

worldpay
from FIS

NAVIGATING COVID-19

How payments can help keep your
customers and business safe



8 WAYS

YOUR PAYMENTS CAN HELP YOUR BUSINESS THROUGH THE IMPACTS OF COVID-19

COVID-19 is currently creating financial uncertainty for many businesses around the world but we're here to help. How you manage payments can play a key part in helping you navigate these challenging times.

HERE ARE OUR TOP TIPS.

TIP 1

REASSURE YOUR CUSTOMERS

**Tentative times need clear communication.
Let your customers know that you're taking the right precautions to keep them, and your employees, safe.**

Showing them how you've considered their safety will build their confidence and encourage your customers to continue engaging with you.

You can do this by contacting your customer base and displaying your approach in your physical locations.

For example, you may wish to reassure customers through an enhanced cleaning and sanitising regime in store. Communicate the extra steps you are taking and emphasise how you're monitoring the overall situation, including relevant government guidelines.

Encouraging contactless payments reduces the need for physical contact.

The World Health Organization has advised the public to wash their hands after using cash, so consumers will be looking for other ways you can support their payments. When customers do choose to use cash or chip and pin, make sure staff are trained on keeping payment terminals clean and that they wash their hands after handling cash.

You may find further useful information through your industry trade association, such as the Federation of Small Business, or Chamber of Commerce.



**REASSURE
CUSTOMERS**
through an
enhanced cleaning
and sanitising
regime in store



**ENCOURAGE
CONTACTLESS**
payments to reduce
physical contact

TIP 2

THINK OMNICHANNEL

With people needing to spend more time self-isolating, your online presence will be more important than ever in maintaining sales.

Making sure your e-commerce store is simple to use, and online payments are set up and reflect local preferences can improve the experience with your brand and enable you to continue accepting orders.

This has the potential to create longer-term value, too.

The omnichannel experience has already become an expectation for today's consumers, with 48 percent of customers crossing back and forth between digital and physical interactions with companies.¹

Moving with customer demands and adapting to individual customer journeys can help set you up for success.

You can also arrange to take payments remotely over the phone via a Virtual Terminal or by email via Pay by Link.

48%

**OF CUSTOMERS CROSS
BACK AND FORTH BETWEEN
DIGITAL AND PHYSICAL
interactions with companies¹**





COVID-19 quickly changed the way consumers are approaching food. As consumers are ordered to stay home, grocery delivery volumes are increasing as many choose to cook over ordering food. The supermarkets are making contingency plans to counter panic-buying and stockpiling.² And while grocery delivery is increasing, restaurant takeaway and food delivery app orders dropped.³

TIP 3

REWARD CUSTOMERS

With the average transaction value going up, consider reward incentives for customers.

Consider promotions and customer loyalty programmes to help retain spend during this time and reward your customers for staying engaged with your brand, at a time when uncertainty can curtail consumption. Make these available both in-store and online.



**CONSIDER PRICE REDUCTIONS,
promotions and customer loyalty
programmes to retain spend.**





RETAIL:

Analysts have warned that retailers will be among the hardest hit.⁴ The global slowdown in demand and consumer confidence is expected to continue until the virus is deemed “under control.”

Electronics retailers may see their supply chain affected, as electronics make up 28 percent of exports from South Korea, a region notably hit by the outbreak.⁵



TIP 4

CONSIDER FLEXIBLE TERMS

Circumstances are frequently changing – and flexibility is crucial. During this time, there are many reasons why your customers may change their mind on their purchase or booking.

It's important to make it as easy as possible for your customers to reschedule their bookings, access refunds or deferrals. This positive experience will keep you front of mind when they start spending again.

The tourism industry, for example, is seeing a fall in demand⁶ and hospitality may see cancellations. For businesses in this sector, the focus during this time can be managing reputational risk, which can be done by removing penalties for cancellations and offering flexible booking models.



The focus during this time can be **MANAGING REPUTATIONAL RISK**



Tourism and hospitality industries are witnessing an unprecedented drop in demand. Social distancing requirements, travel restrictions and shutdowns of non-essential businesses have ground the tourism and hospitality industries to a virtual standstill.

Marriott International's CEO Arne Sorenson recently told CNBC that the COVID-19 outbreak has been worse for Marriott's business than 9/11 and the financial crisis combined.⁷

Figures from the World Travel and Tourism Council suggest the travel sector could shrink by up to 25 percent in 2020 as airlines have cancelled thousands of flights and only essential travel is permitted.⁸

TIP 5

REVIEW YOUR CASHFLOW

While COVID-19 is still in the news, spending behaviours will remain different from the trends you've been used to, so monitoring your income is more crucial than ever.

If you could benefit from business funding – there are options that are flexible to give you additional control.

This can be a good solution to cover your fluctuation in cashflow, so you can continue focusing on your business priorities.

Worldpay offers Worldpay Business Finance* which enables businesses that meet the eligibility criteria to apply for a cash advance based on future card sales (for more information, **visit our page** to work out whether this option is right for you).

*Worldpay Business Finance is not an FCA regulated product, it is provided by Liberis Ltd and Worldpay will receive a commission. Subject to status at the time of application and terms and conditions apply. Liberis Ltd is not affiliated with the FIS group of companies.



**MONITORING YOUR
INCOME AND OUTGOINGS
is crucial**



TIP 6

UNDERSTAND YOUR SUPPLY CHAIN

1 in 4 British retailers are reporting severe disruptions to their supply chain as COVID-19 spreads.⁹

Supply chain challenges are now prevalent throughout the world, as the impact of COVID-19 disrupts land, sea and air transportation. Reuters reports that the U.S. travel restrictions alone have reduced U.S. air freight capacity an estimated 85%.¹⁰

Unpredictable lead times, persistent delivery delays and periodic supply shortages will force companies to innovate quickly in order to maintain operations.



75%

of UK companies are seeing supply chain disruptions.¹¹



LOGISTICS:

COVID-19 is now a true pandemic impacting global supply chains regardless of region, industry or mode of transport. The global impact means reduced supply chain capacity from existing channels. Alternatives are challenging to develop quickly as any potential alternative source faces similar constraints. Many logistics companies are experiencing unused capacity and lower demand for business deliveries, with last minute cancellations and irregular scheduling increasingly the norm.

TIP 7

PREPARE A CONTINGENCY PLAN

In the case of personal self-isolation, ensure you have a contingency plan in place.

Make sure you're set up to continue accepting payments from your customers, working with your payments provider to make remote payments as easy as possible.

There will be wider implications for your business, but your bank may have implemented additional support – check in with them to see if they've made any changes to loans or repayment plans.

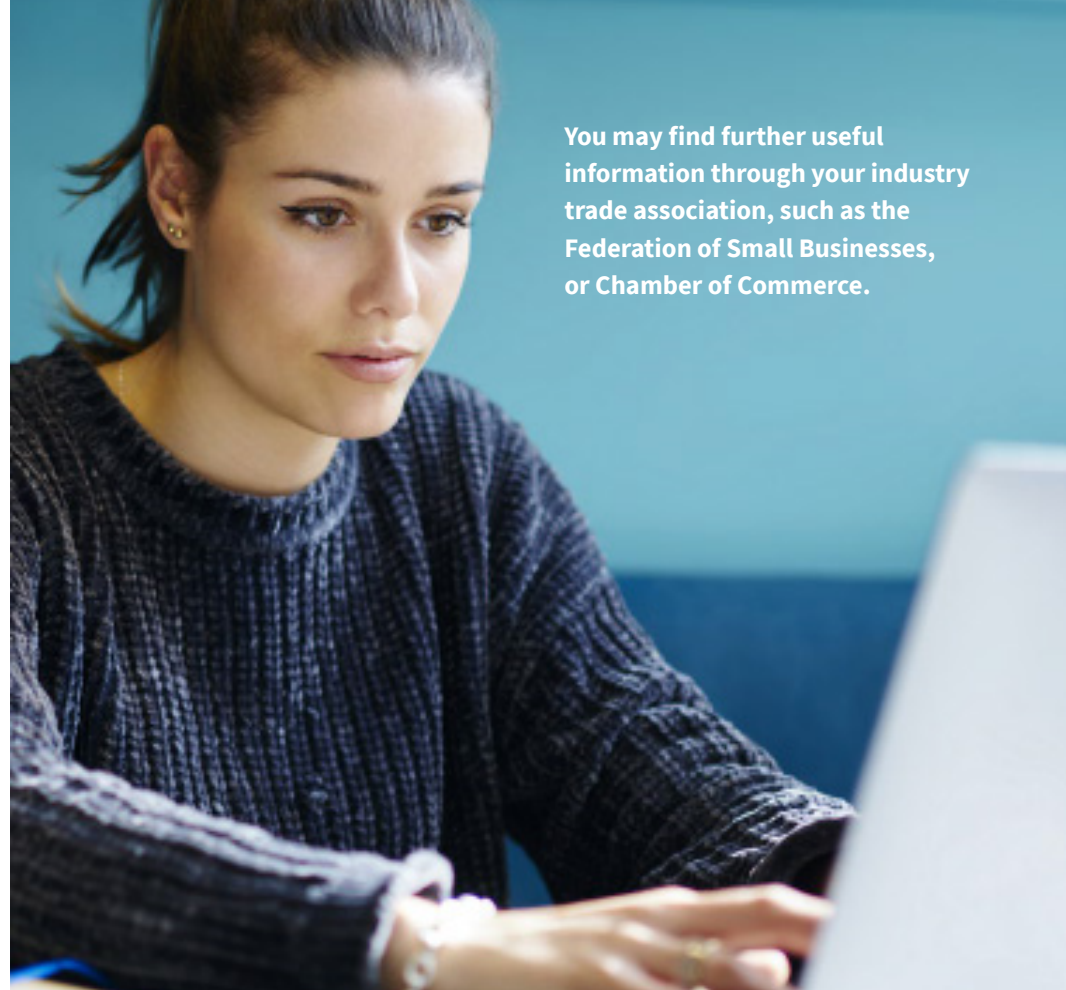
Chancellor's support: at a glance¹²

On 11 March, the 2020 Budget was announced with a £30bn fiscal stimulus package, including:

Cutting business rates to zero this year for firms with rateable values below £51,000

Coronavirus Business Interruption Loan Scheme

£2bn to cover cost of sick pay for firms with fewer than 250 staff members



You may find further useful information through your industry trade association, such as the Federation of Small Businesses, or Chamber of Commerce.

As of 17 March, the Chancellor announced additional support, including:¹²



- Additional £350bn in loans
- £20bn in other aid
- A business rates holiday
- Additional grants for retailers and pubs
- Up to 80% furloughed employees' monthly wage cost

Information correct at time of publishing, for further or more recent updates, please visit www.gov.uk.

TIP 8

WORK WITH THE COMMUNITY

Stay in communication with the businesses around you, whether that's by location or in your industry.

A strong connection with your community can help you provide the services and products that your customers require, by redirecting them to another place. Your customers will remember this added value and build long-term loyalty with your brand.

You could organise alternative delivery locations, for example, and coordinate on stock levels to ensure your local customers aren't left empty-handed.

Equipping your business during COVID-19

The future business environment may feel unclear but by taking steps to prepare your business during this time, you're better placed to protect your customers, employees and revenue.

It's important that you continue to monitor the current situation and stay aware of your business performance – this will help you plan for the immediate and longer-term future.



**A strong connection with your
community can help
BUILD LONG-TERM LOYALTY
WITH YOUR BRAND**

Sources:

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⁴ <https://www.theguardian.com/business/2020/feb/23/economic-impact-of-coronavirus-outbreak-deepens>

⁵ McKinsey & Company, 2020, Coronavirus COVID-19: Faces and insights

⁶ <https://www.cnbc.com/2020/03/11/coronavirus-travel-industry-could-lose-24-billion-in-tourism-from-outside-us.html>

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⁸ <https://www.bbc.co.uk/news/business-51852505>

⁹ <https://www.theguardian.com/business/2020/mar/04/uk-retailers-hit-by-supply-disruption-amid-coronavirus-concerns>

¹⁰ <https://www.reuters.com/article/us-health-coronavirus-freight/western-supply-chains-buckle-as-coronavirus-lockdowns-spread-idUSKBN21A2PB>

¹¹ <https://fortune.com/2020/03/11/75-of-companies-report-coronavirus-has-disrupted-their-supply-chains/>

¹² <https://www.independent.co.uk/news/business/news/coronavirus-budget-2020-business-rates-a9394351.html>