Case Study:

How Yapily & Volume are killing hidden fees for businesses and consumers

Depending on the payment method, merchants have to pay between 2% and 8% of every sale to card, e-wallet and BNPL facilitators — costs that are ultimately paid by consumers in higher prices. Volume is on a mission to change that... through the power of open banking.

YAPILY | Volume

Volume

Overview →

The Solution

The Impact

Volume at a glance

Headquarters:

London, England

Industry:

Payment Service Provider

Use cases:

Online checkout

Products:

Yapily Payments

What problems does Volume solve?

Volume is helping to eliminate fees based on a percentage of the total basket and drive online transaction costs close to zero. Simone founded the business with a simple belief: that the funds associated with those hidden card fees, that 2-8%, belong in the hands of business owners, employees and consumers - not the large payments networks.

> " Today's online shopping experience is broken for merchants and their customers. We want to do for ecommerce payments what Transferwise and WorldRemit did for currency, eliminating hidden and unnecessary fees in order to put more money back in the hands of consumers and merchants.
>
> **Simone Martinelli**
> *Founder & CEO at Volume*

Where Yapily comes in

Transparency is at the heart of open banking. Volume recognised that, in order to provide more transparency at the online checkout, there was a clear way to go.

Volume uses Yapily Payments to facilitate direct payments between consumers and merchants bank accounts. Using Volume's online payment solution, Transparent Checkout, shoppers are relayed to their banking app for biometric authentication, and the money is instantly settled with the merchant. This eliminates the risk of card fraud for the consumer, and reduces costs and lengthy settlement times for the merchant. With no middlemen, no card rails, and no unnecessary fees.

Solving the fees issue is one thing, but driving adoption is a challenge in itself. Thanks to this improved way of settling payments, the elimination of hidden fees gives merchants extra headroom to incentivise the consumer to pay through open banking.

For example, an airline previously paying 5% in transaction fees every time a customer books a flight can instead offer customers a 3% discount when they pay using Volume's one-click checkout, while still achieving greater profitability than before. Where inflated costs and transactions were previously passed on to the consumer, this is now replaced by passing on savings instead.

Fast, secure, and cost-effective online checkouts

Whether you're a business or a consumer, one thing on the minds of many at the moment is finding where the immediate opportunities are for cutting costs. Ask any merchant where they see the potential, and they'll probably mention those painful transaction fees associated with every single purchase made.

> " Eliminating card fees together with Yapily is just the start. Open banking offers plenty more opportunities to offer secure and simple payments experiences for consumers and merchants alike, and we look forward to bringing our zero-fee principles to subscription models and direct debits through solutions such as variable recurring payments.
>
> **Simone Martinelli**
> *Founder & CEO at Volume*

Depending on the payment method, merchants have to pay between 2% and 8% of every sale to card, e-wallet and BNPL facilitators — costs that are ultimately paid by consumers in higher prices. The impact of these high transaction fees on merchants, totalling $100 billion annually according to McKinsey, recently took centre stage in a public dispute when Amazon warned it would stop accepting UK-issued Visa credit cards at its checkout unless Visa lowered its fees. Despite reaching an eleventh-hour solution, the initial rejection from the retail giant only signals the current direction of travel: a shift away from card-on-file towards account-on-file transactions.

Although this anecdote suggests change is on the way, this change can't happen soon enough for the average merchant. Further to that, the sort of change needed is something much more drastic and sustainable than payments heavyweights simply lowering their fees.

> " We knew open banking was the solution to avoiding the hidden fees of online payments, so the real question was who to partner with. With a good understanding of what different open banking providers could offer, we ultimately needed a platform that could allow us to offer a simple, easy user experience for both merchants and consumers. That's why we chose Yapily.
>
> **Simone Martinelli**
> *Founder & CEO at Volume*

The impact

The simplicity of Volume's one-click checkout system means merchants are benefitting from transactions free of hidden fees, as well as massively increased conversion rates due to the ease of use for the consumer. For some customers as much as a 250% increase.

One merchant, in the travel sector, was happy to share: "Volume helped us to reduce the cost of accepting payment from our customers and to eliminate the complexity of handling payment data. Life-saving!"

Since partnering with Yapily, Volume have:

- ✓ Removed hidden fees associated with card transaction, improving businesses profitability with every sale

- ✓ Reduced the average payment settlement time down to just 2.5 seconds

- ✓ Increased checkout conversion rates by up to 250%

Learn more about Yapily

Yapily is on a mission to enable innovative companies to create better and fairer financial services for everyone, through the power of open banking. We securely connect hundreds of companies to thousands of banks around the world, giving them access to data and the ability to initiate payments.

Our customers range from disruptive fintechs to big banks and financial institutions, and we operate in verticals including Payments, Lending, Accounting, Investing, Crypto, and more.

One platform. Limitless possibilities.

To enable innovative companies to create better and fairer financial services for everyone, through the power of open banking.