

« THE KEY TO SUCCESSFUL DEVELOPMENTS is in ensuring what we offer meets the needs of our customers »

Interview of **Wei Zhihong, UnionPay International's** Market Director and Head of the European Branch.



Wei Zhihong

In the past few years, UnionPay has extended its card acceptance to 171 countries and regions. Can you tell us more about the main evolutions that you have undergone and how does its impact your market positioning, more especially in France?

UnionPay was founded in 2002 and started globalization in 2004. In 2012, UnionPay International was established to accelerate the expansion of the UnionPay business outside mainland China, including in Europe. Our approach in Europe has historically been on ensuring that merchants are able to meet the needs of Chinese tourists visiting international destinations. In recent years there has been a significant increase in the number of free independent travellers and as more and more people travel independently, there are greater opportunities for a wider range of merchants than with those travelling on group packages. However, our focus has broadened beyond purely Chinese visitors to Europe, and we are also working with partners to provide services to European customers too. Carrying a UnionPay

card has an obvious appeal to those people looking to visit China, either on holiday or for business, as this will make payments in China much easier. But we are also looking to target local customers for payments in domestic European markets, as well as those who travel to Asian countries other than China.

What are the main added values of the UnionPay cards?

As to Chinese tourists, when they shop with their UnionPay cards abroad, they can not only enjoy a good exchange rate but also the amount they spend in local currency will be converted into RMB directly without any charge on currency conversion.

UnionPay provides cardholders with traditional card payment services, as well as a variety of contactless payment services, including UnionPay IC card QuickPass, UnionPay mobile QuickPass and UnionPay QR code payment. There are already more than 30 countries and regions, including France, where over 12 million POS terminals support UnionPay contactless payment services. And consumers can also use UnionPay QR code payment in about 10 million merchants in 26 countries and regions.

We also provide cardholders with a full range of outbound travel and large-scale merchant offers in various fields. For example, currently, UnionPay global shopping fiesta are offering up to 30 % off in more than 30,000 selected merchants in 70 popular shopping districts, which covers over 30 countries and region, and we expect to develop that activity even further in the coming years.

What are the main subjects you are currently focusing on?

We are focusing on both expanding the range of merchants which accept UnionPay, and working with European partners to issue

UnionPay cards to their domestic customers. For instance, we recently announced that Marionnaud, Europe's largest perfumery and cosmetics retail chain, has fully enabled acceptance of UnionPay cards across all its 495 stores in France. On the issuing front, we have signed an agreement with Portuguese bank Millennium bcp, who will become the first European bank to issue UnionPay cards to their customers on a large scale.

What about the stakes you are facing and how does it impact your targets?

The key to successful developments is in ensuring what we offer meets the needs of our customers. For instance, Chinese outbound tourists are rapidly changing their spending patterns. For those visiting France for example, while shopping trips are still popular, the proportion of leisure travel expenses such as accommodation, catering and entertainment has increased by 40 % and so we need to work with merchants operating in those sectors to make sure they can meet their needs. It is vital that the payment industry keeps innovating to match consumers' lifestyles in a secure, convenient and coordinated way, providing confidence and certainty to both merchants and customers. ×

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With over 7 billion cards issued accumulately worldwide, UnionPay ranked the 1st among all bankcard brands in terms of number of cards issued and transaction volume. In 2017, transaction volume for UnionPay grew by 28.8 % year-on-year to USD 14.95 trillion. Accepted in 171 countries and regions worldwide including 40 European nations, UnionPay cards are accepted by more than 3.3 million European merchants, covering over 60 % of the bankcard-accepting merchants across the continent.