

RetailWeek

September 2016

# MOBILE



## Getting in on the action

How retailers can integrate disruptive technology into their apps

- **Global opportunities** Using the power of mobile to grow revenue abroad
- **Smartphone vs desktop** Could mobile payments overtake traditional methods?

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COVER IMAGE: SHUTTERSTOCK

## RetailWeek MOBILE

**Commercial Editor** Laura Heywood

**Contributors** Ben Cooper, Gemma Goldfingle, Dan Harder, Martin Roberts, Jon Severs

**Head of Content Management** Tracey Gardner

**Commercial Production Editor** Emily Kearns

**Commercial Director** Rachel Martin  
(020 3033 2868)

**Senior Account Manager** Dan Capel  
(020 3033 2914)

**Managing Director, Retail** Chris Brook-Carter

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CONNECTING RETAIL WITH CREATIVE INTELLIGENCE

# The meteoric rise of mobile



Whether you've checked your inbox at the dinner table or looked to see who's tagged you in a Facebook post while you're talking to a friend, we're all guilty of phubbing. That's phone snubbing for those not in the know.

In fact, us mobile users check our phones an average of 221 times per day. Seems high to you? Well just consider your normal day – how often have you checked Facebook, sent a text or looked up the weather before you even leave the house for your morning commute? When you think of it like that,

such a figure becomes much less far-fetched.

In light of the nation's obsessive mobile-using habits, this supplement looks at all the latest developments in a market that's estimated to hit £25.64bn (€30.48bn) in mobile commerce sales in 2016.

What's clear is that m-commerce has reached a tipping point in the UK – figures from IMRG show 52% of traffic to ecommerce sites now comes from either mobile or tablet devices. And since 2012 mobile visits to ecommerce sites have grown by 2,000%. So how should retail brands be responding?

On page 5, *Retail Week* explores the hottest trends and latest advances in new disruptive mobile app technology and how they can be used to retailers' advantage. Find out how early investment in apps is generating significant payback for those retail players that have prioritised this platform and the benefits of making consumer and staff's app experience a priority in 2016 and beyond. Plus what can retailers learn from the Pokémon Go phenomenon and how can they get in on the action as consumer demand for mobile apps sky rockets?

In light of new research revealing smartphone searches by international shoppers for UK brands has soared, our feature on page 10 reveals how retailers can harness the power of mobile to exploit opportunities abroad and ultimately grow their global revenue. What are the vital lessons for retailers looking to make the journey from search to shop as mobile friendly as possible across global markets and how can British retail brands gain better traction across a host of international markets?

Meanwhile, the great payment debate on page 12 pits the might of the smartphone against the desktop. With the use of mobile overtaking usage of desktop at an ever-increasing rate, we ask if the same can be said of the use of smartphone payments overtaking desktop payments as consumers' preferred choice of channel. Smartphones may provide shoppers with a convenient and secure way to buy in store, but what will it take for them to be adopted as a mainstream payment method?

As you digest all this mobile-related information, it's worth bearing in mind technology research company Gartner's striking prediction that by 2018 half of all consumers will be paying with phones or wearables. Can you honestly say you're fully prepared?

**Laura Heywood, Commercial Editor**



Pokémon Go has taken the AR world by storm



# MOBILE APPS:

## Getting in on the action

Thanks to Pokémon Go, this summer has been all about the app. **Gemma Goldfingle** looks at how retailers are now seeking to integrate new disruptive technology into their apps



**Phones are an integral part of the in-store shopping experience**

**T**his summer seemingly everyone in the world became obsessed with an app, namely Pokémon Go. The game broke Apple's App Store record for the most first-week downloads, and some Pokémon hunters left their jobs, partners, and even reality to find Pikachu and his pals.

The Pokémon craze has put apps back in the spotlight and showed how powerful and all-consuming they can be.

"It's a misconception that apps went out of fashion," says Richard Stephenson, chief

executive of app developer Yudu Media. "Shoppers still spend the most time on apps, they're just culling the ones that are not useful or interesting to them."

However, Brett Cooper, technical director at multichannel consultancy Ampersand, says that retailers are beginning to invest more in apps. He says this is because most retailers have already made major investments in their mobile websites.

"Now they're thinking about loyalty and longevity of customer relationships," he says.

However, with memory space at a premium, shoppers will only keep retail apps they use regularly. How can retailers ensure their app does not get deleted?

"You have to give people a reason to give your app space," says Ian Kershaw, group mobile engineering director for Moonpig owner PhotoBox. "If it's not something they use every day it needs to have genuinely useful functions."

Kershaw says PhotoBox's app offers better functionality than its mobile website. Its app enables quicker payment via Apple Pay, has an easier image upload system and even an offline mode that allows shoppers to design their photobooks or cards on the go, at their convenience. ↘

### Building loyalty

With app use linked to loyalty, some brands have taken the logical step of launching app-based rewards schemes.

Harvey Nichols launched its loyalty app last year after its research found that more than 80% of its customers preferred an app over “another card in their wallet”. Shadi Halliwell, group marketing and creative director at Harvey Nichols said at the time that she believed the app was the future of communication with its customers: “Instant, personalised and modern.”

Health and beauty giant Superdrug has followed suit and moved its loyalty card on to an app. Cooper believes the future of rewards schemes is app-based.

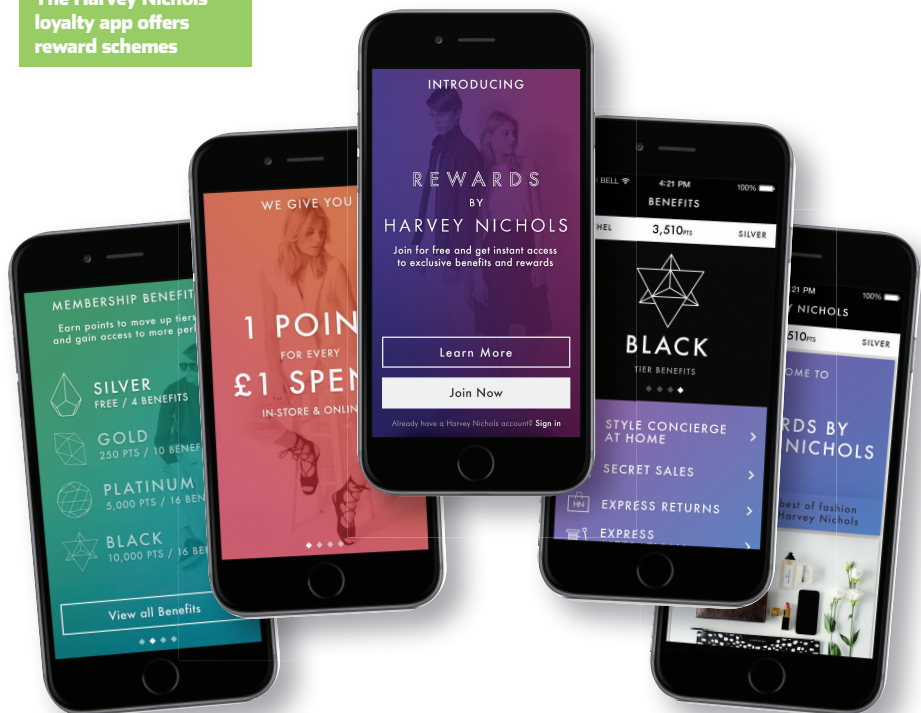
Loyalty apps not only offer convenience to the customer, they also capture real-time data of shopping behaviour in store that helps retailers better understand their customers.

### Communicating via apps

Phones are an integral part of the in-store shopping experience. According to a study by Google and Ipsos carried out last year, 82% of shoppers consult their phones on purchases they are about to make in store. This makes apps an effective way to communicate with shoppers while in store.

US department store Barneys has worked with personalisation specialist RichRele-

### The Harvey Nichols loyalty app offers reward schemes



vance to send users of its New York store app notifications with tailored content recommendations including videos, look books and designer videos as they move around the shop. In-store beacon technology triggers notifications when Barneys customers near items that are in their mobile shopping basket

or on their wishlist to encourage them to buy.

Emma Crowe, chief of client strategy at mobile agency Somo, says retailers can do more with mobile in store to help shoppers. She suggests mapping out aisles and using barcode scanning or RFID tags to allow customers to easily find out the ingredients in products. ↘

## Social shopping and chatbots

A big area of growth over the past few years has been shopping via social media. Recommendation is important to many shoppers and social networks can help provide this at scale.

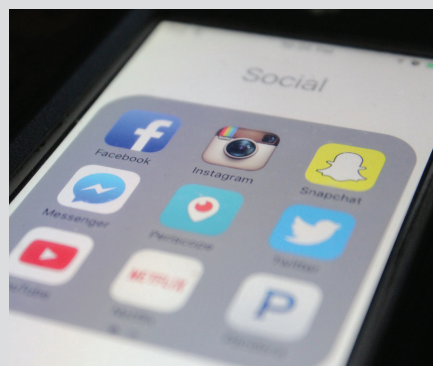
Two of the world's most popular apps – Instagram and Tinder – have seamlessly integrated social media platforms into their apps.

Instagram users can log in and share images on social networks such as Facebook, Twitter and Tumblr while dating app Tinder pulls data from Facebook that shows mutual interests and mutual friends of potential matches.

For retailers, social integration allows users to favourite and recommend products, therefore influencing others to buy. Fashion retailer Oasis developed a new app earlier this year that syncs wishlists to online customer profiles and integrates social content.

Meanwhile, the emergence of chatbots has opened an opportunity for retailers to both help and sell to customers over third-party social apps.

Skype, Kik and, most recently, Facebook Messenger have opened up their apps so developers can create chatbots – artificial intelligence (AI) that chats with customers to answer queries and even sell products.



H&M was one of the first retailers to jump on the bots bandwagon with the social network Kik. Once logged on, customers can chat to the bot about their style preferences using multiple-choice answers and are then sent outfit and product suggestions. To buy a product, customers can tap on an item and are then taken to H&M's mobile site.

“There's a massive opportunity for retailers to really be where the conversation is happening. There's an opportunity to move to conversational advertising and not just off-the-page,” says Somo's Crowe of the chatbox feature.

M&C Saatchi Mobile commercial director James Shepherd says while bot technology might be relatively new, there is already “a real sophistication to them. A friend of mine was talking to a fake bot pretending to be his Irish cousin. It took him a few interactions to realise that it wasn't his cousin in Cork, he was in conversation with a robot,” says Shepherd.

Adam Goswell, who works in UX and digital design at cosmetics retailer Lush believes that AI could have a big impact on consumers' digital experience. “If retailers can utilise the technology in the right way that directly benefits consumers and has a human touch, that could be really powerful,” he says.

PhotoBox's Kershaw agrees and says the new breed of virtual assistants could provide opportunities for retail too.

Google, Amazon and Apple have all used AI to produce virtual assistants that can answer questions and perform tasks such as automatically hail an Uber, order a Domino's or purchase your mum's birthday card.

Understandably, Kershaw is interested to see how this develops and discover how PhotoBox can benefit.



Harrods' Stiletto Wars app reached 18 million people over social media



Apps can also help staff improve service and boost sales. In June, Boots launched its Sales Assist app, which Apple and IBM helped to create, giving store staff real-time stock availability, and customer reviews to help them provide exemplary service in store and drive sales.

### Augmented reality

The Pokémon Go phenomenon has put a renewed vigour behind augmented reality, although retailers have been dabbling with the technology for a while.

Argos has made its catalogues come to life using an augmented reality app; Moonpig has produced greetings cards that show video content when a smartphone is pointed at it; and Ikea's app allows shoppers to actually visualise how furniture would look in their home.

Stephenson applauds retailers for trialling the technology but says none have achieved real success. "They have to ask what problem are they trying to solve. Augmented reality needs to add real value [for] the consumer,"



## Augmented reality needs to add real value for consumers

RICHARD STEPHENSON,  
CHIEF EXECUTIVE, YUDOMEDIA

he says. The question he asks is: "If you're having a £20,000 kitchen fitted are you going to rely on your augmented reality app or are you going to get a tradesman round?"

Another trend that Pokémon Go taps into that many retailers have flirted with is gamification. In 2014, Argos made a game for kids to compile their Christmas lists on its app.

Children are asked to select an animated helper, called Mo, Stik, Gil, Squidge or Fly, to help them navigate around the app and add toys to their list, which is then 'sent to Santa' and emailed to parents.

The wishlist app boosted engagement and achieved an average dwell time of 11 minutes per visit. Two thirds of all users sent an email to Santa and their parents that achieved a click-through rate of 36%.

Luxury department store Harrods has also invested in gamification to help it tap into a younger audience.

The retailer launched Stiletto Wars, a game to promote the opening of its Shoe Heaven department in 2014, which asked users to match shoes for points with prizes available for the top scorers. The Candy Crush-style game became a viral hit and drove 13,000 downloads and reached about 18 million people through social media.

Yudu Media's Stephenson believes gamification could really take off significantly in retail, but says rewarding customers is where the real opportunity is. "Rather than just giving customers coupons for loyalty, retailers could integrate a gaming aspect to entice shoppers to unlock rewards by getting to the next level," he says.

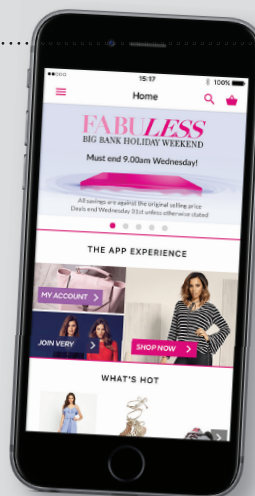
Emerging technology and new shopping behaviours make it an exciting time to work in app development. If retailers can use these tools to solve real shopper problems they will undoubtedly find new ways to keep their customers captivated.

### Super search

Great apps are not just about whizzy technology, they are about making the shopping journey easy for the customer. For many retailers, that means investing in fast and easy search options. "People want immediacy from a mobile experience," says M&C Saatchi Mobile's James Shepherd. "We want to get to the stuff we're interested in quicker."

For the handmade cosmetics company Lush, Goswell says search is a big area of focus and the retailer is moving towards an intelligent search function. "This should enable customers to use one input to quickly surface content, help, order tracking or product instantly," he says.

"This search engine should learn over time as more customers use it, making it more useful each time a search is performed."



Goswell says he would like to couple this intelligent search capability with live human chat, which would give its customers the best of both worlds.

Meanwhile, image and voice-recognition search is increasingly being adopted to make search easier. Shop Direct-owned Very.co.uk launched an iPhone app last year that featured image-recognition technology – provided by Cortextica – that allows shoppers to take pictures of clothes they like

and use them to search for similar styles in Very's range. PhotoBox has integrated voice recognition search into its most recent Android app.

Somo's Crowe believes younger shoppers will embrace these new search functions. "Millennials are highly visual and are using voice recognition," she says.

# Harnessing mobile for global export opportunities



As British retail brands gain traction across a host of international markets, **Jon Severs** explores how retailers can use the power of mobile to exploit opportunities abroad and ultimately grow their global revenue

**Y**ou'd think that Helen Dickinson, chief executive of the British Retail Consortium, was preaching to the converted when in July she told UK retailers "it's clear that there are exciting growth opportunities for UK retailers wishing to explore global export markets", adding that "international customers are

increasingly using mobile devices to research their purchases".

However, that may not be the case. Despite figures showing mobile searches for UK brands online around the world have soared – an 89% increase in Israel and a 51% increase in Hong Kong, for example, according to the BRC-Google Online Retail Monitor – the news

may have caught some businesses napping. "There is definitely some catch-up to be done," states Martin Newman, chief executive officer at Practicology and member of the KPMG/Ipsos Retail Think Tank.

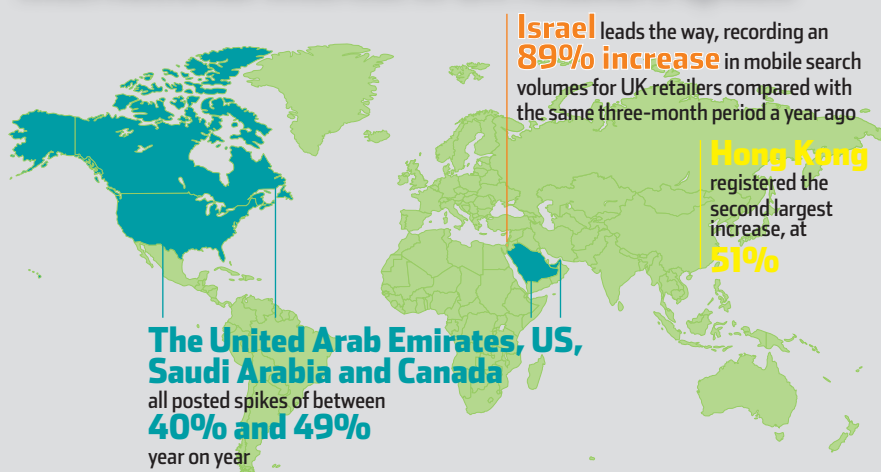
Which begs the question: what have they been doing up to this point? The opportunity for growth in both traffic and sales volume for UK brands internationally has not appeared out of nowhere.

"Consumers are increasingly using mobile devices when they are searching for new brands and products," says Newman. "Google says that more than 50% of its global searches are conducted on mobile devices now. For some geographies – particularly in Asia, but also South America and Africa too – consumers don't use desktops or laptops at all, their only device to access the internet is a mobile.

In Singapore or Japan, smartphone penetration rates are very high, but even where they are not yet – such as China – the sheer number of people who own one [more than half a billion in 2016] make for huge markets of potential consumers."

Not all retailers have been slow off the mark to notice these trends and capitalise on the opportunity, of course, and their experience provides a guide for those following behind.

## International interest in UK retailers spikes



Source: The BRC-Google Online Retail Monitor



Take John Lewis. In the past 12 months, its company's online international traffic has increased 15%, and online international sales have grown 65%.

A company also growing global traffic is Joules. While ecommerce director Ralph Percival says global revenues are "variable", he claims that in the past 12 months there has been an increase in international customers finding and browsing the retailer's website.

The BRC-Google Retail Monitor suggested beauty and fashion were the key areas where international customers were hunting for British products, but Percival says this is perhaps too broad a segmentation as different fashion products perform differently in varying regions.

John Lewis international online manager Sarah Hessey adds that homewares, especially luxury items, and toys are popular too.

This variety of what is popular supports Newman's view that international customers are not so much looking for specific sectors – such as fashion or beauty – but certain types of brand.

"I think that you have to look at characteristics of successful retailers and brands, rather than generalise about categories. Among UK brands, those who create unique products, backed by the pedigree and cache of UK design, do well with an international audience," he says.

### Finding widespread appeal

Where brands have perhaps been reluctant to stray is developing specialised apps in each country. Newman says this is down to logistics: "If they create a responsive template



Martin Newman, Practicology

[that automatically resizes to display well on devices of all sizes] that can be re-used for their different localised websites then they have the best chance of servicing customers internationally whatever device they are using.

"In the UK, apps tend to be content-driven, and complement a mobile or responsive website. To create apps for other markets they will need to be optimised from a technical point of view – think about the predominant mobile operating systems, devices used and how fast [and expensive] mobile data networks are in those countries – and also whether the content is relevant."

Of course, it is all very well having responsive websites, but you still have to get customers to it. Hessey says SEO is proving important. "We have international SEO enabled for key markets – initial results have all been encour-



Helen Dickinson, BRC

aging and this is a key marketing tactic for us," she says.

Percival explains Joules has gone to great lengths to fine-tune its SEO, too. "We have made technical changes where possible to use our strong UK presence to our advantage from an SEO perspective internationally," he says. "For example, using UK reviews across the US site and linking pages using hreflang tags, which ensures the correct domain appears in Google search results in each territory and boosts our rankings."

Newman admits that SEO – and paid-for searches – are important, but warns that relying on these tools alone would be foolish. "Few brands will be able to establish themselves purely through SEO, so we would say that marketing and brand are crucial to driving demand in international markets," he says.

"The optimal mix of marketing channels will differ by country. We would normally recommend that they work with local marketing and PR agencies to help them understand the nuances of each market."

If this is starting to sound complicated, that's because it is. And it gets even trickier. Most UK mobile contracts are now 4G but in other countries the load times for websites may not be nearly as quick – that factor needs to be built into websites. Newman also says some countries will have dominant platforms that retailers would do well to tap into – WeChat in China, for example: "Multi-level marketing also takes place on the platform, where anyone can set themselves up with a WeChat 'shop' and receive a commission if their activity generates sales for participating brands," he explains.

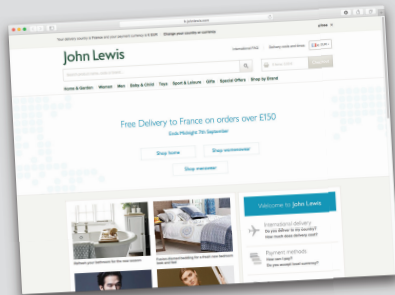
While the opportunity may be trickier than it first appears, the rewards are clearly substantial. With a host of retailers preparing offerings for these markets, to join those already dominating the space, it promises to be an innovative and exciting few years ahead for UK retailers on the global stage.

## Lessons in internationalisation

A key lesson from those enjoying success internationally is that you have to tailor your content to the markets you are serving – the customer wants a 'native' experience, not a lite version of the British offering.

"There are similarities and differences between markets and it is important to understand these to ensure the best possible shopping experience for customers," says John Lewis's Sarah Hessey.

"We have 40 localised sites, which means that before a customer begins shopping they can select which country they are based in or where they'd like a product delivered to. For example, customers shopping in France will visit [www.fr.johnlewis.com](http://www.fr.johnlewis.com). This allows customers to



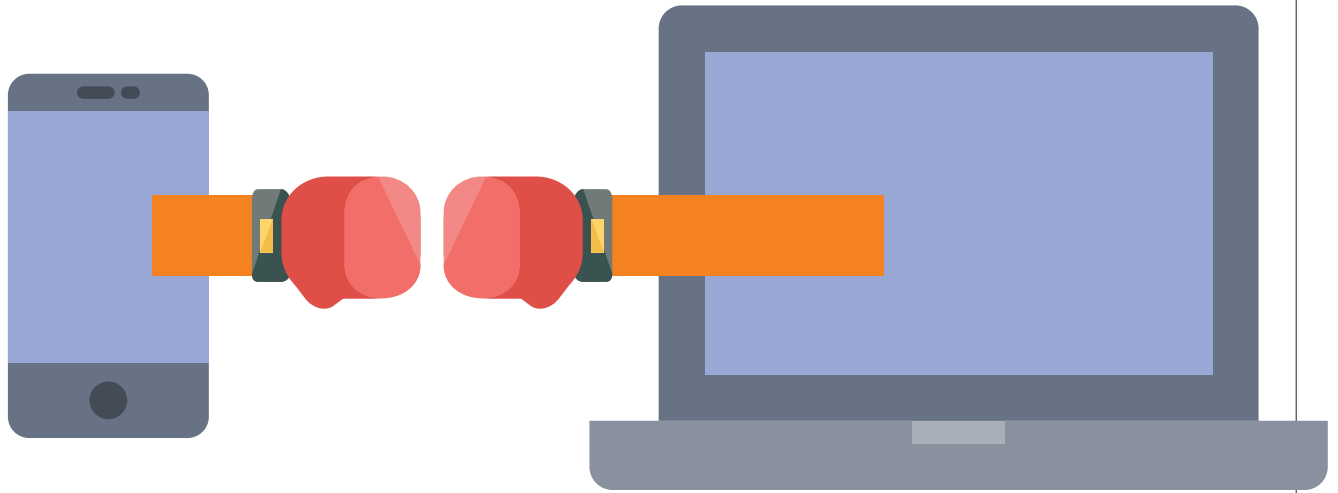
only shop an assortment of products that are eligible for delivery to that particular country and use appropriate currency and payment methods."

Paying in local currency and having delivery options for that country clearly labelled (for example, which products are avail-

able) is important, but Lush has found that it is not the be all and end all.

While it offers tailored websites with local languages and currencies and some additional ranges, a spokesperson says "the UK website does attract customers from the US and Canada. With benefits of international exchange rates we do cater to a handful of customers who take advantage of a global market."

# The great payment debate:



## SMARTPHONE VERSUS DESKTOP

In the UK use of mobile is overtaking desktop at an ever-increasing rate, but can the same be said of smartphone payments overtaking desktop as consumers' number-one payment method? **Ben Cooper** investigates

**E**arlier this year the Co-op asked its customers about their payment habits. The conclusion was clear: by 2025, the Co-op Food chief information officer Cheryl Marshall has predicted, "mobile payments will overtake cards and cash".

Although 2025 might seem a long way off there are plenty of indications that the new method is catching on. In a survey published by the Prepaid International Forum (PIF) in April, a quarter of respondents said that they

had used smartphone payments already, with 12% regularly using their smartphone for making payments, and a further third said they intended to in the future.

But even in the mature m-commerce market of the UK there are obstacles. The number of retailers to have adopted the service is still relatively low, question marks over security remain and many smartphone owners haven't upgraded to the right versions yet, while others are unwilling or simply don't feel the need to change their habits.

So will the smartphone ever really become the main method of payment at the tills and online, or will mobile just be another way to pay? And for retailers, what contribution can they be making to the great payment debate?

### Fast-paced change

Over the past decade the mobile phone has risen through the ranks of life's useful gadgets at a rate almost unprecedented in technological history. Everything has changed – not



least in retailing. As Ran Berger, chief executive officer of app and software developer Flat Rock Technology, says: "We're seeing day-in-day-out customers who don't even think about developing for desktop; these days they go straight to mobile."

But what about the prospects for the smartphone's latest incarnation as a mobile wallet? Depending on who you talk to, predictions for what proportion of future transactions will be done by smartphone vary.

But what there's no lack of consensus about is that the new payment method is fast gaining ground on the old ways of shopping. The arrivals of big hitters Apple Pay and Android Pay over the past 18 months have got most of the headlines, but there are a range of operators now up and running (see a brief history of the mobile wallet on page 14).

PIF spokesman for mobile payments Alistair Graham claims the main driver for this change is pure convenience over desktop or debit cards. "Mobile payments present a different option for consumers and our research found that one of the biggest advantages of them is the convenience they offer to make purchases via smartphone; there is no need to carry purses, wallets and cards," he says.

"The convenience of mobile payments is in the fact that payments can be made at the touch of a button, whereas when making payments via desktop consumers need to enter full payment information and as such experience a longer payment process."

Even more promising for the future of mobile, is the list of brands already on board. Among the early adopters of Apple

Paying with a mobile is becoming increasingly popular



## Will the smartphone ever really become the main method of payment at the tills and online?

Pay, Android Pay and PayPal were some major names – Marks & Spencer, the Co-op, Waitrose, Superdrug, Aldi, Boots, Argos and Transport for London, not to mention thousands of apps – and the list is growing rapidly. And with all the major banks signed

up, the only way is up, surely? That's a question that only shoppers can answer. Especially when you factor in generational differences.

PIF estimates that while mobile will indeed be the main payment method for shoppers under the age of 44, the rate of adoption by older customers will remain stubbornly low – its report in April revealed that only 5% of people over 65 have used mobile payments to date.

### Dealing with difficulties

So what might be the obstacles getting in people's way? Mark Gerban, director of commercial operations at Secure Trading, says that despite the hype, getting the NFC technology in place for a widescale take up is "still very much an ongoing project".

He says: "Mobile payment technology is not yet out of the growth phase of ↘

## What can retailers do to encourage consumer trust in the mobile wallet?

Marks & Spencer digital director Marcus East believes there are things that all retail businesses can be doing to encourage the transition and speed up the process, depending on where the transaction is taking place.

"The factors vary depending on whether it's in a digital or physical store," he says. "Having accessible sites on the go, with readily available payment information, gives the customer the trust in the wallet provider and simplifies the shopping experience as they move from browse to order. This is particularly true with some of the well-established brands like Apple Pay and PayPal."

Other than one obvious adaptation – for retailers to clearly display the fact that they're accepting smartphone NFC payments – there are a number of options and new strategies emerging. One of these centres on how store staff members are trained to both encourage



shoppers to pay with their mobiles and persuade them that the whole process is secure.

Waitrose is one of the retailers to have embraced the technology right from the start. The grocer's head of retail change Matt Clifton says training and in-store design are a major priority. "Our partners promote this verbally in

our branches and are able to support customers using this method. We also display the icons of accepted means of payment on both the screens on our tills and on the payment devices," he says.

This is likely to be even more important as time goes on and things get more sophisticated. Within NFC technology itself there are big advances being made. Ran Berger, chief executive officer at Flat Rock Technology, believes that this will change the retailer–customer relationship even further and enable another trend in retailing – the self-checkout – to evolve further.

He says: "Historically when retailers encouraged people to go from offline to online they wanted to do it in a low-cost way, such as self-checkout. In the future retailers will be encouraging customers to use NFC as a form of self-checkout. Mobile payments will be made from anywhere in the store – customers won't even need to go to the till."

## A brief history of the mobile wallet

### PayPal



PayPal became a player in desktop payments long before the likes of Apple and Google got involved, by which time it had already updated its mobile app to offer an in-store payment method using barcodes on screen.

### Apple Pay



Launched in the UK in May 2015, following a September 2014 unveiling in the US, Apple Pay brought mobile payments into the mainstream. Apple had already signed up with a tranche of retail brands by the time it hit the shops, including Marks & Spencer, New Look, Boots, Spar and Waitrose.

### Samsung Pay



The Korean tech giant may have been late to the game – it still hasn't launched in the UK – but it has one very clever edge on its rivals. By using a different contact method, magnetic secure transmission, Samsung phones will be able to work on traditional payments devices and not only rely on NFC. Mark Gerban, director of commercial operations at Secure Trading, says that "Samsung Pay has in effect gained it 90% retail support in one fell swoop".

### Android Pay



Google's own payment method was launched in May this year and, the company says, can be used anywhere that contactless payments are currently accepted. Usable for in-app purchase, desktop and in stores, Android Pay's UK launch was only its second worldwide.

### Alibaba



The phenomenal spend by Chinese tourist shoppers in Europe hasn't escaped the attention of eetail giant Alibaba. The company has launched its own online and mobile app, Alipay, which allows Chinese tourists to shop while they're abroad, and is reported to be in discussions with retailers based in the UK.



development and adoption, with vendor emphasis still on the roll-out of systems. While Android Pay and Apple Pay have been launched and are being used, there is still a great deal of infrastructure that needs to be put in place before smartphone payment becomes fully established across the country."

And of course this includes the smartphone technology itself. Daumantas Dvilinskas, founder and chief executive officer of money transfer service TransferGo, says that part of the delay is down to different rates of smartphone upgrades. He explains: "For one thing, not everybody has the latest phone capable of doing this yet, but eventually they will. Many people are already using their phones as their main computer; a lot of people don't even view a desktop at all."

Not that mobile browsing doesn't have its issues. Studies consistently show that frustration at the checkout stage of an ecommerce purchase is one of the biggest causes of lost transactions or 'cart abandonment'. Advocates of the mobile wallet believe that the obvious answer lies in smartphone apps.

Gerban says: "Desktop was the predominant method of payment for so long because it was the only option available. People can now pay on their smartphones, watches and tablets, and in the future we could even be paying in virtual reality."

And then there's the issue of security. In theory, all of the major mobile payment methods are fully secure and protected from thieves. Whether the public will accept this as fact is another thing altogether. Berger says a key factor in how much customers trust the mobile wallet – and how far it will penetrate the market – is down to the brands themselves.

He says: "With ecommerce it has always been about trust. Apple is leading in mobile payments mainly because there's the trust in the brand. We trust Apple and they operate in a closed environment, it's protected from hacking. With NFC technology we'll reach a certain level of maturity, then it will stabilise. It will increase when there's a higher level of trust in the technology."

### Creating one way to pay

For a glimpse of the future you need look no further than French supermarket giant Casino. Shoppers with the Casino app can browse the grocer's stores and carry out the whole transaction using their smartphones – from scanning items on the shelves, adding them to their mobile basket and paying at the checkout. It's not hard to see how this hybrid model could be applied in the UK – nor how popular it would be with retailers.

In the meantime companies like Curve are already working away at solving a future problem: the need to consolidate various payment apps and wallets into one. Founder Shachar Bialick explains the thinking behind the Curve app. He says:

"Every user will end up having two, three, four mobile wallets. The next vertical is that eventually there will be one app through which you get access to your money, an app that is agnostic to all services."

There's a long way to go before 2025 when the Co-op and others predict the mobile wallet will be the dominant payment method, and many more problems like this to solve. But all the numbers are heading in the right direction and the take-up from shoppers is exceeding expectations worldwide – the great payment debate, it seems, has been answered.

**HALF**  
OF ALL CONSUMERS IN  
MATURE MARKETS WILL BE  
**PAYING WITH**  
**PHONES**  
OR WEARABLES  
**BY 2018**  
SOURCE: GARTNER



**With ecommerce  
it has always  
been about trust**

RAN BERGER, FLAT ROCK TECHNOLOGY