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Visa, Inc. (V)

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Tien-Tsin Huang
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MANAGEMENT DISCUSSION SECTION

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Thanks, everyone, for joining. My name is Tien-Tsin Huang. I cover the Payments and IT Services sector at JPMorgan. And I was just telling Al, I'm so thankful to have Al Kelly, Chairman and CEO of Visa, here back with us to do a fireside chat. And like other sessions, we'll be doing questions. We'll be taking some questions from the Ask a Question portal. So if you want to click through that, I'll be monitoring that throughout the session, but hopefully we'll hit a lot of the questions you have because I have gathered that from the investor community.

So, Al, it's great to see you. Thanks for doing this again.

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

Tien-Tsin, it's a delight to be with you and your audience, so thank you for having me.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

You look great, so let's get right into it.

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QUESTION AND ANSWER SECTION

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

I've got the obligatory question around the recovery. I figured we'd ask you for an update. We know the recovery is underway. Payment volumes are back to double digit. What gives you optimism about the recovery, AI, and where do you think caution is warranted?

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

Tien-Tsin, first of all, all key drivers except cross-border are now above or even well above 2019 levels. The recovery is going to be different in different markets, but we're seeing very strong growth in our Central Europe, Middle East, and Africa region, where at the end of last quarter it was plus 50% versus 2019. Latin America was plus 40% versus 2019. The US was plus 24%, which is really quite good considering that credit is only plus 6% versus 2019. So while credit started to crack over into the positive growth category, it still is trailing debit by quite a bit. Asia-Pacific excluding China and Europe are the lowest to recover, and both still have issues. There we saw volume plus 8% versus 2019.

And revenue and EPS now are growing above 2019 levels, which is good considering the fact that the travel rebound has really not yet occurred and domestic travel is showing some signs of recovery. It's improving in some countries as restrictions are lifted. We're seeing that in the US. We're seeing it in Australia and New Zealand. We're seeing it in parts of Latin America. In the US in the second quarter, all categories of spending were above 2019 except for travel and entertainment. But in April, entertainment went above 2019 levels for the first time. And travel in April was about 75% of 2019 levels, but it was 20 points higher than it was in January. So from April to January, while still being below 2019, we did see a 20 point movement in travel in the US. So I think it's just a matter of time before domestic travel returns. We just released our Visa US Spending Momentum Index, which shows that about – just shy of two-thirds of people are spending more now than they did in 2019. So I think consumer confidence is working its way back, which is a good thing.

You asked me about where I'd be a little more cautiously optimistic, and I think there it's cross-border travel. As restrictions get lifted, we're seeing a little bit of increase in the second quarter. As a matter of fact, I'm reminding everybody. Our second quarter is the calendar first quarter and our second quarter spend per card was really what drove the spending increase because people were able to spend locally when they were present in a market more than they were prior to that.

I do think when borders open, we have evidence that we see some improvement. The US-Mexico border opened up quite a bit in the October timeframe, and today it's running 20 points above 2019 levels. And several corridors between the US and Latin America, in particular the Caribbean, have improved, and we've seen in some of them a greater than 10 point improvement through the second quarter versus 2019. But the reality is many borders are still not open and there are still a lot of restrictions. Travel in and out of Asia, for example, is still very, very depressed. It's down about 75% of 2019 levels in Asia. I do think – let me just add something. Travel in the US is down 70% versus 2019. And Europe, which again had that additional resurgence in a number of markets, was down about 60% versus 2019.

The travel bubbles, a new term, between Singapore and Hong Kong, and Australia and New Zealand, are the first two examples. We've seen their volume double pre-pandemic, pre the bubbles that existed. And all indications

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are that the popular destinations in Southern Europe are going to reopen for the summer. We're seeing bookings be up. We're seeing them saying that people who are [indiscernible] (00:05:12) have opened up in mid-April, and since then we've seen weekly cross-border card-present spending in Greece be up 30%. And it's actually accelerated each of the weeks in the last four weeks or so, so again, a very, very good sign. I think if the vaccination rate continues to grow in the United States, I think that's going to help travel in and out of the States.

The area that's still a real uncertainty is business travel. I think it's going to take quite a while for business travel to return. And my personal view is I'm not sure it gets back to where it ever was. Does it get back to 75%, 80%, 85%, 90%? I'm not sure. The good news for us is that we're not very dependent on business travel. The majority of our volume in travel is consumers, and I do think consumers want to travel. And as vaccinations improve, restrictions are lifted, and borders open, I think we'll see consumers back on the road, and I think that's just a matter of time.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC
Q

I agree with you. My kids are asking me to travel on some cruises already, I'm not quite ready, but we're going to be doing it soon, Al.

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.
A

A cruise might be aggressive for a start.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC
Q

That's what I said. You can call them after we're done. So I don't want to spend too much time on the macro. You did a great job summarizing a lot of what you're seeing on the ground. I did want to hone in on Latin America, if you don't mind, because we are seeing some positives there. There's quite a lot of innovation happening in Brazil and in surrounding countries. Cases have been rising, yet you said it, you guys have been doing very well in LatAm. So what's going on there? Why do you think you've gone into another gear on growth in Latin America?

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.
A

I think a lot of it's because the accelerating of e-commerce, both its adoption and usage, as well as some client wins in key categories. And to your point, we've seen 23% year-over-year growth in the second quarter in Latin America and 40% growth versus the second quarter of 2019.

And the first thing I'd cite is cash digitization is happening. For the first time ever last quarter, cash volume in Latin America actually was less than payment volume. That may not sound like a big deal, and in fact it was that payment volume was only better by about $1 billion. But as a point of reference, in the second quarter of 2019 cash volume was 30% greater than payment volume in Latin America, so you could see that's a huge change in a short period of time. So we'll see if it's – one data point is not a trend, but it's very, very positive movement and we'll see how much it accelerates over the coming months.

Face-to-face, tap-to-pay has increased. It was up 12 points in March over the same month a year ago, and now 21% or so of the transactions in Latin America are tap-to-pay. E-commerce, we've seen total spend on active cards double versus 2020. The number of active cards that are active in e-commerce is up 60% year over year, and the average spend per card is up 40%, so that's a big, big movement and change. Cross-border inbound into

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Latin America, as I cited in answer to your first question, is recovering. The US to Latin America is now overall about 80% of 2019 levels in March, so much better than we're seeing in other regions around the world.

I alluded to client wins in Brazil. We won conversions of Banco Santander and Caixa, Econômica Federal, and in Brazil we won BancoEstado, which is a very large debit portfolio. We've been talking on some of the recent calls about processing improvements in Latin America. We're seeing that. We've made a lot of progress in Ecuador and Colombia and Brazil. We've reached 100% processing now in Chile as of the end of the first quarter. And we're driving value-added services growth, particularly in risk, identity solutions, as well as our Visa consulting and analytics services, all of which is really very helpful and driving some of the performance in Latin America.

In new flows, we're seeing more banks sign on B2B Connect, and YellowPepper is really helping us in terms of growing access to Visa Direct in the region. The Peruvian P2P player PLIN, we've seen transaction growth especially since we originally signed with them in I think was October of 2019. We now surpassed 5.5 million transactions in the first quarter of 2021. Yape in Peru is a Visa Direct-powered wallet used for P2P payments as well as merchant payments. And since our launch with them in late 2018, we've reached 5 million users in January and tripled the daily Visa Direct transactions over the last six months. And as you I think know, WhatsApp in Brazil is using us as well for P2P.

Additionally in Latin America, we're seeing wallet proliferation as we are in many other parts of the world. I guess my best example there was Rappi, the super-app, which has 65 million users. They're already utilizing Visa for 1 million credit and debit cards, but they're also now using us in RappiBank that they're starting. And they're also one of our biggest clients in terms of CyberSource and Decision Manager. So there's a whole bunch of good stuff going on in Latin America, but I think the pandemic has done a good job in driving people to digitization, and that's a big factor here.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

You led with it. Cash has really been displaced here with the pandemic. When we updated our market share report, that was the biggest learning in of it across is just cash really finally took a real hit.

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

Yes.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

So let me ask you this then. With your revenue and profit, you said it, Al. You're back to 2019 levels. That's despite cross-border being what, 60-plus percent down and what, almost $2 billion – $3 billion down in terms of revenues. So I'm sure cash getting taken out is a help. But do you expect that cross-border revenue to come back, given e-com and some other areas around cross-border? I know you mentioned business travel may not come back, but I'm curious if you think that you'll get that back to where you were in 2019 with some of these cross-border fees in other areas.

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

I do think it's going to come back, Tien-Tsin. The question is when. I'm not smart enough to tell you the when part of that. As you know, international transaction revenue is really driven by cross-border, and pre the pandemic it

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was two-thirds travel, one-third card-not-present purchases. The pandemic completely reversed that. But I don't think that it reverses back even with cross-border travel coming back. I think the card-not-present e-commerce is going to sustain as people have just – many more people have adapted to it. And people who had previously adapted to it are now really hooked and spending more.

We see in our transaction growth in global card-not-present cross-border excluding intra-Europe, that's a mouthful, the last three quarters has been up 20% year over year. It's up almost 30% in the second quarter, and it's up 44% versus 2019 in the second quarter. And a lot of that's driven by real strength in retail, but also driven by growth in purchases of cryptocurrencies, which is kind of a new trend that we're seeing out there that's also being helpful.

Again, on the travel side, I addressed some of the issues already, especially around consumers. But I would remind you and our investors and other people looking at Visa that our cross-border travel business is very diversified. No one corridor dominates it all. And in fact, the largest corridor for cross-border travel represents a low single-digit share of overall cross-border travel. And I think once the cross-border starts to come back, you're going to see us use that as an opportunity to invest more in the business.

And we're doing a lot of thinking about how we invest in our three growth levers, how we develop new simpler user experiences like tap-to-pay and click-to-pay and tap-on-phone. We're going to continue to invest in our capabilities, growing use cases for Visa Direct as an example, advancing our fraud and identity capabilities, focusing on specific geographies. Europe and Africa come to mind, and certainly innovating for the whole payments ecosystem, investing in things like AI, tokenization, as well as APIs for access to crypto.

So does it come back? Yes. When does it come back? I'm not sure, but I do think that there are some green shoots out there. And I'm hoping that – Europe certainly wants to take advantage of the summer months to get as many people traveling as they can. And certainly it would be great to see people returning to the US. And I think the fact that the US vaccination rate, while I'd like to see it higher, is at a pretty good level is going to give more consumers comfort to come back to the US and visit this summer.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

I think when I first had you at this session a few years back, we talked about diversifying away from cross-border travel from a revenue perspective. And it sounds like it's happening as a result of the pandemic, which is great, but that leads me to another question for you, Al. I was just thinking about e-com and everything that's happening in the digitization of the world. We were really trying to study this idea of modern versus legacy technology, modern versus traditional platforms. And I know you have a lot of e-com assets, including CyberSource. How do you think about Visa and how modern your technology is versus some of the other digital-first players that are out there?

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

Look, we would never have been able to be as successful as we were weathering this pandemic. Obviously, our volumes were down from what we historically look at. But I think we've been able to weather the pandemic because we have some really good tools in the e-commerce space and for card-not-present. And look, in the last three quarters, we've seen greater than 30% growth in card-not-present in the US, Canada, Brazil, Italy, Germany, and Singapore.

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And we have some great assets. CyberSource is certainly one of them. It's attractive to many players. We've seen SMCC, Barclaycard, NAB in Australia all adapted on kind of a white label basis. In the case of SMCC in Japan, they now are processing 0.5 billion transactions, e-commerce and face-to-face, a day, and they're finding Decision Manager to be a really compelling tool there. That tool leverages a whole bunch of detectors, 260 or so in total, to produce a very differentiated fraud score that SMCC and other people who are using Decision Manager have found to be very, very useful.

And CyberSource is something we invest in heavily. We actually have a dedicated technology team that only works on CyberSource. So it's something that we have been investing in and will continue to invest in. We have Visa Advanced Authorization, which is one of our staple risk products. It provides a real-time score on every transaction that helps merchants and issuers separate good transactions from fraud transactions. And when you combine VAA with our tool called Visa Risk Manager, which is a web-based tool that allows an issuer to change rules to fit their risk criteria, we get a very powerful weapon. In fiscal 2020, to give you a sense of the size of these tools, we scored 160 billion transactions across 8,000-plus issuers in 125 different markets, so really, really huge. And you've seen the growth we've seen in tokenization. It took us six years to get to 1 billion tokens. And in the last 10 months, we've gotten to 2 billion tokens. So the adoption of tokens has taken off.

Net-net, I think that we've got a lot of good tools in the space of e-com. We're going to continue to invest in it, and I'm confident about it as a continued growth lever. And yes, it will change the profile and the mix a little bit of our cross-border between card-not-present and travel. But I think all boats will rise and the category itself will be larger coming out of – once we get through the recovery in at least most of the big markets, Tien-Tsin.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

That makes sense. We sometimes forget how big Visa is. You shared that stat. you were at 40% share in digital on the card side. So that's why I wanted to ask the question, which leads me to the next one, and you've mentioned crypto, Al. I know a lot of companies are watching what Visa's going to be doing on the crypto side. And I would think Visa has a lot of influence on crypto for commerce, given that you are so important on the commerce side.

So I'll ask you. I know you've had a lot of great comments on this in the past, but I wanted to just make sure I understand. What is Visa's criteria to validate crypto on the network from an acceptance standpoint? And then secondly, I was hoping you could quickly touch upon CBDC [Central Bank Digital Currency] and blockchain, just implications on the overall payments system. It's such an important topic right now. And again, you are a very important actor in this as well. So what's your response to that, Al?

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

Certainly crypto is the shiny object out there. I played golf on Saturday and probably spent four or five holes exhausting everything I knew about it with my three playing partners, who knew nothing about it. So it's a very interesting topic.

Look, as you've heard me say before, it's not mine to judge what's going to work well and what's not going to work; what's going to get adoption and what's not going to get adoption. I don't pick winners and losers. I'm fairly confident that crypto is going to play a big role in payments, to be determined exactly how big and in what kind of sequence and staging over time. But we are big time leaning into the crypto space because of the fact that we think it really could make a big difference.

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And what our strategy is, is to get as involved as we can, to learn as much as we can talking to various blockchain players, as well as talking to and getting involved with as many crypto wallets as we can around the world. We had reported at earnings that we had deals with 35 different crypto wallets. We now have over 50 different crypto wallets that we have deals with. With every one of those deals, some are bigger than others, some are quite small, we're learning. We're learning from the management teams. We're learning about what they're thinking about relative to crypto. And what we know we bring right away. We bring relevance, we bring a great brand. We bring a lot of experience in payments.

And for a lot of these crypto players who have a marketplace that is still somewhat nascent in terms of being able to provide utility, they're putting Visa cards in their wallets to give their customers the ability to immediately have the utility of Visa's 70 million merchants around the world to go spend if they want to spend. And that's extremely valuable for these crypto players. And along the way, we're getting a sense of – do those people spend on the same kinds of things that other people spend on. And when they convert their crypto currency, what are they converting it to, what are they buying, et cetera. So there's a lot of learnings on our part.

As you know, we're also providing a set of APIs that we built, making them available to issuers to allow them through their website or their mobile device to enable their customers to buy or trade or custody cryptocurrencies. We're doing that primarily with Anchorage Bank, the first federally chartered digital asset bank in the US, and we're learning from that. So in general, our strategy right now is to learn as much as we can.

As part of that learning process, we're doing two other things that I'll highlight and then we'll move on. One is we are building it along with really our tech and treasury folks are building the capability to be able to settle in stablecoin, so that at least the actual crypto company doesn't have to convert to fiat. Again, we're working with Anchorage on that. We have just started to experiment with a pilot there. And I think we're going to – we already settle in 26 different currencies every evening. And this really should just be another type of currency to settle in. So we think that there's a lot of promise for that downstream.

And then when you talk about Central Bank Digital Currencies, everybody is in early innings, perhaps except China, which is a bit further along on this than anybody else. And it's always difficult to get specifics of exactly where they are in China. But our strategy is to work very closely with the central banks. We have a lot of discussions. We have a lot of robust dialogue going on with many central bankers around the globe. We're emphasizing to them the importance of security, usability, accessibility, trust, and the fact that the best way to get home is probably with public-private partnerships, and that we at Visa would want to be part of the ecosystem for digital currencies. And I think we're getting a fair good amount of receptivity from central bankers as we talk to them.

But in general, I would say crypto for buying as well as for Central Bank Digital Currencies, as you know, we're very, very much in the early days. But I feel very good about how our team has gotten out in front of this and positioned us well as really I think the go-to partner right now in terms of both expertise and I'll say "experience" because it's so new, but experience in the space.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

I follow you. Like I said, Visa carries a lot of weight here. So I think it's important to watch what you guys do next, so thanks for that.

I don't want to spend too, too much time on crypto. I do want to hit a few things. I know central bank you've mentioned with CBDCs, but staying with the central bank theme, I think every year I ask you about nationalism,

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Al. So Brazil PIX, India UPI, there are some interesting initiatives going on, getting more involved in alternative payments. Where is the pendulum swinging, Al, in terms of nationalism, and are there TAM locations for Visa as you watch some of these things like PIX and UPI gain some momentum?

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

Look, you've had this consistent theme, and I think it's a good one to talk about. We talk about it all the time. That said, it isn't anything new. And at some level governments getting more involved, I would say I don't know if it's nationalism or not, Tien-Tsin. But I would say that, as a result of the pandemic, there's a lot more interest in payments amongst more countries than there were before, and that cuts both ways. I think in general, it's a good thing. As long as governments don't form opinions based on not talking to people, if they're fact based, it's generally fine. And more and more governments, by the way, are looking to become clients as they want to set an example and get digital and stop distributing their own subsidy funds through vouchers and things like that.

If you look at India, I think India is in many ways a great example. Back almost five years ago now, in November of 2016 when demonetization happened, we were the market leader and had a very strong position in both debit and credit in India. And the demonetization really did reset our base. But as a result of that, in the first year since demonetization, our business in India doubled. And since then, as we've seen growth in credentials and growth in acceptance points, our business remains quite strong despite the fact that there is a nationalistic scheme there. But the reality is that, for the most part, for the most part, it's been an even playing field.

If you looked at PIX in Brazil, I look at it as more of an opportunity than a risk because it seeks to digitize cash at its core. And at the end of the day, that's critical for us as we think about our network of networks strategy, which to just quickly remind people, for us it's moving dollars to all endpoints around the world, doing it using all available networks and being a single point of connection for our partners so they don't have to worry about how the funds flow. We do that for them. We want to make sure we facilitate liquidity and guarantee payments on the other end, Visa via our settlement services, and we want to provide value-added services on transactions regardless of what network they're on, so a lot going on. We're working with – in Brazil we're working with acquirers, issuers, and fintechs using AI and machine language such as to improve things like Decision Manager and Account Takeover Protection, which are two very strong cyber solutions. And back to PIX, we see PIX as a place where we can help them in terms of providing some value-added services.

So when I look out there and I look at the opportunity, I see more opportunity. Regulation has always been, once governments get involved, regulation is always a possibility. But that's something as well that we've been contending with over time. So the answer to your core question is I'm not sure that nationalization really has gotten – we've seen any material movement, but absolutely because of the pandemic we've seen more interest on the parts of more governments in payments and money movement.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

That's helpful to hear. The money movement concept, staying with that, I know Visa Direct has been quite successful by growing 60-plus percent and push payments, very clever, the product, hard to beat Visa on scale. Can you just, I get this question a lot, Al. The value proposition of Visa Direct versus some of these other let's call them RTP networks or some of the other competitors that are out there, if you want to call it that. What's the pitch? Because Visa Direct is live now, people ask me about it now, TCH and some of these things that are still developing, but Visa Direct is live now. What's the value prop?

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Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

I'd start with the fact that there are – to go to where you started, there's about, I think around 45 different RTP systems in the world, and few of them have really gained any meaningful traction. And I think it's due to limitations and things ranging from speed to a lack of or less robust solutions around dispute resolution, risk management, fraud, and loyalty. And we believe Visa Direct is a superior option than anything else that exists out there.

And let me tell you the reasons why I think that's the case. One is reach; that we have the ability to reach an incredible amount of endpoints between card credentials and bank accounts, leveraging Earthport and our own capability. And we believe now we can reach 5 billion endpoints. So we don't think anybody else can do that.

Secondly, we have incredible operating scale because we operate Visa Direct on the core platform of VisaNet, so we didn't create new technology here. We're leveraging existing technology, and therefore we can deliver the industry a really good solution at a very low marginal cost.

Thirdly, it does – we really are truly taking advantage of the network of networks. And on Visa Direct in the last year, we not only used VisaNet and Earthport, but we also used 15 or 16 other card-based networks. We use 65 different ACH schemes. We use 7 different RTP systems. We use 5 different payment gateways, so we really are taking advantage of the different types of rails that are out there that we have that much access to as anybody else to route the transaction in the best possible way.

Fourthly, we're investing heavily in Visa Direct. We're investing in a leading technology stack for both payouts as well as account funding. We're increasingly looking for new use cases for Visa Direct. We're looking to deepen the penetration of use cases that we already have, and we're looking to roll Visa Direct use cases out to new geographies.

And the last thing I would say is that we I think have a proven track record now of commercializing this. And probably the best example is what I just talked about was use cases. And we have about 450 different Visa Direct programs launched around the world between the use case in the country today, so that's really powerful. I think we work with 25 different earned wage access platforms. We worked with most recently, that's the deal with Airbnb for host payouts. We work with most of the big cross-border remittance players, MoneyGram, Western Union, Remitly, TransferWise. So a lot of – while it's been a short period of time, I think we've built quite a track record as well. So we feel very, very good about it, and I think it's the best tool out there for moving money from one country to another.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

You have so many endpoints. You mentioned Earthport giving you 5 billion some odd endpoints on that alone. We've been saying, Al, I think you've heard me talk to you about this before, that everyone is trying to bank their users, give their users a debit card and provide transactional services against that. So I've been trying to think with this in the stock market world moving to ARPU and everything else. Is credential growth potentially a more important metric than volume growth, not right now but maybe longer term? Can we think about that as an important KPI? I know we're almost out of time here, but I wanted to get your views on that, if that makes sense.

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

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I think credential growth as a means to an end is a very important metric going forward. But I actually think, at the end of the day, more credentials, more acceptance points, deeper engagement with our customers is going to equal more transactions, which is going to equal more payment volume, which is going to provide us more opportunities to process, and therefore more opportunities to sell value-added services. So that's the way I think about the value chain, get as many credentials as we can, as many acceptance points as we can, drive as much engagement with our issuers among every single credential we have, and that's going to give you the transactions, the transactions that give you the volume. The volume gives you the ability to process more. Processing more gives you the ability to drive more value-added services.

So I do think credentials are important, but I think so are those other dimensions as we look ahead. And as I said, we're going to continue to drive use cases. We're going to continue to drive core payments. We're going to continue to drive credentials through – or these transactions through Visa Direct as we build out B2B Connect. That's going to help us drive transactions once it scales. So that's kind of where we're trying to head.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

There's a lot going on, Al. I think we covered a lot of ground in a short period. This was fun, as always, I wish we had more time. I don't know if it's possible in 30 seconds, if you can just – what are you most excited about that I haven't asked you about already? If you were to emphasize something here that we should maybe think about and ask you in a year when we have you back hopefully?

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

I think in this little speed question round. I guess I would probably say something that might surprise listeners, which is I remain very excited about the United States. While we're diversifying outside the US and everybody is focused on us diversifying outside the US, and while people might think of the US as a more mature market, which it would have to plead guilty to, there's still a $4 trillion of spend our cash back into the US, tap-to-pay is in its very early stages in the US, unlike other markets. I think there's still a lot of opportunity in different places to unearth more acceptance in places like parking, vending, rent, et cetera. And I think there's a lot of room to grow in new flows and value-added services in the US. So what we tend to talk a lot importantly about the ability of our company to grow outside of our home headquartered market, the reality is that home headquartered market still has a lot of juice left in the tank in my opinion as well.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

Q

That's encouraging too. That's definitely encouraging to hear. I think we're out of time, Al. this was great. Again, very thankful to have you. And hopefully we'll be able to catch up soon in person.

Alfred F. Kelly, Jr.
Chairman & Chief Executive Officer, Visa, Inc.

A

Tien-Tsin, good to see you and glad you're back in the office. I'll make sure Jamie knows you were there today. So thanks.

Tien-Tsin Huang
Analyst, JPMorgan Securities LLC

You've got the evidence. Great to see you, Al, thank you.

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Alfred F. Kelly, Jr.

Chairman & Chief Executive Officer, Visa, Inc.

Bye-bye.

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