

TNG driving mobility

BY TAN ZHAI YUN

In some ways, Touch 'n Go (TNG) launched many Malaysians on the cashless journey more than two decades ago. Instead of paying cash at tolls, it became possible to pay by simply tapping the card on the machine.

In 2017, the company went a step further into the cashless environment by launching the TNG eWallet in collaboration with China's Ant Financial Services Group. It enables mobile payments and connects the physical TNG card to the eWallet. And by the end of last year, users could monitor their balances on the eWallet app in real time and reload their cards without using cash.

"Part of our role is to stitch together everything you liked about TNG in the past and create new possibilities for you in the future. That is why it is so forward-looking, because I need to define the future TNG user," says Syahrudin Samsudin (Nizam), the CEO of Touch 'n Go Sdn Bhd and TNG Digital Sdn Bhd, its joint-venture company with Ant Financial.

The future consumer will not want to top up their TNG card with cash. They will want to use the mobile phone as a means of payment, he says. It must be a seamless experience.

"They want you to give them rewards directly and offer them more merchant access. They want you to do it without charging them on every transaction. They want you to keep their data private," Nizam adds.

This is why TNG Digital launched PayDirect last month, which allows users to reload their physical cards via the eWallet (using online banking or card), as well as use it to pay at participating tolls. The eWallet is also linked to the RFID tag, which is part of an electronic toll payment system designed to replace the SmartTag.

To attract users, there is a 20% toll rebate for users who link their TNG cards to the eWallet. Many rewards are also available from the more than 50,000 merchants that are part of TNG Digital's network. Other functions offered by the eWallet include bill payment, purchase of flight and movie tickets as well as prepaid and postpaid services. The company says it currently has close to four million users.

Mobility will remain one of the core areas that the TNG eWallet will tackle. In the future, eWallet users will be able to enjoy curated lifestyle experiences offered via the app while they are travelling. If discussions bear fruit, they could even use it to pay for services in other countries. "Users must be able to move in a way that is uninhibited and gives them a lot of choice," Nizam says.

CHANGE DOES NOT COME EASILY

Some may believe that TNG has been slow to innovate and Nizam does not shy away from the criticism.

"We probably did wait too long to do the things that we are supposed to do. But I think everyone in this company and those who came before me have always wanted to make things better. It is just that consumers' needs also evolve and we have more information now to help us solve these problems," he says.

Nizam says TNG faces many challenges in implementing new solutions. The team has to work with multiple parties for anything to happen. "For the consumer, everything happens in one second (when they go through the toll). But there is so much work involved in getting it to function."

For example, in order to enable eWallet payments for tolls, TNG has to work with various highway concessionaires, system integrators and government agencies.

"The biggest challenges we face are always

in change management because we need to work together with many stakeholders. We need to convince them that this is the best way forward, without having to break the bank, because the consumers are asking for it," Nizam says.

TNG cannot do away with the physical cards because, according to the company's statistics, a large proportion of TNG users — particularly those aged 40 and above — are not using the eWallet. That is why the company decided to future proof the card by connecting it to the eWallet.

"Let us give them the data so they can see their transactions, ask for their own statements and from there, they can slowly migrate to QR payments and RFID. Getting 24 million cards to disappear is not possible. But it is possible to evolve the technology until consumers decide they do not want to use the card. So we are giving them that choice," Nizam says.

In order to accelerate the process, he is taking a more proactive approach with the eWallet. "Look, you are our customers and you have been for many years. Let me show you what I can do and give you glimpses of the future, so at least you know what we are working towards. You are now part of the public trial to make sure it gets better in the future," he says.

Through this strategy, TNG launched PayDirect, with new highways being gradually added onto the list. It also ran a trial last year at seven LRT stations, allowing 30,000 white-listed

users to pay via QR code using their eWallet. Whether the system is implemented depends on the government and relevant authorities. Meanwhile, the RFID pilot programme began accepting registrations last September.

"We must evolve faster than the consumer. Previously, the consumer evolved faster than we did. Why? Because they travel, they have experienced better cards. Now, consumers are happy because it seems as if we have evolved a lot faster than they thought," Nizam says. ■



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