

Mobile Payment Adoption 0.2

Key factors influencing adoption of mobile payment services, from a UX perspective

Life is for sharing.



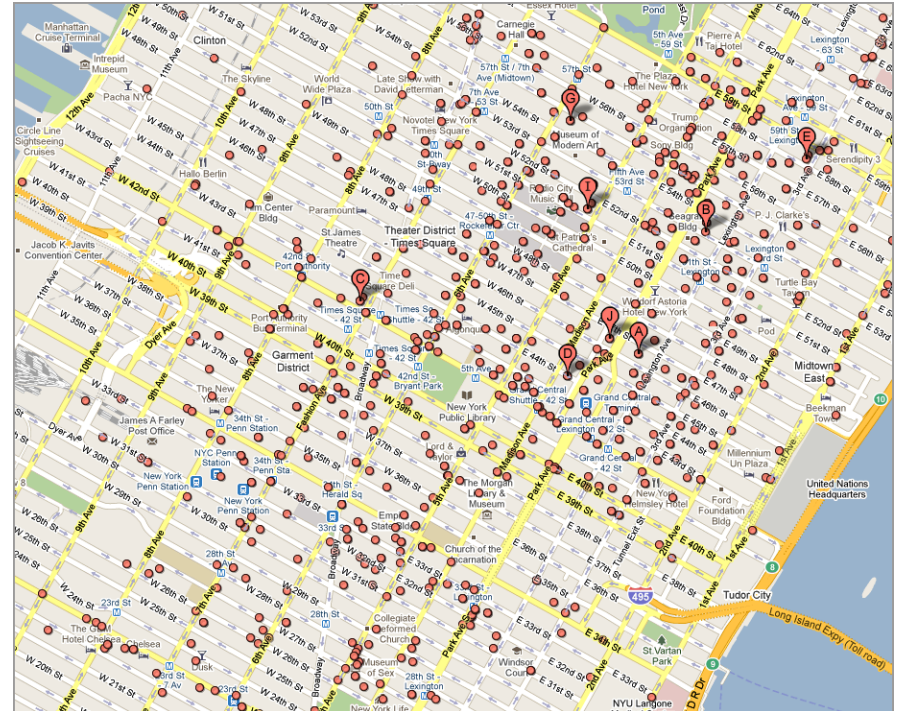
Aims of this document

- Explore attributes of mobile payment affecting user uptake and continued use of mobile payment services
- Maintain sensitivity and control for these attributes in the mWallet project and user experience design process
- Evaluate resulting user experience designs in the context of these attributes
- Attributes in this document here will be refined and added to following:
 - Any user experience research we and we undertake during the course of the project
 - Engagement with Natco's



Ubiquity

- Accepted everywhere
 - Level of NFC deployment amongst merchants
 - Payment method accepted (e.g. AMEX) everywhere?
- Availability in appropriate contexts
 - Most appropriate for smaller ticket items
 - Newsagents, convenience stores vs. car dealerships
- Availability regardless of device state
 - Low battery
 - No battery/switched off
 - Lack of signal strength
- Currency-agnostic payment



Location

- Location independence
 - Pay wherever you are
 - No need to find an ATM
 - Simple separation of purchase from use
 - Cinema ticket remote purchase,
 - Check-in on arrival without queuing at POS
- Location sensitivity
 - Location-relevant offers/coupons
 - Facilitating access



Perception of Cost

- Users don't want 'pay with mobile' to cost more
 - Negative effect on user acceptance
 - Cost can override convenience
- Couponing as an incentive
 - Highlights advantages of mWallet
 - A feature cash cannot compete with
- Who gets a slice?
 - Visibility of the value chain to users
 - Users increasingly interested in this?



Accountability/Consumer protection

- Ability to demonstrate that payment has been sent by purchaser
 - Clear feedback that payment has been sent
 - Value of payment sent
 - Object of payment
- Ability to demonstrate that payment has been received by the merchant
 - 'Got it!'
 - Identity of recipient
 - Amount received
- Persuading consumers that potential for error and fraud is small
- Strong protection in case of error
 - 'As safe as using your credit card'
 - Contractual implications for application
- Demonstrate impossibility of payment/receipt without user consent
- Transaction history availability
- Customer support
- Electronic receipting
 - Return and refund
 - Easy expenses management



Anonymity

- Anonymous purchasing is preferred
- As anonymous as cash
- Service provider record of transaction history
 - For accountability purposes
 - With rationale made clear to users
- No merchant recording of transaction
 - Other than where user has explicitly consented, e.g. by joining loyalty program
 - No 'Big Brother'



Specificity

- Clarity on who is making and who is receiving the payment
- Visible protection against payment interception
- Clarity on the transaction value
- Clarity on the object of the transaction
 - Statement of what is being purchased
- Clear feedback on transaction progress and completion



Control

- User must feel in control for app to engender trust
 - Implications for advertising within mWallet
- No spam in mWallet
- User initiation of mWallet-related activity
 - Is 1-Touch NFC payment acceptable?
 - Automatic coupon submission?
 - Automatic application of loyalty?



Simplicity in...

- Application acquisition
 - Preload mWallet app on NFC compatible devices
 - Preload on as many devices as possible
- Service provisioning and registration
 - Simple addition of service, subject to security
 - One-touch registration for services (e.g. parking payment, bicycle rental)
 - OTA provisioning, e.g. from bank website/call centre
 - Provisioning via NFC terminal
 - Restore all service automatically after loss/theft of device
 - No manual user input of service details
- Payment
 - One touch payment, no PIN
 - Transaction value threshold before PIN requested?
 - Number of transactions threshold without PIN entry?



Ease of use

- Perceived ease of use is a key factor influencing adoption of mobile payment solutions
- Clarity in transaction user experience
 - Minimal navigation, maximum focus on core elements of task
- Strong, but not onerous security procedures
- Minimise the need for users to change how they do things when adopting mobile payment



Configurability

- Provide flexibility where users are likely to want it
 - Setting default payment method
 - Setting transaction value threshold over which PIN must be requested
 - Setting number of transactions to allow without requesting PIN
 - Setting PIN code to access mWallet app
- Explore potential of picture passwords?



Security

- Main user concerns comprise...
 - Unauthorised use – loss/theft
 - Transaction documentation
- Transaction errors
 - Paying for the wrong thing
 - Concerns here more focused on SMS code-based payments than NFC/HTTP etc. payments
 - Easy payment blocking if phone lost/stolen
 - Application accessibility
 - Payment authorisation
- Mobile payment needs to be secure in reality and be perceived to be secure



Trust

- Key elements in engendering trust in users
 - Integrity
 - Benevolence
 - Competence
- High levels of trust with existing payment service providers
 - Banks, credit card companies
 - Some trust in mobile operators
- NFC fosters trust
 - Narrowcast, near field
- Sensitive approach to advertising
 - Otherwise we risk undermining trust
- Fostering trust decreases perceived risks of adopting mobile payment



Cash benefits

Cash has some benefits and features we should bear in mind in designing a mobile wallet solution...

- Affords spontaneity
 - Easy adjustment of value of transaction during payment
 - Tipping
 - Giving someone more than they ask for
 - Bargaining
- Easy gift giving
- Paying with/giving cash is lightweight and hassle-free
- Trusted
- Guaranteed by government
- Anonymous



...buyers and sellers have always gravitated towards the payment system which offers the optimum combination of high convenience, high efficiency, low risk and low cost.

VISA Europe 2009

