



## **NEWS RELEASE**

**2 July 2007**

### **PayOffline Opens Door to Internet Shopping for Five Million Britons**

*Provides Incremental Revenue Streams for Retailers of all Sizes*

PayOffline has today launched a new, secure way to pay for goods and services purchased online. Consumers will be able to order goods on the Internet but pay offline by cash or debit card at over 17,000 payzone outlets throughout the UK, therefore completely eradicating the risk of fraud.

With a high proportion of Britons steering clear of shopping on the internet for fear of fraud and identity theft, PayOffline will mean they can shop safely without giving away personal or financial information. The new service also allows the four million people with no bank account and the third of UK adults with no credit card to now shop online too. As a result, opening up opportunities to take advantage of the best prices available on the internet.

Initially launching to the retail trade in July 2007, PayOffline will be launching to the consumer in September 2007. Research undertaken for PayOffline by Shape-the-Future.com indicates that five million Britons are interested in using the PayOffline service.

PayOffline will go a long way to helping eliminate fear of fraud from the Internet, enabling millions more people to shop online with guaranteed security. The research of 3,000 UK citizens highlighted the following,

58% of people have at some time decided not to shop online because of the fear of fraud

65% think it can be risky to use credit cards online

66% think it should be easier to shop online without credit cards

65% would shop more with a secure, easy to use payment solution

Retailers of whatever size who integrate PayOffline into their payment options will be able to make significant revenue from the 40% of the adult population who do not currently use the Internet to shop. (APACS)

Companies working with PayOffline include Alliance & Leicester Commercial Bank who will provide all banking and transactional services, alphyra (payzone), Actinic and CubeCart.

“PayOffline has mass market appeal; all our extensive research indicates that there is a huge pent up demand from all sections of the UK population. PayOffline will also make Internet prices available to everyone and provide a safe and secure payment option without the risk of fraud or identity theft.

We are backed by great companies, including Alliance & Leicester Commercial Bank and are fully committed to working with retailers of all sizes to bring PayOffline to the UK mass market,” commented Steve Berry, Managing Director, PayOffline.

“Alliance & Leicester Commercial Bank is pleased to be supporting PayOffline by providing the transaction processing for this new and exciting payment method. We believe the service will attract strong interest from a range of consumers who either do not wish to use credit or debit cards online or who do not have access to them. It complements the extensive range of payment options that Alliance & Leicester already offers to many consumers who fall into these groups,” commented Graham Long, Head of Payment Services, Alliance & Leicester Commercial Bank.

### **How does it work?**

#### **Consumers**

Consumers choose their purchase on the Internet then click the PayOffline payment option, print or write down a 19 digit barcode then visit a local payzone outlet to pay for the purchase. Goods and services are paid for with cash before they are dispatched.

#### **Retailers**

Alliance & Leicester Commercial Bank provide all transactional and banking services and payzone provide the physical payment outlets for PayOffline.

PayOffline can be securely integrated with existing commerce systems, shopping carts and bespoke ecommerce solutions by following three easy steps. For more information go to [www.payoffline.com](http://www.payoffline.com).

### **Key Facts**

Over four million adults in the UK do not have bank accounts (APACS)

A third of adults in the UK do not have a credit card (APACS)

25% of internet users don't currently buy online (APACS)

40% of the adult population do not currently use the Internet to shop (APACS)

PayOffline estimate that the potential market for converting people who do not currently shop online could be in the £billions

A survey conducted for PayOffline by Shape-the-Future.com with 3,000 UK respondents uncovered the following,

59% of all respondents indicated an interest in using PayOffline

58% of people have decided not to shop online because of the fear of fraud

65% think it's risky to use credit cards online

66% think it should be easier to shop online without credit cards

65% would shop more with a secure, easy to use payment solution

The most common type of fraud in the UK is card-not-present fraud, the cost of which was £183.2m in 2005 (APACS). A card-not-present transaction refers to purchases made on cards used over the telephone, internet or for mail order.

The Home Office has recently instructed that all incidences of card fraud be reported to the issuing bank, rather than to the police. This is likely to compound the current fears held by the 25% of internet users who do not currently shop online.

**- ENDS -**

**Notes to editors:**

For Further information, contact the PayOffline media team

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**PayOffline**

PayOffline is a new and innovative payment solution developed to enable consumers to buy goods and services online without credit cards and pay with cash or debit card offline.

It uses a barcode system that allows consumers to make over the counter payments at any one of the 17,000 payzone outlets throughout the UK. PayOffline is an easy, convenient and safe method of paying for your online purchases.

PayOffline works with Alliance & Leicester Commercial Bank who provide all transactional and banking services and with payzone, who provide the physical payment outlets for PayOffline.

Retailers from multinational corporations to SME's can benefit by increasing their revenue streams by introducing PayOffline to their websites and online stores. Simple integration into existing shopping carts is all that is required to benefit from a huge and untapped market.