Objectives

• Provide a top-level overview of bank-led mobile payment initiatives across selected markets

• Perform a deep dive into 5 standout mobile payments initiatives

• Highlight a number of innovations in areas related to mobile payments that could come to have an impact on future experiences

This report will feed into internal planning processes by providing strategic understanding of what is happening in the marketplace. Furthermore innovative examples and approaches can be used to gain inspiration as well as strengthening existing business cases.

Methodology

We have conducted research using the portfolio of live accounts that we have access to. We have researched more than 60 banks across 15 countries. In addition we have carried out desk research to uncover other initiatives of interest, user trends, statistics and other types of insights relevant to the topic. The findings are summarised in this report providing in-depth insight from banks and other key players across the globe.

Report structure:

A. Objectives and methodology
B. Definitions and focus areas for the report
C. Executive summary
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1. Mobile payments statistics and estimates
2. State of the market: Bank-led initiatives
3. Deep dive: Spotlight on 5 key initiatives
4. Looking ahead
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D. Conclusion
2. Sample pages from the report
BBVA has taken several actions to encourage customers to download and use the BBVA Wallet app. A marketing campaign offered a discount of 10% on all purchases made between July and September. Customers can also earn BBVA Game points which can be used to redeem rewards. 5,000 points are gained by downloading the app and 100 more by using it. As a way to get customers to use the contactless option, they were offered an additional 5% discount on petrol purchases.

Score points by consulting your transactions first in your BBVA Wallet. What are you waiting for? Win prizes with BBVA game every week, you just have to redeem your points through competitions for iPad, Nexus 7 Samsung Galaxy SIII, … or signed basketball jerseys. And if you prefer to get direct awards, change your game points for the best films and music as you wish.
Swish (SE): P2P payments process

A prominent ‘pay’ icon (wallet) is available on the start page. The payment is completed on one single page by choosing mobile phone number, amount and writing a message to the recipient. The phone number can be entered manually or selected from your list of contacts. It is optional to add a message and you can also choose to send a text from the confirmation page. The payment is authenticated by using the Mobile BankID app (requiring a separate registration). The BankID app opens up automatically upon tapping ‘pay’ and you are prompted to enter your security code. You are then taken back to the confirmation page which includes quick links to make a new payment, text the recipient or see recent transactions. Payment limits for the service are set by each individual bank but normally range between 10-20,000 SEK.

Swish – Payment process in real-time:
If the recipient is a customer of an affiliated bank and enrolled on Swish, the money is immediately transferred into their bank account. The process is therefore quicker to use than normal banking services, with regards to transferring money to someone with a different bank. Swish payments can also be made to those not registered with the service. In this case, the recipient will receive a text with information on how to register to access the funds.
Continuing from the previous page, Wells Fargo has also used pop-up branches to increase awareness of the new service. The branches had several staff members available to pass out giveaways and to show how Apple Pay worked. This was limited to places in San Francisco but the promotion on social media gained a lot of traction. They have also incentivised customers by offering up to $20 to customers using Apple Pay. Their credit card customers will receive $20 credit on their statements within 1-2 billing cycles after their first purchase with Apple Pay, while debit and prepaid customers will receive $10 credits on their linked Wells Fargo current accounts within 45 days.

Mapa comment:
Wells Fargo has been most active with various initiatives in trying to build momentum for Apple Pay during the launch. This is to help customers activate their cards and make them 'top-of-wallet on iPhone screens. This is certainly an important aspect within the Apple Pay ecosystem.
Looking ahead: Are super wallets the future?

In the report we have highlighted mobile payments initiatives by banks that first and foremost sit separate to the regular mobile banking app experience, however this is not always the case. We want to highlight two ‘super wallet’ type experiences in Garanti Bank being a leading Turkish bank and BZWBK24 being a Polish subsidiary to Santander. The iGaranti app was launched already in 2013 while the BZWBK24 app went live in April this year. The BZWBK24 super wallet has been developed by mobile technology company eLeader and is being offered as a white label solution.

Besides regular banking features the apps stand out because, amongst many other things, you can view and redeem merchant offers including geo-location based offers as well as make point of sale transactions at participating merchants. This is certainly a niche type of approach, but also an interesting one to discuss considering how quickly technology and customer needs and expectations evolve.

Tomasz Krajewski, head of m-commerce at eLeader

Our aim is to transform mobile banking into the first choice financial app for smartphone users by helping them in getting daily routines done. The newest studies point out that, above all, users perceive mobile wallets as a way to: buy goods online, pay bills, check bank accounts. All of these and much more can be achieved by one superwallet app. Source: bit.ly/1osTsF9

Link to video demonstration of the iGaranti app vimeo.com/70615450
3. Mapa insight series:
Reports schedule
2014
Introduction to the reports:
These eight reports (two per quarter) are aimed to cover key hot topics within the field of digital financial services. The reports have a global emphasis providing insight into the latest trends and developments.

The reports aims to support investment decisions within the field providing an independent view. In addition they provide as an inspirational resource as well as it helps to increase your overall understanding and awareness of different topics.

1. Cross channel experiences - state of the market 2014
Three key questions to ask as part of the research
1. To what extent are experiences aligned (look and feel, functionality, security and communication)?
2. What is the current state of play including key challenges?
3. What are the key trends and where are we moving?
Three key points for the reader to take away:
1. Up-to-date view on the current state of play
2. Understand where developments take place and key trends
3. Insight into leading initiatives

Three key questions to ask as part of the research
1. What are the current tablet banking propositions
2. What are current browser experiences after login like?
3. Are banks utilising sales opportunities at hand?
Three key points for the reader to take away:
1. Understanding of tablet banking propositions
2. A feel for current browser experiences after login
3. Identify to what extent banks have utilised the sales opportunity that comes with tablets

3. Mobile banking – state of the market 2014
Three key questions to ask as part of the research
1. What is the current state of play?
2. What innovative ways have banks developed for mobile banking users in the last 12 months?
3. What are the key trends and what does the future hold?
Three key points for the reader to take away:
1. Up-to-date view on developments within the mobile banking
2. Understand where developments take place and key trends
3. Insight into leading initiatives

Three key questions to ask as part of the research
1. What new digital PFM tools have been implemented in the last 12 months?
2. What have leading vendors accomplished over the last 12 months and where do they see the market going?
3. What are the key trends and what does the future hold?
Three key points for the reader to take away:
1. Up-to-date view on developments within digital PFM
2. Understand where developments take place and key trends
3. Insight into leading initiatives

Three key questions to ask as part of the research
1. How do banks utilise the different channels from a sales and marketing perspective?
2. How have approaches evolved over the last 12 months?
3. What are the key trends and what does the future hold?

Three key points for the reader to take away:
1. Understanding of different techniques and approaches used
2. Get a feel for where the market is moving
3. Insight into leading initiatives


Three key questions to ask as part of the research
1. What are banks doing to segment their offerings and make them more relevant and appealing to customers/prospects?
2. What are banks doing to engage customers/prospects and by that draw them into the website?
3. How have techniques and approaches in relation to point 1-2 evolved over the last 12 months?

Three key points for the reader to take away:
1. Understand how retail banks worldwide try to engage prospects in the digital space
2. A review of niche features available to business banking customers
3. Insight into how retail banks worldwide utilise the digital channels to generate new customers


Three key questions to ask as part of the research
1. What innovative and different initiatives are currently available?
2. How will these initiatives affect the customer experience?
3. What are the key trends and what does the future hold?

Three key points for the reader to take away:
1. Up-to-date view on developments within the field
2. Understand where developments take place and key trends
3. Detailed insight into activity from banks worldwide

8. The evolution of point-of-sale mobile payment services – 3rd edition

Three key questions to ask as part of the research
1. What is the current state of play of the mobile payments market in relation to edition 1-2?
2. What new services have come to market (and being scrapped) in the last 12 months?
3. What are the key trends and what does the future hold?

Three key points for the reader to take away:
1. Up-to-date view on developments within the mobile payments sphere (point-of-sale only)
2. Understand where developments take place and key trends
3. Insight into a range of innovative and different initiatives

Next steps:
If you are interested in finding out more about the reports including purchasing options please do get in touch with Niklas Olsson: niklas@maparesearch.com

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