visit to a separate payment page. This would be a seamless occurrence within the app itself.

- **Personalized payments:** In order to give consumers with individualized payment alternatives, platforms might make use of data analytics derived from a variety of sources. This has the potential to increase conversion rates as well as customer satisfaction. An example of this would be a platform that examines a user's purchasing history and makes recommendations regarding preferred payment methods or loyalty programs throughout the checkout process.

- **Real-time fraud detection:** Platforms have the ability to permit real-time communication between various stakeholders in the ecosystem, which enables fraud detection and prevention to occur more quickly and effectively. Just for a moment, picture a system that enables financial institutions and merchants to exchange real-time fraud data with processors. This collaborative approach has the potential to assist in the identification and prevention of fraudulent transactions in a more efficient manner.

Platform technology is enabling frictionless innovation, which is causing a revolution in the payments environment currently in progress. Payment processors that are willing to accept platform-based solutions will be in a strong position to prosper in the payments ecosystem, which is both dynamic and competitive.

Advantage 5

Fraud prevention

The digital age has brought about a transformation in the payment system; nevertheless, along with convenience comes uncertainty. Companies that process payments are always on the watch for dishonest individuals who are hiding in the shadows of the internet. When it comes to their arsenal, platform technology emerges as a potent weapon in this particular situation.

Historically, payment processors have historically relied on rule-based algorithms to identify transactions that appear to be suspicious. It is possible that these rules will check for things such as unexpected purchase amounts, anomalies in billing addresses, or a sudden rise in activity from a new area. Fraudsters who modify their strategies are able to circumvent static restrictions, despite the fact that these rules are effective to some degree.

Platform technology provides a dynamic approach to the prevention of fraudulent activity:

- **Use of ML and AI:** Through the utilization of machine learning algorithms, platforms are able to evaluate huge amounts of transaction data. These algorithms have the ability to recognize intricate patterns and irregularities that may be able to circumvent static restrictions. Over time, artificial intelligence has the ability to further develop these models by continuously learning and adapting to new fraud strategies.

- **Communication of threat in real-time:** Platforms make it possible for processors, banks, and other financial institutions to share threat intelligence in real time with one another. Through the use of this collaborative method, they are able to swiftly discover new fraud schemes and put preventative measures into place before the schemes become popular.

- **Network examination:** In order to uncover potentially malicious connections between accounts or devices, platforms are able to conduct comprehensive analyses of entire networks of transactions. Using this method, it is possible to uncover concerted attempts at fraud that may involve several accounts or stolen identities.

- **Frictionless authentication:** Platforms make it possible to incorporate more sophisticated authentication methods such as behavioral biometrics and multi-factor authentication. Not only do these measures give an additional degree of security, but they also prevent legitimate clients from experiencing any unwanted friction.

- **Data domination:** By analyzing transaction patterns and identifying anomalies, platforms can proactively detect and

prevent fraudulent activities. This becomes an important feature because payment frauds affect both sides of the ecosystem – merchants as well as consumers. Comprehensive data analysis also enables platforms to assess risk profiles of merchants and consumers, and make informed decisions about accepting or decline transactions.

It is possible for payment processors to achieve a considerable competitive advantage in the battle against fraud by adopting platform technology:

- Platforms go beyond only reacting to efforts at fraud by implementing a feature known as "proactive detection." Their ability to proactively identify and flag questionable activity allows them to prevent any damage from occurring.

- Machine learning algorithms can be fine-tuned to discern between legitimate and fraudulent transactions, hence minimizing disruptions for legitimate consumers. This results in a reduction in the number of false positives.

- When it comes to scalability and agility, it is possible for platforms to manage enormous amounts of data and to adjust to ever-changing fraud trends, which guarantees long-term security.

A rapid transformation is taking place in the landscape of fraud protection for payment processors as a result of platform technology. On account of the fact that these platforms are becoming increasingly intelligent and collaborative, the capability to recognize and foil attempts at fraud will continue to advance. All parties involved will ultimately benefit from a digital payment environment that is safer and more secure.

FSS BLAZE™

A new dawn in payments platform tech

FSS BLAZE™ is a cloud-ready, cloud-agnostic, microservices-based technology platform built to create the next generation of payments solutions. BLAZE™ is built to deliver a future-proof technology ecosystem that ensures an efficient, reliable, scalable, secure and unparalleled payments experience.

What sets BLAZE™ apart is that it offers rapid innovation, seamless delivery, and maintainable and democratized technology at population scale, which as we all understand is a big step towards technological innovation.

The mission of FSS BLAZE™ is to provide a de-facto payment platform for the industry which is expandable to other domains. Through this platform, FSS as a company, will provide the technical capability to build world class products and services repositories that are scalable & maintainable with focus towards low cost of ownership with high volume of reliable transaction processing.

Why did we build BLAZE™?
In one line: To create a widely accepted, industry standard functional model for large domain areas like payments, which can then be used with ease and unambiguity to build the technical realization into services and technology components.

BLAZE™ aims to use technology and automation to provide low-friction user experience and low-touch integrated application processing. This will provide banks and financial institutions with the platform capability to rapidly experiment with new ideas and convert them into viable products for the market and their customer segments.

At the same time, FSS BLAZE™ aims to build the platform ecosystem that comprises of multiple core services, libraries and building blocks, broadly grouped into focus areas like Services, Infrastructure, Data, Security, Experience etc, so that products and business services are created with ease and at generative scale.

Stay ahead of the competition with FSS BLAZE™.


API

REIMAGINING PAYMENTS THE PLATFORM WAY
A WHITEPAPER

Platform companies and businesses have become success stories in many industries and sectors. This has been an increasing trend around the world because platforms provide numerous advantages. These benefits can potentially transform the payments industry as well. The whitepaper will explore this theme by giving a short overview of platforms, exploring challenges in payments processing and how payment platforms can solve these.

Written by Saurin Parikh for Financial Software and Systems (P) Ltd.

ABOUT US

Financial Software and Systems (P) Ltd. or FSS is a leader in payments technology and transaction processing. FSS offers an integrated portfolio of software products and hosted payment services built over three decades of experience. Headquartered in India, FSS services leading global banks, financial institutions, processors, central regulators, and governments across North America, UK/Europe, Middle East, Africa, and APAC.