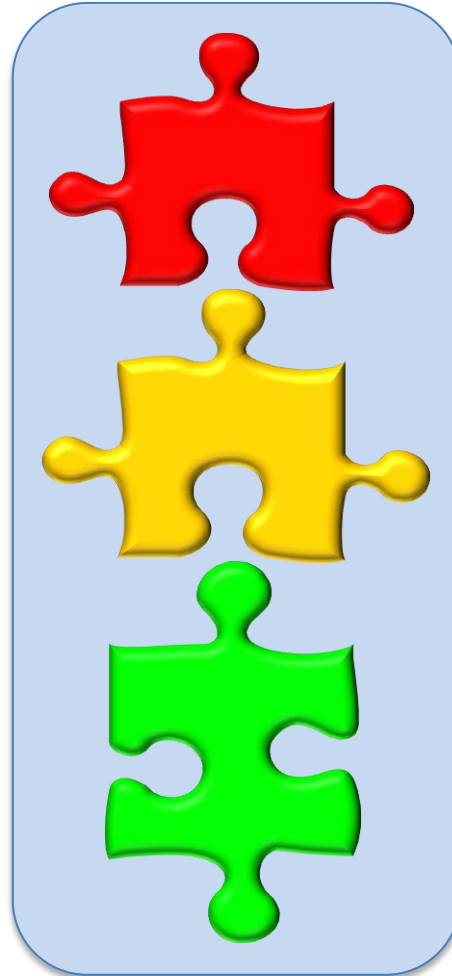


BillingViews

Seven barriers
to mass adoption of:



Mobile payments

Mobile payments will not work if:

Mobile payments will not work if:

Number one:



Fees are too high and too complex. Customers know that credit cards charge the merchant up to 3%, but when a merchant tries to pass that fee on to us, are we happy? With banks, payment processors, app store owners, telcos and merchants all in a new eco-system, charges need to be low and simple.

Mobile payments will not work if:

Number two:



Regulation is too heavy handed. Mobile payment success depends on speed. If regulators from every part of the eco-system try and add their little piece to the puzzle – and then add tax - then there will be delays and confusion and objection.

Mobile payments will not work if:

Number three:



A winner does not emerge. Merchants simply will not accept the inconvenience of installing multiple terminals and managing different payment providers. Big initiatives have failed before. There are too many choices – NFC, QR codes, apps, contactless cards etc. NFC is not a sure thing – 1 million \$100 terminals are needed in the US before we start.

Mobile payments will not work if:

Number four:



Players keep hedging bets. This will not accelerate the take up of mobile payments. As NFC becomes the de-facto standard of the hype cyclists, credit card companies, telcos and banks are investing in multiple solutions. This does not help merchants or customers trust them – and ultimately the choice is theirs.

Mobile payments will not work if:

Number five:



We do not work out which question NFC actually answers. PayPal is now on track to process \$3.5 billion this year, QR codes and apps are becoming popular and proprietary solutions devised by retailers, such as Starbucks, are making ground with their top up cards - and building loyalty in the meantime.

Mobile payments will not work if:

Number six:



The three 'S's' - security, simplicity and speed - are not addressed immediately. All of them are cited as reasons for the slower than predicted take up of mobile payments. Education to breed trust is needed before customers commit. Customers see mobile payments as extra not a replacement – so ubiquity is still a dream.

Mobile payments will not work if:

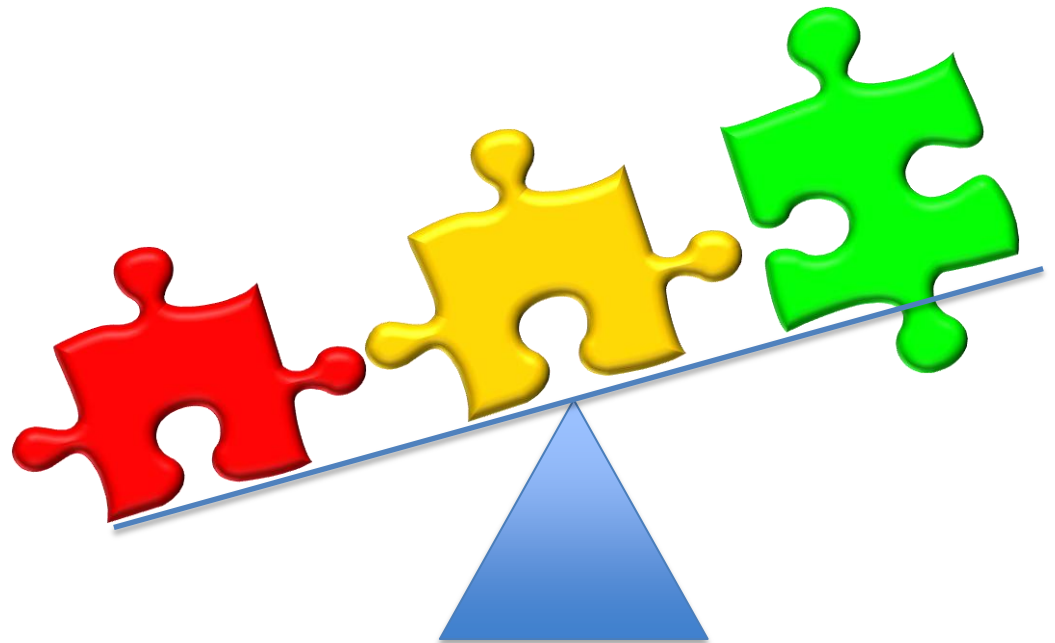
Number seven:



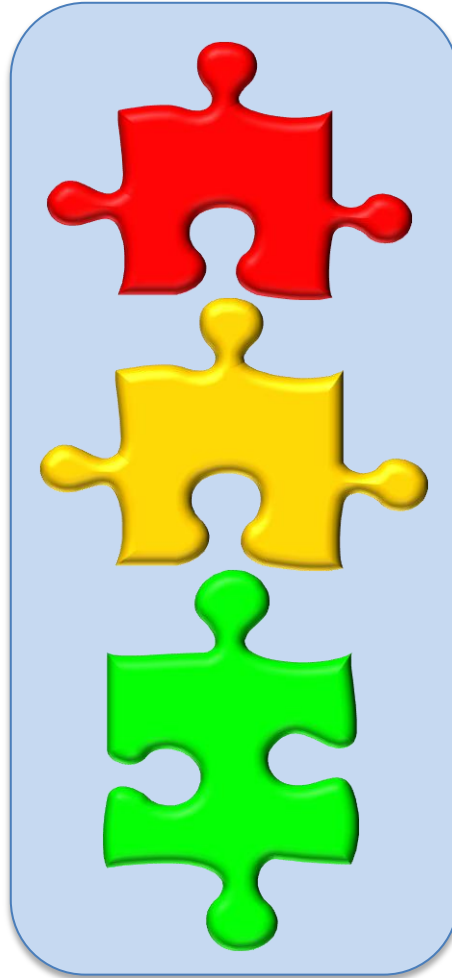
The key customer messages are not rethought. The current messages of convenience and speed are flawed. It is not more convenient and it is only marginally faster. The whole mobile payments process needs to have an obvious and significant advantage for customers. It also needs to work as advertised, first time, for it to succeed.



We are at the
tipping point!



BillingViews



[Alex Leslie, Publisher](#)