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TWINT G2M

HOW TO CHANGE A STRONG BEHAVIOUR

Michael Hügli, Luc Holzach

September 2021

Agenda

-  INTRO
-  STATUS QUO
-  WHAT WE DID
-  PHASE 1: LAUNCH
-  PHASE 2: MERGER
-  THE RESULT
-  SUCCESS FACTORS

INTRO

The background of the image is a night sky filled with stars. A prominent feature is the Milky Way galaxy, which appears as a vertical band of light and dust stretching from the top center towards the bottom. The colors transition from a deep teal and dark blue at the top to a warm orange and yellow glow at the bottom, suggesting a sunset or sunrise effect. The word "INTRO" is written in a bold, white, sans-serif font in the upper left corner.



Michael Hügli
Co-Founder TWINT & Ex-CMO
Marketing, Strategy Sales, Partners

CEO Buildigo

«TWINT was an ambitious vision that only succeeded because the whole team invested 100% and fully believed in it.»



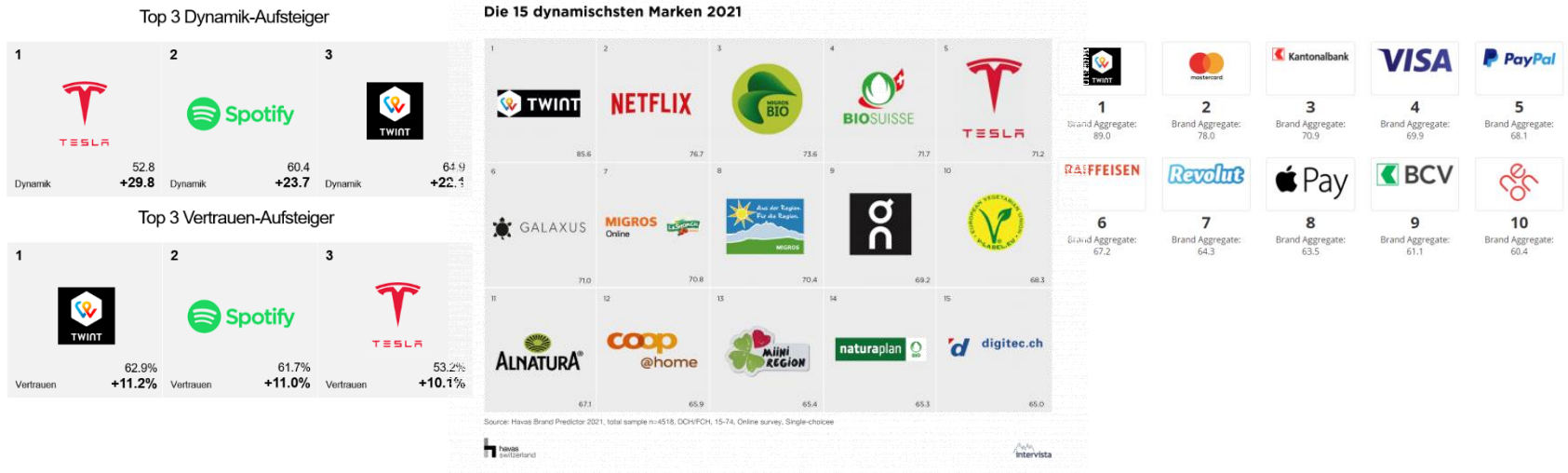
Luc Holzach
Partner & Partner AG
Partner, Senior Consultant

«TWINT was a once-in-a-lifetime project for us – the chance to build up a new product, a new brand, create a new market and change a strong behaviour.»

STATUS QUO

The background of the image is a dark, starry night sky. A prominent feature is a vertical, elongated nebula or galaxy core that glows with a mix of orange, yellow, and red hues, running from the top center towards the bottom. The rest of the sky is filled with numerous small, bright white and yellow stars of varying sizes, creating a dense field of light points.

Most dynamic brands 2021



2020: Largest increase in trust and top 3 increase in dynamism

2021: Most dynamic brand and N° 1 brand in trust and dynamism in banking



The starting point

- TWINT was **founded in 2014** in Bern, as a spin-off of PostFinance.
- **Mobile Payment in Switzerland was inexistant** at that time. Credit cards and Paypal where the only options for online payment without an invoice.
- 2015 the brand and the app were launched in the Swiss market. Until this point **nobody knew the name TWINT** or the possibility to pay everywhere only using their smartphone.

The starting point

In 2015 other companies prepared or executed their market-entry in Switzerland.



WHAT WE DID



Why TWINT?

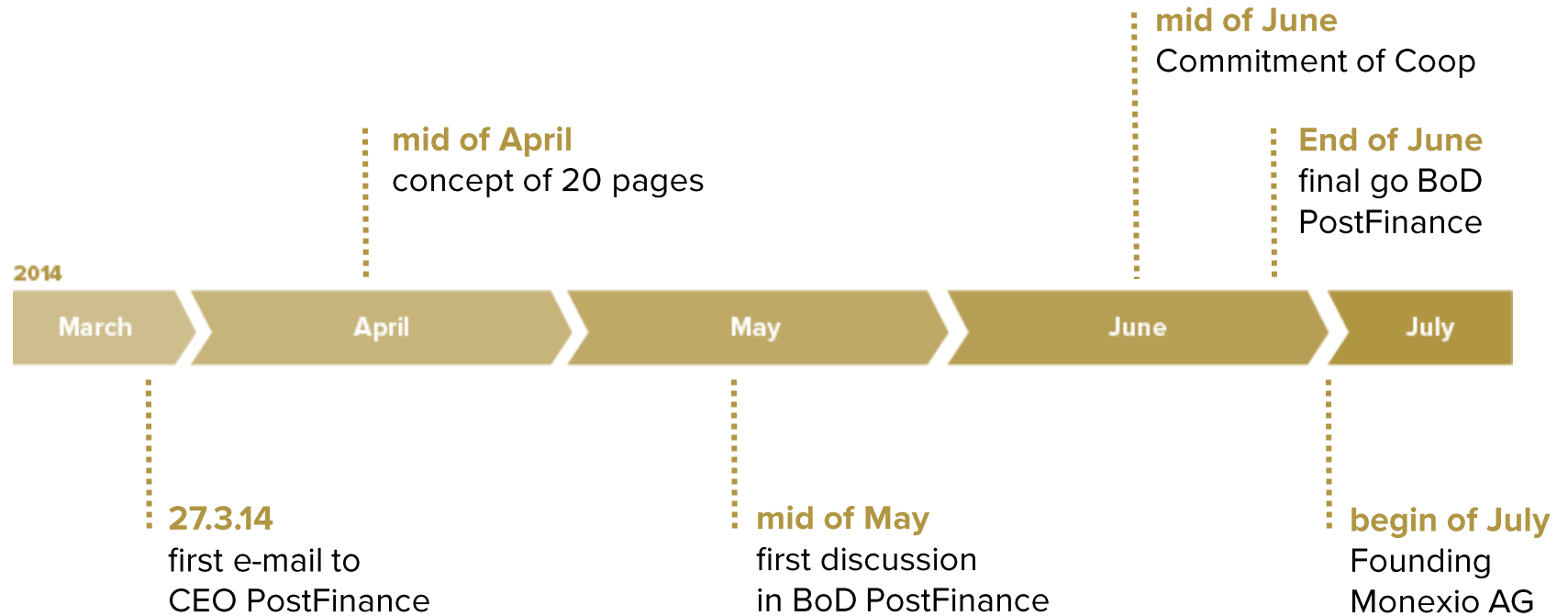
- **Payment as a core business of PostFinance**
- **Strategic threats became visible in the annual strategy review:** Paypal, Apple, Google
- **Gut feeling: we have to act**

Question to the CEO: "Housi, are we allowed to think one step further?"

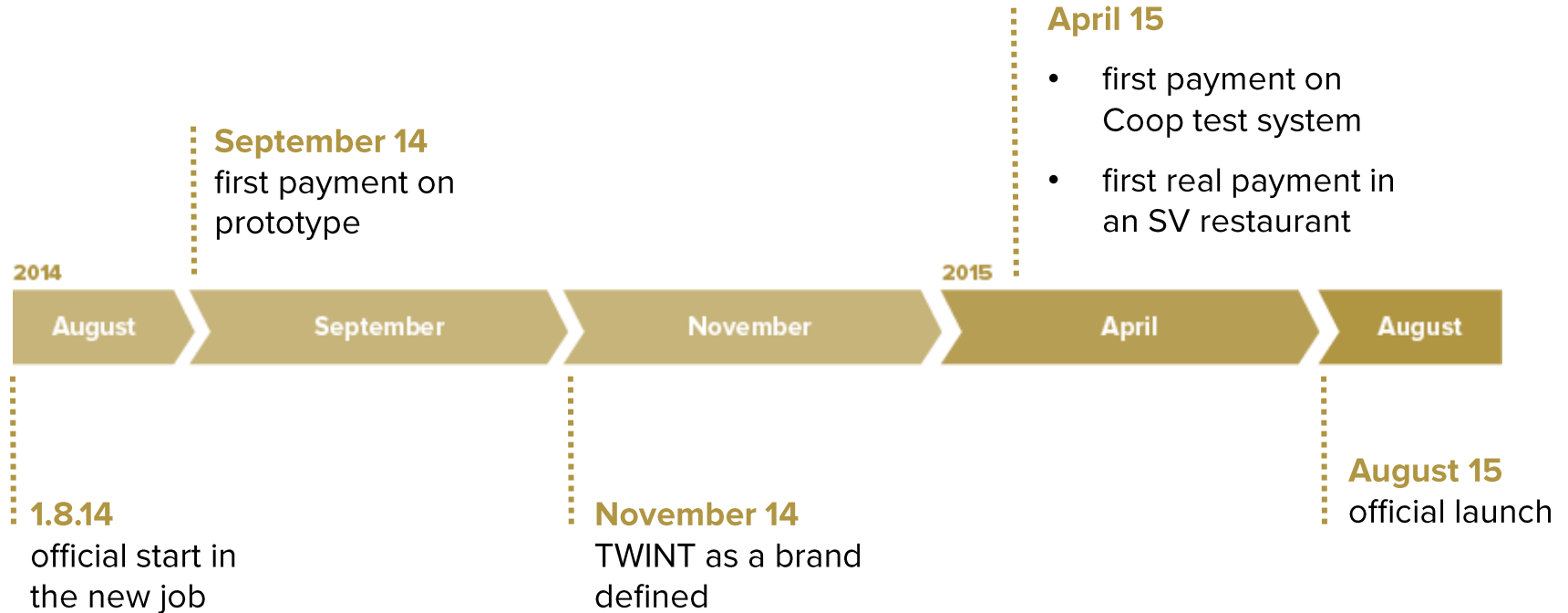
Why found it as a corporate startup?

- **Implementation of a new core banking system**
(partial) freeze over several years (2015 – 2017)
- **Great internal project ideas failed in the past**
Concept of «iRetailbank» in 2013
- **Common understanding on C-level**
 - Regular strategy workshops over several years
 - supertanker vs. speed boats

Timeline



Timeline



Creation of the brand

Defining hard factors

- Short and simple: EC, Visa
- Free domains
- Brand can be registered

Internal war about the best name

- Monexio
- PayNation
- Payellow
- ... and 100 more

Structured process with specialists

- Brand values
- Naming agency
- Graphic artist
- Trademark law expert

Cooperation with P&P

Briefing in 2015 to P&P in cooperation with RonOrp

- Launch a new brand
- Launch a new product (app)
- Create a market
- Change a strong existing behaviour

P&P was the marketing departement of TWINT for two years in order to generate full traction from the beginning throughout.

Lessons learned

An independent company is a strong plus

- Sign into the market
- Enables you to form a partnership more easily
- Enables you to act fast
- Enables you to take more risks as your "off brand"
- Puts the pressure on every employee

Lessons learned

And further...

- Don't talk about an agile and lean startup. – Just be it.
- Convince a key account from the very beginning.
- Go fast. – Faster than you dare and don't aim for perfection.
- Work with passionate people you trust.
- Dream big.

PHASE 1: LAUNCH 2015



Launch strategy

Idea

- To achieve these ambitious goals, not a launch campaign was needed, but a revolution.
- Therefore, we did not need users, but supporters to drive the revolution and change the status quo.
- **Ambition:** in 5 years “twinten” shall be found in the dictionary.

TWINT was just an App – but it changed the payment behaviour of a whole nation.

Launch strategy

Community management

In depth community management mechanisms:

- **Higher calling**
TWINT is the Robin Hood of payment processing
- **Enemy image**
Credit cards, payment schemes, international tech giants
- **Community kit**
Evangelists, social media management, cooperation with small stores.

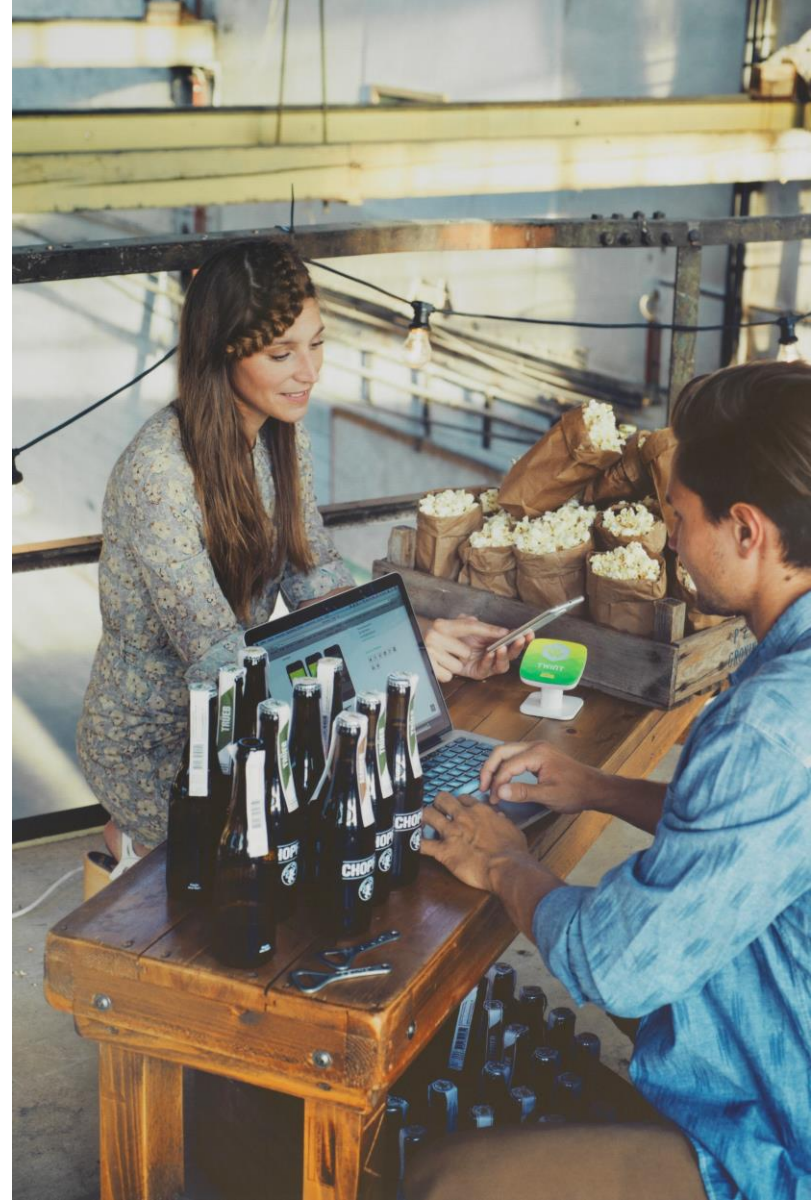
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Launch strategy

Brand building

To launch a strong brand to generate a strong community with a lot of goodwill and a strong kit, we decided to build a lifestyle brand – not a finance and not a tech brand.

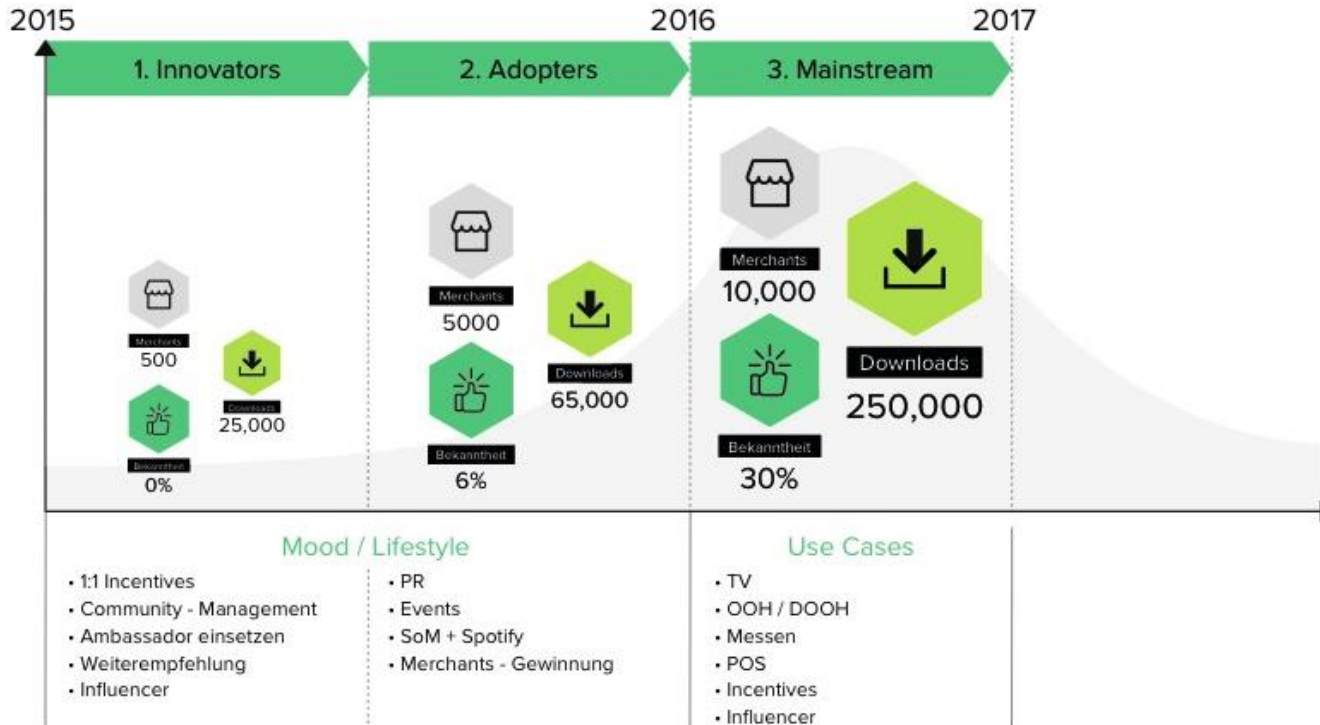
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Launch strategy

Product diffusion





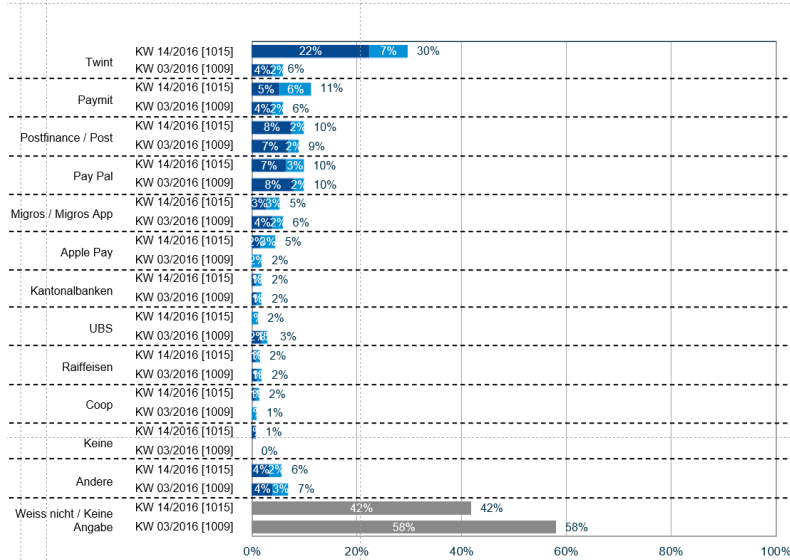
Launch strategy

In order to be able to speed up the whole diffusion process in less than 12 months, the following factors were essential for TWINT:

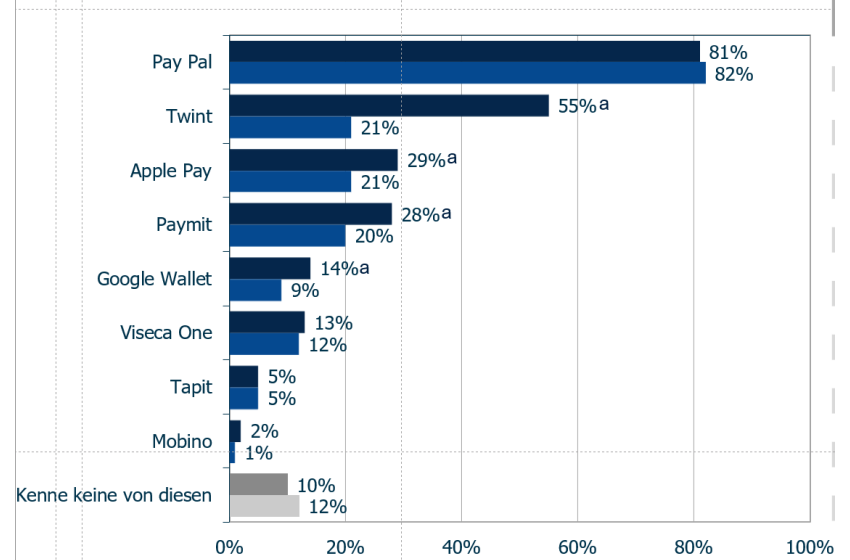
- A **strategic partnership** with credibility and wide accessibility
- A **strong community** with a lot of goodwill
- **Growth hacking** features to go viral

Results after phase 1

Spontane Bekanntheit



Gestützte Bekanntheit

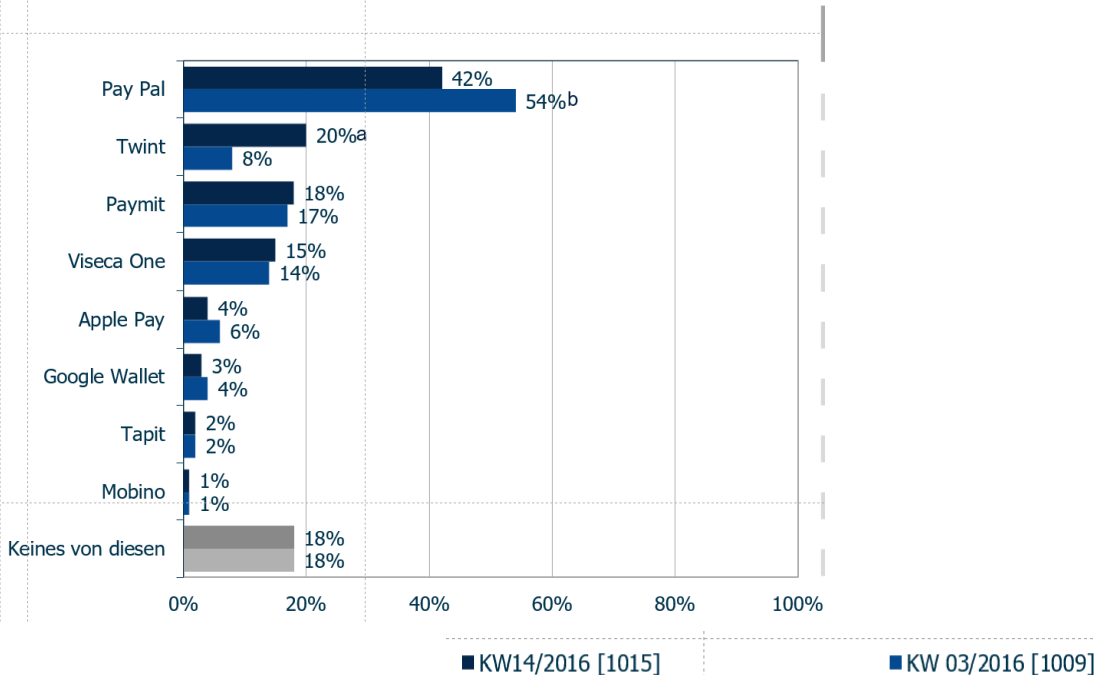


■ KW14/2016 [1015]

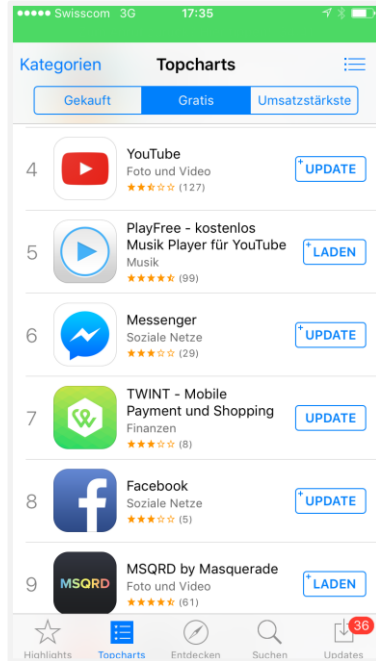
■ KW 03/2016 [1009]

Results after phase 1

Genutzte Apps



Results after phase 1



PHASE 2: MERGER 2016



Main changes with the merger

- **Clash of cultures:** startup vs. corporates
- **New business model:** back to the classic payment world
 - From one app to multiple apps, Six as acquirer
- **New governance:** 6 shareholders
 - steering committees for main topics
- **New marketing approach:** growing out of the network
 - Strong distribution channels thanks to co-branded apps
 - P2P as a priority for growth

The growing-up

After 1.5 years TWINT got acquired by a consortium of the largest Swiss banks in order to build a unified mobile payment scheme which was open to all. Paymit got submerged in the TWINT platform.

The TWINT brand had to be transferred from adolescence to adulthood to become a reputable financial brand to stand for "The Swiss mobile payment scheme".

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New marketing strategy

The marketing strategy was changed away from larger and emotional awareness and image campaigns and towards **focussed use case communication**.

During the next two years single use cases were promoted to show users the **diversity of TWINT**. Killer use cases such as:

- P2P
- parking payment
- Farm shop payment

This positioned TWINT as a **fully-fledged wallet** and showed the advantages compared to international competitors.

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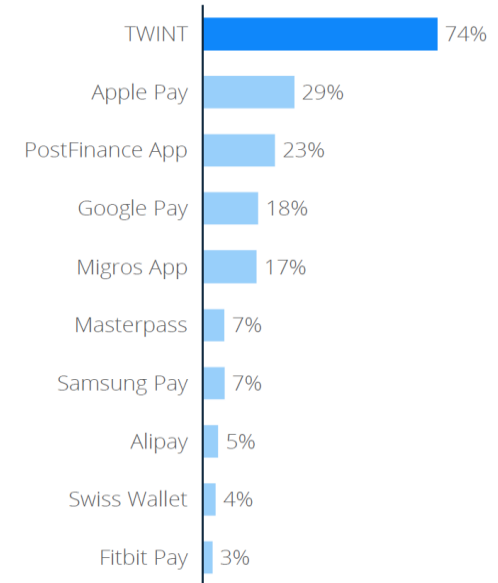
THE RESULT



The results

- TWINT is **by far the most used mobile payment** solution in Switzerland.
- Mobile payment increased its total shares of all transactions:
 - 2018: 0.5%
 - 2020: 3.8%
- Due to the Covid-19 pandemic this value will have increased further dramatically in 2021. The estimation from University of Lucerne: 9%.

Top 10 most used mobile payment brands in Switzerland



The results

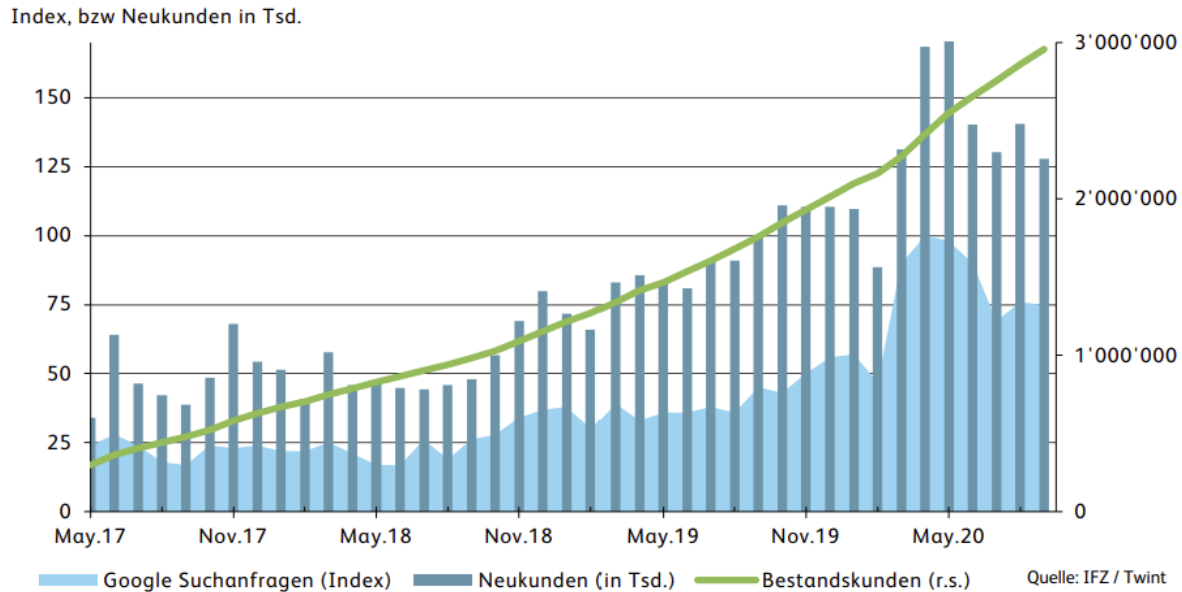


Abbildung 8: Anzahl Neukunden pro Monat, Google Suchanfragen, sowie Bestandskunden Mai 2017 bis September 2020

The results

TWINT realised a major increase in all the use cases.

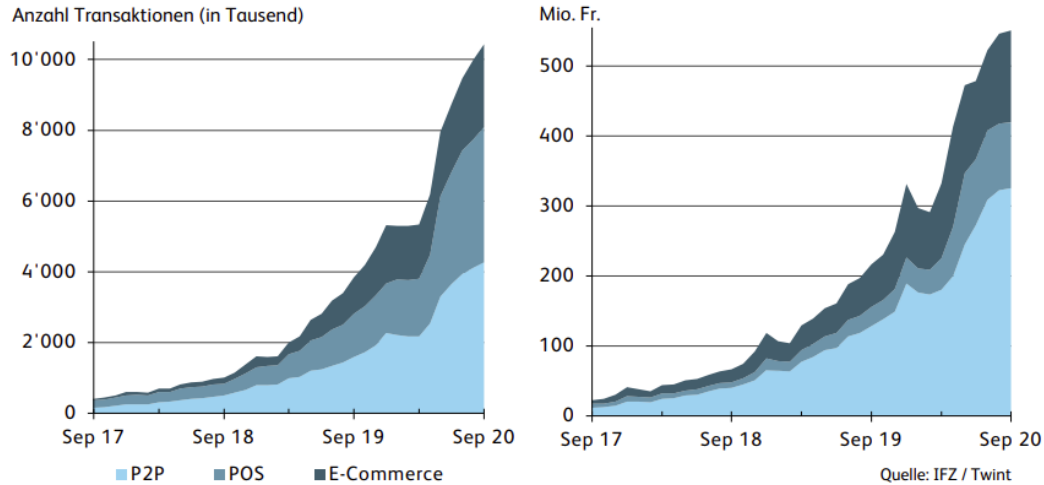


Abbildung 15: Anzahl Transaktionen und Transaktionsvolumen nach Monat und Anwendungsfall

The results



Blick TV News Sport Meinung Politik Wirtschaft People Green Meh

Googeln, Shoppen und Twinten: **Annelies (81) ist eine Digital-Gotte** (02:09)

Googeln, Shoppen und Twinten für Senioren

Annelies (81) ist eine Digital-Gotte



☰ **Luzerner Zeitung** 📍 Meine Gemeinde

DIGITALISIERUNG

Schweizer Jugend twintet: Warum die Bezahl-App so schnell so beliebt wurde



Stadtpolizei



uster
Wohnstadt am Wasser

Stand: 15.03.2019

TWINTEN AN DER PARKUHR

SUCCESS FACTORS

The background of the image is a deep space photograph. It features a dense field of stars of various colors, including white, yellow, and blue. A prominent feature is a large, diffuse nebula or galaxy structure that glows with shades of blue and white, stretching across the middle of the frame. The overall color palette is dark, with deep blues and blacks, punctuated by the bright colors of the stars and the nebula.

Success factors

- **TWINT system is a solid base, allowing still new use cases**
- **Focus on one common project in Switzerland**
 - Banks and retailers
- **Partners have found the right balance between quality and speed**
- **Strong distribution network and smart marketing approach**
 - P2P and later introduction of the expression "*twenten*"
 - Marketing automation
 - (digital) channels of the banks



Success factors

Success factors marketing

- See, recognize and seize opportunities
- Change your strategy if needed
- Use growth hacking potentials in marketing: peer2peer functionality
- Fast take-off and slow internalisation
- Don't be shy
- Embrace technological support which lower marketing expenditures:
Marketing Automation, CRM, Data, etc.

THANK YOU!

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