leetchi.com

A startup founded in Paris in 2009, today Leetchi.com is one of Europe's leading group payment services. The simple and secure interface allows anyone to create a 'money pool' and invite others to contribute towards a special occassion (birthdays, holidays, contributions, reimbursements, collection donations, etc).

Leetchi.com also offers innovative electronic payment services through the commercialization of its payment solution, designed and developed to meet the needs of a growing global payment market, notably in the domain of consumer-to-consumer payments.

Celine Lazorthes, Founder and CEO, Leetchi.com

SWIFT

Cause for a celebration? Leetchi.com integrates SWIFTRef APIs to improve customer service

Leetchi.com helps people get ready to celebrate. It too has reason to celebrate as the online group payments specialist is rapidly becoming an important player in global 'many-to-one' payments.

"Customer service is paramount to us, and we were pleased to smoothly and effectively integrate SWIFTRef's API web services into Leetchi.com to streamline our payments process."

Celine Lazorthes, Founder and CEO of Leetchi.com

Business background

While finishing her Masters, Celine Lazorthes realised a problem that everyone suffered from, "when organising a gift for someone, we all try to put our money together. But sadly each time it's the same story—one person buys the gift and runs after the others to be paid back. Most of the time it's complicated and money issues can make things awkward between good friends!" This was the inspiration behind the creation of Leetchi.com, a free-and-easy application for users to organize and buy gifts together.

Leetchi.com now has 1.5 million active users across 150 countries. "We help people around the world to manage pots of money for birthdays, wedding gifts, farewell parties and any other special occasion," explains Alexis Dueymes, Senior Product Manager, Leetchi.com. This rapid B2C success has also given Leetchi.com a B2B opportunity. "The product worked very well and other start-ups across Europe began to ask how we managed all the financial transactions,"

says Dueymes. Leetchi.com launched MANGOPAY in 2013, as a white-label payment solution for marketplaces, crowd-funding platforms and other businesses with high volumes of internet-based payments; MANGOPAY is now used by 200 global companies.

Solution Overview

Rapid growth and success can bring its own challenges. The Leetchi.com business model required that end-users could make a money deposit as easily and conveniently as, say, they might place a cash donation in an envelope around an office. They must also be able to spend it just as easily. "We are collecting money from different types of payment-service providers, mostly credit transfers. Pay-outs are mostly withdrawals," says Dueymes. "Payments data validation is critical though a challenge for any company like ours"; when the customer is already in a celebratory mood – preparing for the party that the money pot is intended to finance, for example – any delay can very rapidly become a

serious customer relations issue. Not only that, but 'party time' is not necessarily conducive to the accurate entry of a BIC or IBAN.

"Payments data validation is critical."

Alexis Dueymes, Senior Product Manager, Leetchi.com

At first, when operating mainly in France, Leetchi.com handled all payment data validation manually, relying on the Internet as its sole (low-quality) data source. But soon, especially as the firm grew internationally (in 150+countries) and started handling payments in 12 other currencies beside the euro, the number of payment rejections by their banks due to incorrect IBANs or missing BICs became a significant drain on time and resources. Bank repair charges rose and too many customers had to be contacted directly for their correct bank data. Dueymes says: "We needed to be sure that credit transfers were made properly, so we tried to find a solution that would help the customer enter the IBAN and the BIC accurately and also confirm to all sides that the numbers were correct before they were sent." Every 'bounced' credit transfer request was costing Leetchi.com money; every follow-up contact with a customer was potentially risking the company's reputation.

Leetchi.com is not connected to the SWIFT network for the exchange of payments or any other financial transactions with banks, so Dueymes began his search for a solution with no preconception as to what he might find. Even so, he quickly narrowed his search down to one provider – SWIFT. Dueymes says: "I started to look around to see what systems there might be, and very quickly I found SWIFT. SWIFT is ISO-registrar for BICs and IBAN formats:

if you want to find a proper solution to check BICs and IBANs, why not go straight to the source?" On the SWIFTRef website, Dueymes found details of SWIFTRef API web services, SWIFTRef's direct query-response service to validate BICs, IBANs, national bank identifiers and standing settlement instructions. Here was the solution that Leetchi.com so urgently needed. Dueymes says: "We are a technology company, so when I found that SWIFTRef offers APIs, I applied for it and we got straight into implementation."

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Alexis Dueymes, Senior Product Manager, Leetchi.com

In September 2013, Leetchi.com chose SWIFTRef API web services and the SWIFTRef IBANPlus directory, which includes a data file offering smooth BIC-from-IBAN derivation for over 60 IBAN countries worldwide. Now, when the Leetchi.com end-users want to withdraw money, they complete the same online form that the company has always used. The difference is that, for all IBANs and BICs entered at that point by the end-user, there's an automatic validation using SWIFTRef API web services. Given that the company handles around 1000s of credit transfers per day, meaning huge number of API calls, that's a lot of happy customers who can get on with their celebrations without being called out to confirm their BICs. "We needed an API solution and we needed quick answers for our users. We're dealing with real people who expect quick feedback," says Dueymes.

The experience with SWIFT was definitely a positive one, summarises Dueymes "Before, we had failed credit transfers every day. Now, thanks to SWIFTRef API web services the number has reduced to nearly none."

Benefits of using SWIFTRef API Web Services:

◆ Instant validation of BIC/IBAN information speed up client withdrawals

◆ Customer webforms became easy to use and hassle free, increasing customer satisfaction

◆ The company's operational efficiency significantly improved

◆ Costly and time-intensive errors reduced

◆ SWIFTRef APIs were easy to implement

◆ SWIFTRef data is sourced daily from SWIFT and authorised sources only, therefore data is accurate and always up-to-date

For more information, please contact your SWIFT account manager or visit www.swift.com/SWIFTRef