Account payments are becoming more common. Payments still rely on card channels, but direct-from-merchant from the consumer. Many QR code-initiated transactions are performed by scanning a QR code from a mobile app. Funds are either “pushed” from the consumer to the merchant or “pulled” by the QR code from a mobile app initiated by the consumer. When QR code payments are initiated directly from the consumer to the merchant, they are more secure from fraud than card payments, but are dependent upon payment networks.

**QR Codes**

- Enables secure transactions in a digital environment
- Simple and efficient, allowing transactions to take place quickly
- Payment instrument agnostic for increased ubiquity
- Enables merchants to offer value-added services that differentiate and increase customer value
- Payment terminalizes transactions
- Standards and protocols in place
- May not disrupt or change payment behavior in markets with well-established card use

**APIs**

- Provides online connectivity with payment networks
- Enables merchants to offer value-added services that differentiate and increase customer value
- Payment terminalizes transactions
- Standards and protocols in place
- May not disrupt or change payment behavior in markets with well-established card use
- Requires that one to reduce cost and/or have less and fewer interconnections
- May not be easily accessible on legacy or outdated platforms
- May not easily accommodate new or existing platforms that lack an API structure
- Currently not globally accepted standard

**QR Codes and Open APIs: Partners Powering Payments Transformation**

APIs provide a way for providers and merchants to open up payments to broader participants and provide flexibility and control. The number of use cases for APIs is growing rapidly, with merchant adoption of APIs increasing significantly. The integration of APIs into the payments ecosystem enables the creation of new opportunities and applications.

**Key Benefits**

- Enable access to new opportunities and innovations for providers and merchants
- Facilitate mid-office or channel integration
- Simplify collaboration between both non-financial and financial service providers and those in the financial services ecosystem
- Support expanding mobile payment usage, including P2P and micropayments
- Enable constant innovation for competitive advantage and addition of new business value
- Create value-added services that differentiate and increase customer value
- Create mid-office or channel integrations
- Create rich information layer

**How They’re Driving Convergence**

- QR Codes
  - Provides direct wireless links to ensure, clear and public debate agreement without needing substantial resources
  - Initiates payment for both personal and commercial transactions
  - Enables acceptance already nearly all payment rails
  - Pulls payments into the back office
  - Standardizes payment information for acceptance and processing
- APIs
  - Simplifies international transfers between non-financial providers and banks through the back-end use of these merchant networks for increased benefits
  - Enables one to grow small and new entrants with direct connection to allow in payment transactions
  - Facilitates cost advantage in channel integrations
  - Create rich information layer

**QR Codes and Open APIs:** Partners Powering Payments Transformation

**How They’re Being Used**

- QR Codes
  - Expanded small and medium enterprises (SMEs) and mobile payments
  - Simple and efficient, allowing transactions to take place quickly
  - Payment instrument agnostic for increased ubiquity
  - Standardizes payment processing
  - Early stage startups, hotels, and key point-of-sale (POS) devices enabling consumer expectations and cost

- APIs
  - Enables access to new opportunities and innovations for providers and merchants
  - Facilitates mid-office or channel integration
  - Simplify collaboration between both non-financial and financial service providers and those in the financial services ecosystem
  - Support expanding mobile payment usage, including P2P and micropayments
  - Enable constant innovation for competitive advantage and addition of new business value

**Better Together: QR Codes and APIs**

Promote seamless integration of applications and services, allowing providers and merchants to open up payments to broader participants and provide flexibility and control. The number of use cases for APIs is growing rapidly, with merchant adoption of APIs increasing significantly. The integration of APIs into the payments ecosystem enables the creation of new opportunities and applications.