

Title: Theory/Idea: GameStop to adopt Loopring as a payment system in retail stores

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Wanted to start by saying I am an ■ and am not an expert in anything I'm writing below so any additional thoughts or feedback are welcome:

BACKGROUND INFO:

Current fees to send Loopring is roughly \$0.02 (0.0521 LRC) at the time I checked (6:30AM EST). This would vary as gas fees fluctuate, and would eventually be reduced with major upgrades to Ethereum.

This Payment Depot website (<https://paymentdepot.com/blog/average-credit-card-processing-fees/>) shows average fees from major credit card companies are the following:

American Express – 1.58 – 3.30%

Discover – 1.53% – 2.53%

Mastercard – 1.29% – 2.64%

Visa – 1.29% – 2.54%

Imagine the transaction fees GameStop could save integrating Loopring Layer 2 as a payment system for their retail stores/online transactions.

EXAMPLES:

A \$3 purchase of a Magic: The Gathering booster pack in store with a credit card would cost Gamestop \$0.0387 in processing fees using the lowest fee of 1.29%. Same purchase in LRC wouldn't cost anything to GameStop, but would cost the consumer \$3.02 in LRC.

A \$460 purchase of a new Xbox Series X with a credit card would cost Gamestop \$5.934 in processing fees using lowest fee of 1.29%. Same purchase in LRC using Loopring Layer 2 wouldn't cost anything to GameStop, but would cost the consumer \$460.02.

GameStop reported net sales of \$6.011 billion in FY21. According to the Insider Intelligence website (<https://www.insiderintelligence.com/insights/credit-card-industry/>) credit card transactions account for roughly a third of a company's in store transactions (36.3%) or \$2.182 billion of GameStops net sales in FY21. 1.29% credit card transaction fee this is \$28.1 million. This does not account for online sales which are all credit card transactions.

PROS:

1. GameStop could save money in credit card transaction fees
2. Adoption of Loopring Layer 2 and GameStop Wallet which will also drive use of NFT marketplace.

CONS:

1. Expenses incurred integrating Loopring Layer 2 as an in store payment system.
2. Transaction fees go to the consumer.
3. Gas fees may vary.
4. GameStop will need to find a cheap and efficient way to off-ramp (or hold LRC, which could also be a Pro)
5. No cash back rewards from credit card to the consumer.

POWER TO THE PLAYERS:

Although the transaction fee would be incurred by the consumer, GameStop being the customer centric company they are, could offset this fee and incentivize use by offering % off discount while using GameStop Wallet Loopring Layer 2 for payments or some type of rewards system for their retail stores/NFT marketplace which would be a reinvestment in their own business and drive traffic.

A PEEK INTO ■■■ FUTURE:

Loopring's zkEVM allows GameStops to launch a GMERICA stablecoin and a fast, easy to use, cheap, and efficient payment system via GameStop Wallet with GMERICA stablecoin on Loopring Layer 2. GMERICA stablecoin can also be used in DeFi to earn interest. Mass adoption of GameStop Wallet occurs and major credit card companies and banks lose market share to GameStop as companies start to integrate GameStops payment system and consumers close their savings accounts and earn yield on GMERICA stablecoin.

TLDR; GameStop could save in credit card processing fees by integrating Loopring Layer 2 as a payment for in store purchases while pushing some of the savings to consumers via discount/rewards to drive traffic.