



# THE MOBILE PAYMENTS LANDSCAPE

The conversation around mobile payments has reached a fever pitch. But we are far from widespread adoption. **We are on our way to a 'no-app' payment landscape**, where native operating systems – rather than applications – will define the way we pay. Here we shed some light on the current landscape and what's on the horizon.

## CONSUMERS

## MERCHANTS

### ADOPTION

#### Slowly but steadily increasing

For mass-adoption, the burden is on merchants to provide seamless systems that are easy to use and device-agnostic

**39%**

Made POS purchases with their smartphone in 2014

**17%**

Paid for a product or service at a store using a mobile device

#### Differs by industry

Analysts predict that by 2022, mobile-led digital ordering will dominate the entire mix – encompassing 50% of transactions at non-pizza restaurants. A snapshot of adoption by other industries today:

Industry	Adoption Rate
Consumer electronics merchants	59%
Digital goods	53%
Apparel & jewelry	50%
Travel & event ticketing	45%
Other physical goods	32%

### CURRENT LANDSCAPE

#### Tech Giants:

#### Tech Startups:

#### Joint Ventures / Consortia:

#### Card Networks:

#### Payment Processing Providers:

#### Traditional Payment Acceptance Giants:

#### New Payment Acceptance Players:

#### Mobile-Friendly POS Providers:

### BARRIERS TO ADOPTION

**75%**

perceive cash / credit cards easier than mobile

**45%**

worry about security

**37%**

worry about privacy

**43%**

concerned by cost of needed upgrades

**39%**

worry about security risks associated

**36%**

struggle with time it takes to fix problems

### LOOKING AHEAD

The future will be a 'no-app' landscape – where payments begin with the operating system rather than retailer-built apps

**Multi-modal wearables:**  
such as Disney's Magic Band – will be commonplace

**Highest adoption rates:**  
fuel/convenience, restaurants, public transportation and casual retailing merchants

**New Technologies:**  
such as Beacons, Virtual Shopping Cart, AR Mirrors and No-touch checkout – will abound

### ACT NOW: HOW TO GET IN THE GAME

Learn how to pay with your iOS or Android device

Clean out your wallet: Determine the best payment cards for you in terms of rewards, security and values – and digitize them

Look for retailers that are customizing payment decisions at checkout – it's about to become easier to pay with your phone than your card

Focus on infrastructure: Ensure compliance with standards like EMV

Build loyalty programs: Make sure they are flexible and data can be transferable

Become educated about consumers' profiles in order to better cater to unique needs of each

- RESOURCES:**
- Digital Transactions, March 2015
  - Oracle Report, October 2014
  - Mobile Payments Today, July 2015
  - Apple Inc., January 2015
  - NCR Silver 2015 Restaurant Technology Pulse, June 2015