



CASE STUDY
transpay
by 

Leading Global Marketplace for Freelancers



86.4%

Compound Annual Growth Rate for Transpay's Cross-Border Bank Deposits

Between 2013 and 2017, the share of total payouts that were done via cross-border bank deposits grew by a compound annual growth rate of 86.4 percent.

Executive Summary

When a major U.S.-based marketplace for freelancers came to Transpay by Mastercard, the company was in the enviable position of experiencing rapid growth. But there was an obstacle to the company's growth trajectory. The marketplace's progress in several regions that included many of the world's important developing economies was being stymied by a constant stream of payouts-related complaints from freelancers and small businesses selling services on the platform.

Enter Transpay with a solution. Transpay offered the marketplace a white-labeled bank deposit solution that enabled the marketplace to offer its recipients transparency, high service levels, and additional convenience. Transpay's partnership with the marketplace launched in 2013 with two countries, and grew to five countries within a year, as significant numbers of marketplace recipients began to choose the newly offered bank deposit option.

In 2017, the marketplace responded to its recipients' rapid adoption of the bank deposit option by expanding the offering to 30 new countries. During 2018, the bank deposit option was chosen by recipients in increasing numbers, reaching a total of 25 percent of total payouts sent by the marketplace in 35 countries.

Challenges

The marketplace was receiving a steady stream of complaints related to high expense and slow delivery times from recipients in several difficult-to-reach countries, in payouts terms.

"The marketplace needed to be competitive in markets where the freelancer population was strong and growing rapidly," says Transpay's Head of Customer Success Joe Goetz. "They needed to quickly improve service levels for

payouts and reduce the number of complaints from recipients."

Adding to the complexity was the fact that the countries where the marketplace was facing payouts obstacles were particularly challenging due to complex government regulations and volatile currencies.

Solutions, Results and Future Plans

The marketplace began by offering Transpay's bank deposits to its recipients in multiple developing economies. After an initial launch, the marketplace saw that its recipients were migrating to the bank deposit option, and expanded Transpay's contract to cover five countries. In the first five years, Transpay bank deposits' share of the total payouts sent by the marketplace grew to 40 percent.

The message from recipients to the marketplace was clear: They welcomed the option to have funds sent directly to their bank accounts in their local currency.

The marketplace went on to add Transpay's cross-border bank deposits in additional markets that eventually included South Asia, Africa, Latin America, Europe and the Caribbean.

"The marketplace consistently showed interest in expanding Transpay's bank deposits to additional regions, while also seeing an increase in Transpay's share of the recipients' wallet versus competitors," says Goetz.

Between 2013 and 2017, the share of total payouts that were done via Transpay bank deposits grew by a compound annual growth rate of 86.4 percent. Encouraged by the initial success, in 2017, the marketplace added Transpay's bank deposits in another 30 countries. Within a year, those bank deposits achieved a 15 percent share of the total payouts sent by the marketplace in those 30 countries.

"As evidenced by the rapid rate of adoption, Transpay's bank deposits enabled the marketplace to offer a payouts option that recipients loved," says Goetz.

"Complaints decreased as service levels improved. Delivering funds directly to recipients' bank accounts improves time efficiency and reduces costs."

From the marketplace's point of view, Transpay's network gave them access to over 90% of bank accounts worldwide. And in terms of FX rates, Transpay's market-leading rates, coupled with the guarantee of committed FX rates even in volatile markets, were a game changer that enabled the marketplace to reach the recipients it sought to serve.

Ultimately, the marketplace had happy recipients opting for bank deposits in a total of 35 countries. And in fact, in 2018, Transpay's share of the total payouts in these 35 markets reached some 25 percent.

"It's been a pleasure to grow this relationship together," says Goetz.



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Summary of Key Results

- ✓ 86.4% CAGR for Transpay's bank deposits from 2013-2017.
- ✓ Reduced complaints from payout recipients as service levels improved.
- ✓ The launch saw rapid adoption for Transpay's service, growing from being offered in two countries to five countries within a year. Transpay handled 40% of payouts for the marketplace in these five countries.
- ✓ Rapid adoption continued during the four years from 2013 to 2017, with Transpay's service offered to a total of 35 countries. Transpay handled 25% of total payouts for the marketplace in these 35 countries.

About Transpay

Transpay provides businesses with a scalable and secure cross-border mass payout service, making it easy to send funds to vendors, business partners, freelancers and others in over 140 countries. Transpay is a service provided by Transfast, which became part of the Mastercard family in July 2019, joining one of the most widely recognized and respected technology companies in the world.

Together, we're making payments safe, simple and smart.

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