Optimizing Revenue through Mobile Commerce

Market Engagement and Innovation Technology: How they play a role in the success of Mobile Commerce?

Dear reader,

Mobile Commerce has come a long way, offering customers unprecedented speed and convenience at the push of buttons. Competition gets stiffer with an abundance of startups just about offering any goods and services one can imagine.

The recently concluded 8th Mobile Commerce Summit ASIA during March 2016 in Kuala Lumpur offers strategic insights into the market dynamics, governmental regulations, partners' collaboration and synergy.

Special thanks to GEMALTO and TUNE for their gracious sponsorships of the event. We are also pleased that organizations like the Malaysia Communications and Multimedia Commission, MasterCard, Tencent, Zalora Group presented in the Summit.

The sessions were lively exploring the Asia market leaders, the context of mobile commerce in Sri Lanka, why human designed centre will change mobile money in Myanmar, serving the unbanked market, Bangladesh adoption to mobile commerce, to name a few.

The Summit also features panel discussions on achieving business success through new collaboration, synergy and interoperability. Also in the sessions are issues addressing the future of mobile money transfer in the next 5 years, peer 2 peer transfer and financial inclusion.

The Summit ended with votes on the most impressive speaker, participant and discussion group.

In this E-zine issue, Infopro will introduce to us the eICBA system which provides an integrated banking system and we take a look at PayQwik's achievements over the year.

In the region, SimplyTapp teamed up with TIS and PromptNow to bring end-to-end solutions to the banking and financial services industry.

We also will be taking a look at Aikon Solutions based out of Muscat, and wondering whether card "Pay"ments are getting pushed out to the pasture.

A chat with some industry insiders reveal where m-commerce is heading, banking the unbanked, the always-important issue of security & compliance, and what are the trending topics happening.

We hope you enjoy the content and stay tune till the next issue.

The Editorial Team,
Neoedge Pte Ltd

Infopro is CMMI Level 5 appraised global banking solution provider with customer presence in 30 countries.

Infopro's flagship product, eICBA System, provides global banks with an integrated core banking solution complete with channel integration and digital banking capabilities. This system is scalable to handle large banks with millions of customers.

The rapid advancement of the web and mobile technologies has great influence in the banking industry. It is proven that financial institutions are capable of growing their business while reducing their operating cost by leveraging on digital banking technology. eICBA Virtual Digital Banking Suite is the latest systems capable of delivering this benefit to banks.

eICBA Virtual Digital Banking Suite capitalized on big data to power the analytic engine to drive customer engagement with better insights and personalization. This system allows banks to take advantage of the internet and social media technologies to drive new revenue opportunities.

eICBA Virtual Digital Banking Suite is a complete omni-channel digital platform offering comprehensive financial services. It is a SINGLE solution that is capable of delivering seamless personalized customer and operational banking experience across all channels.

This solution is designed with a single codebase to support highly diversified mobile segmentation. The responsive and cross platform advantages allow the web and app to virtually run on any devices from smart phones, tablets to laptop and desktop computers. The bank can satisfy customers' needs and no longer have to invest in separate systems in silos to support different platforms.
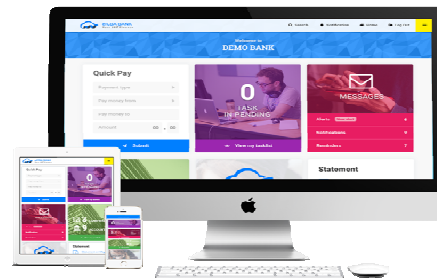
Chuah Wan Pin
Chief Executive Officer
Infopro Sdn Bhd

PayQwik among Red Herring Top 100 Asia 2015

Manila, Philippines, Sept 16, 2015 - Red Herring announced its Top 100 award in recognition of the leading private companies from Asia, celebrating these startups' innovations and technologies across their respective industries.

Red Herring's Top 100 Asia list has become a mark of distinction for identifying promising new companies and entrepreneurs. Red Herring editors were among the first to recognize that companies such as Google, Facebook, Kakao, Twitter, Rakuten, Salesforce.com, Xiaomi and YouTube would change the way we live and work.

"Choosing the companies with the strongest potential was by no means a small feat," said Alex Vieux, publisher and CEO of Red Herring. "After rigorous contemplation and discussion, we narrowed our list down from hundreds of candidates from across Asia to the Top 100 Winners. We believe **PayQwik** embodies the vision, drive and innovation that define a successful entrepreneurial venture. **PayQwik** should be proud of its accomplishment, as the competition was as strong as ever."

Pankaj Kumar, Chief Executive Officer, PayQwik said, "We feel privileged & extremely excited to be named as Red Herring Asia Top 100. We would like to thank the jury for acknowledging our services along with our team who supported us in thick & thin times. We assure that we will continue to innovate & provide superlative mobile payment platform to customers & merchants."

Vasanth Chandrasekhar, CEO of RP Telebuy Skyshop, one of the parent company of PayQwik™ India, said, We are delighted with the tremendous enthusiasm that PayQwik has invoked since the launch. Besides the robust technical features, PayQwik is all set to be interface for Indian consumers to buy innovative brands with global recognition, exclusively"

PayQwik™ is a one stop mobile payment service available across India. PayQwik™ offers quick mobile top-up, recharge, bill payment, QR payment & shopping. It also allows user to transfer fund across India instantly. Customer will receive attractive incentives such as cash back, coupons and discounts on shopping. PayQwik™ users are able to recharge all telco prepaid mobile phones across India, make bill payments to postpaid, landline & electricity providers, purchase bus, airline, and movie tickets and shop via their mobile phones. PayQwik™ fund transfer feature allows customer to send money anytime anywhere.

Key features include:

- Recharge all prepaid mobile phones and Pay bill for postpaid, DTH, landline, electricity, Gas, Insurance and receives attractive cash back.
- Fund transfer to your friends & family instantly without any hassles.
- Attractive deals, discount & coupons for recharge & shopping, travel and many more.
- QR payments, Groupon Coupons.
- Add favorites, save connections and transactions for repeated use.
- Buy any Telebuy products in just few clicks.

Red Herring's jury evaluated the companies on both quantitative and qualitative criteria, such as financial performance, technology innovation, management quality, strategy, and market penetration. This assessment of potential is complemented by a review of the track record and standing of startups relative to their peers, allowing Red Herring to see past the "buzz" and make the list a valuable instrument of discovery and advocacy for the most promising new business models in Asia.

PayQwik is pleased to announce that it has been awarded the "Best Initiative in Mobile Payments Award 2015" at the prestigious Global Mobile App Summit Awards 2015 (the "GMASA") which took place in Chennai, India on May 28 and 29, 2015. The award has been handed over by Mr. Prem, Executive Vice President & Managing Director- HCL.

The event had highly informed speakers, panelists, moderators and participants from leading companies such as HCL, Freecharge, Sulekha, Twitter, IBM, Fortumo, Naturals, Haptik and many more.

PayQwik is an initiative of RP Telebuy Skyshop Pvt. Ltd, Transaction Analysts & First Global Data Corp. in India . Pankaj Kumar, CEO of PayQwik™, was a speaker at the GMASA 2015 conference and said: "I would like to thank the GMASA team for this recognition. It is an honor to receive this prestigious award among 2500 nominees in different categories. I believe that this is validation of our hard work & vision to become the app of apps. We will continue adding more features in PayQwik™ and are committed to provide secure, efficient & quick mobile payment services."

Pankaj Kumar
Chief Executive Officer
PayQwik

Strategic Industry Initiative Brings Cloud-Based Mobile Payments Offering to APAC Issuers

SimplyTapp, PromptNow and TIS collaborate to provide secure payments technology to financial institutions and card issuers across the region.

Singapore, May 26, 2015 - SimplyTapp, PromptNow and TIS have created the Asian Payments Cloud initiative to bring the first end-to-end, cloud-based payments solution to the banking and financial services community in the APAC region. The offering allows financial institutions and card issuers to provide a better customer experience to their growing customer segment of Android users by enabling them to use their devices for proximity payments and other real-world transactions. Several major banks in the region have begun carrying out a pilot to begin offering flexible mobile payments to their smartphone customers via the solution's simple software integration.

Each alliance partner brings specific, complementary expertise to the solution. SimplyTapp's card virtualization and host-card emulation (HCE) is the underlying technology behind the service. TIS Inc's financial-grade data centers coupled with PromptNow's implementation services will allow for simple and secure integration and deployment of the technology.

With this new solution, Android users of participating banks and institutions will have the ability to use their devices to tap-and-pay at POS terminals. SimplyTapp's technology hosts a virtual payment card on the device, essentially eliminating the need to carry physical cards.

"We believe that HCE and cloud-based mobile payments have the potential to disrupt the current environment," said Shimmy Thomas, Executive Director at PromptNow. "We are very proud to collaborate with technology and service innovators like SimplyTapp and TIS to deliver this pioneering solution to customers in Asia."

"This cooperation is well aligned with our company's vision," said Masumoto Masahiro, Dy. General Manager, Corporate Planning and Strategy at TIS Inc. "We will leverage our industry-leading IT services and solutions, including financial-grade data center facilities, and with SimplyTapp and PromptNow, bring together our shared values to achieve goals for future growth."

"This form of mobile payments is the first of its kind in the APAC region," said Doug Yeager, SimplyTapp CEO. "It has the potential to significantly change the payments landscape for issuers, merchants and consumers alike. SimplyTapp is focused on propelling NFC HCE mobile payments to widespread adoption across the globe, and this partnership demonstrates its commitment to bringing advanced payment solutions to the region."

"Our bank is focused on innovation and establishing ourselves as a market leader in mobile banking," said Dr. Koson Sapprasert, SVP and Head of Innovation at Siam Commercial Bank. "We are thrilled to carry out a Host Card Emulation pilot as part of our innovation roadmap to engage with new technologies. This will be undertaken in collaboration with the Asian Payment Cloud initiative, formed by SimplyTapp, PromptNow and TIS."

Dr. Koson Sapprasert and Doug Yeager will be joining a panel of experts to discuss the future of payments at NextBank Asia on May 27 at 11:30 a.m. local time. The official partnership launch will take place at an invite-only event in Bangkok on May 28.

Issuers in the APAC region who are interested in learning more about this joint offering should inquire at asiapaycloud@promptnow.com

About SimplyTapp
As the original developers of host-card emulation (HCE) technology, SimplyTapp enables developers to leverage mobile devices for tap-payments and other real-world transactions. SimplyTapp's technology powers payment functionality for Android devices for card-issuing banks and provides a simple and secure transaction environment for industries including retail, transit, ticketing and hospitality. SimplyTapp offers three options for deployment of its technology: on premise, cloud-hosted and white label. The company was founded in 2011 and is headquartered in Austin, Texas. For more information, visit www.simplytapp.com.

About TIS
TIS Inc., Japan, an IT Holdings Group company, is a leading providing a number of IT solution services such as Systems Integration, Data Center and Cloud services. TIS has IT and support offices across Japan, China and ASEAN region, contributing to the development of valued customers as a business partner of more than 3,000 companies in various industries such as finance, manufacturing, distribution, service, public, and communication. Financial institutions rely on TIS's world-class secure financial grade datacentre facilities in Japan and China for their critical business operations.
For more information, visit www.tis.com

About PromptNow
PromptNow Company Limited, a subsidiary of MFEC Public Company Limited Thailand is a leading enterprise mobile technology solution provider in Southeast Asia region. PromptNow's innovative solutions are enriching the lives of people through their daily experiences in transacting with their banks and financial institutions. PromptNow excels in the development of Enterprise mobile applications on multiple OS platforms including iOS, Andriod and Windows.
For more information, visit www.promptnow.com

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President
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Doug Yeager
Chief Executive Officer
SimplyTapp

About Aikon Solution LLC

How it came about?

I have had this dream since 23 years when I first opened my IT company and had to close it after one year of operation due to lack of managerial skills and go to market approach. After servicing the telecom market for more than 23 years and having global experience in the telecommunication industry fulfilling different technical and managerial roles, with leading global technology providers, telecom operators and carrier services in the Middle East and Africa, holding solid experience in strategic planning and operations from supplier and customer perspectives. I found myself ready to move towards that exciting step with the help of my partners who have great experiences in different segment.

The challenge was choosing the location and the country to start with; hence the decision a year back came to start our operation from the Knowledge Oasis Muscat KOM.

KOM creates an environment in which budding entrepreneurs, small and medium-sized enterprises and established multi-nationals can coexist, innovate and flourish within a Middle East setting. KOM enhance Oman's position as the region's leading center of business excellence, innovation and entrepreneurship.

The reason to start in Oman, is because the Sultanate of Oman has a dynamic, multicultural and multilingual business community.

It is strategically placed on regional and international communication grids that offer companies full access to emerging markets in the Middle East, Indian sub-continent and Africa.

What are you offering?

Aikon is an Information and Communication Technology (ICT) solutions provider. AIKON turnkey solutions are designed to manage the entire supply chain including infrastructure equipment, consultancy, managed services, planning, engineering, implementation and Operations & Maintenance (O&M) services.

Why should subscribers choose your new company?

Based on our in-depth knowledge of technology and understanding the need of our customer, Aikon is planning to provide end to end competence improvement plan that is vendor independent. Our unique approach will be described into 4 major business steps.

Strategy: by highlighting the business driver of the customer need.

Designing the solution with the customer and based on the Strategy output.

Vendor support: helping the customer to choose the best vendor since we will work as vendor independent based on the output design and meeting the technical requirements.

Last step of course moving to execution and implementation where do have the right skills to do so in timely manner.

As you can see our approach is a cycle approach that starts with an early engagement to better understand the need in order to have a successful execution.

What are your aspirations for the company?

This is based on our 4 steps principles that we developed internally based on our mission, vision, values and mission statement.

Our mission is to help our clients reach their potential through technology. We remain at the forefront of information and communication technology (ICT) innovation to engineer and implement ICT solutions that help our clients realize measurable, significant, and timely business value based on our 4 major steps

Our vision is to be the partner of choice of communication service providers, government institutions, and private enterprises in the Middle East and Africa. We will do so by offering our clients the best blend of skill, practices, and technologies.

Our values are based on our human capital investment with a long standing, proven track record in the Industry, and on our credibility Achieved exclusive and preferred supplier status with global players secured the trust of several potential customers.

AIKON SOLUTION

Are Payments Necessary?

By Kunal Patel

For years, payments have been one of the hottest areas in fintech, and everyone has been lining up to join the party. Now, hands-free innovations are paving the way for a new generation of payment innovations.

Google Hands Free is the company's latest payments innovation, enabling payment through Android Pay without having to take your phone out of your pocket.

Meanwhile, PayPal has already announced its own beacon solution, promising to provide "hands free" payments where consumers do not need to pull out their phone last year. This reduces friction for physical payments, unlike assuming that transactions in physical retail are synonymous to the POS-terminal.

Just replacing plastic cards with a mobile phone does not really solve anything for the end user.
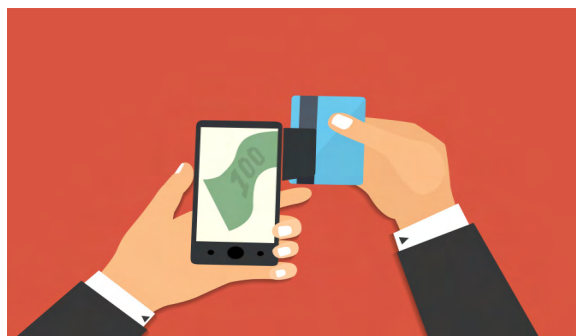
To strengthen this development there are several initiatives working on integrating payments in smart devices and wearables, laying the foundation for automated machine-to-machine payments between smart devices.

When cars are self-driving, is there any reason they should not be able to pay? Payments could be processed automatically based on usage, and the car itself would keep track of all costs related to pay-as-you drive insurance, tolls, parking and power consumption.

For years other tech companies have been marshalling their resources around the mobile phone as a hub for payments. Apple is aiming at mobile payments through Apple Pay, as well as the patent filing for payments in iMessage. Amazon is focusing on Pay with Amazon in both existing and emerging markets, all after scrapping its Amazon Register.

In addition, Amazon is moving the "buy now" button into the physical space with Amazon Dash, where you can order items that you need to restock on regular basis with the push of a button. The messenger services are all integrating payments to their platform such as Facebook Pay, Kakao Pay and WeChat Pay.

Venmo is capitalizing on their first-mover advantage in P2P payments to expand to merchant services, and Klarna is growing steadily through the promise of frictionless and smooth payments — both online and offline.

To compete, retailers are attempting to stay relevant with CurrentC, telcos are targeting emerging markets through mPesa and Easypaisa, and the financial sector is struggling to prevent payments from becoming zero-margin commodity.

Makers of smart devices feature the ability to replenish and pay for supplies automatically, promising to make your smart home self-replenishing. Mastercard also announced last year that it aims to make every connected device a payment device. With the predicted growth of connected devices, we are just scratching the surface of payments in the Internet of Things.

When it comes to paying the restaurant bill, the days of the faux leather folder on a plastic tip tray also look numbered. Companies like Tab are enabling patrons to book a table and order their food through their phones, put away the phone and enjoy the meal and just leave. The payment is processed automatically and the user receives their receipt by email.

Blockchain-based micro transactions for digital content could enable industries delivering digital content such as the music industry to ensure digital rights management in a way that artists, labels and publishers are paid their fair share without bothering the end user through automatic usage-based subscription models.

According to a recent report from Deutcsche Bank, all these innovations from streamlining payments or integrating billing, to mobile payments, security developments and cryptocurrencies continue to make payments increasingly cashless and invisible while enabling data-driven engagement platforms for customers.

The flip side of invisible payments is a potential additional decline in financial literacy as spending moves from tangible cash, via plastic cards to a merely a background process. In order to counteract this effect, incumbent financial institutions and fintech challengers should aim to assist users to keep track of spending in a meaningful way.

In the future, there will not be one universal way to pay as we are used to with traditional cash and plastic cards. Payment options will be context-based, and in many cases payments will become "invisible" and integrated into services. Have you ever pulled out your credit card to pay for an Uber ride?

Kunal Patel is the Global Head of Strategy in goswiff, where he is accountable for the complete management and development of GoSwiff's global product portfolio, development and its integration with Third Parties Services.

Interviews with
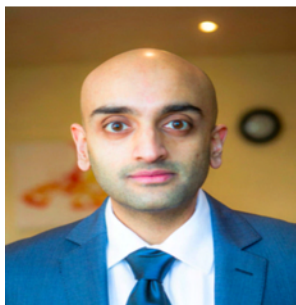
Kunal Patel
Global Head of Strategy
GoSwiff

1. What do you think about the Mobile Commerce/Mobile Banking Industry at the Moment? Is it moving into progression or are we looking at the same things as what we have had last year?

The Mobile commerce industry has gained a lot of momentum in the last 12 months. If we focus on proximity payments deployments, there are four main challenges for providers:

- Ecosystem participant coordination
- Merchant readiness
- Device readiness
- Interoperability

The industry globally has achieved significant progress in the merchant and device readiness. Specifc markets in Europe, Asia and the US now have cross-industry consortiums coordinating the participants. While some markets now need to begin working on Interoperability issues, the industry much better placed today to reach scale in the medium-term.

2. What are the hottest issues that you think people are discussing about Mobile Commerce and Mobile Payments?

Today, I see lots of innovation in markets where most devices are feature phones and have no data plans (cash- replacement ecosystems); but also in markets where most customers own smartphones and use plastic to conduct transactions.

In cash-replacement ecosystems (more relevant to emerging markets), the use of Cloud technology to reduce platform and operations costs is hot topic. The use of Cloud also shortens the time required to take offerings to market and significantly increases the flexibility of these platforms.

In smartphone ecosystems, where most consumers already have efficient payments mechanisms, the use of Trusted Service Managers to coordinate the interaction of multiple service providers is also a fundamental topic for building mobile payments schemes.

Finally, and probably more important for the future, the use of Data Analytics to create new value added services and additional revenue sources for service providers is a hot topic in both segments.

3. Who are the major players in the Mobile Commerce space right now? Why are they dominating the market?

I see at least three categories of players, the operators of Trusted Service Managers (TSM), the Service Providers to those TSMs and the technology providers to these two groups.

In the technology providers category, I believe it's important to partner with a provider who is positioned to build and operate highly scalable platforms that connect multiple industries; esp. in the emerging markets.

In the Service Providers category companies like Citibank, Mastercard, Barclays, among others have shown great leadership and ability to innovate.

For the TSM operators, consortiums of telcos, Internet-search companies, consortiums of banks and telcos and some national governments have also launched interesting services that over great added value to end-users.

4. Which part of Asia is the hottest spot in terms of M-Commerce innovation?

Traditionally, Japan, South Korea and the Philippines have been global leaders in the mobile commerce space. These three markets were pioneers in the deployment of large-scale mobile commerce ecosystems.

However, today innovation is also coming from several other markets; in the cash-replacement space, Pakistan and Cambodia have developed very interesting mobile payments ecosystems with great possibilities for the future.

In the proximity payments space, Singapore and Hong Kong have also made significant progress towards low-friction environments.

For the future, I expect to see increased innovation in larger markets like China and India. Given the amount of attention and resources that these two markets are getting from global players, I expect mobile providers to reach significant scale in these two markets in the medium-term.

Maroun Fadel
Senior Advisor
Aikon Solution
Oman

1. Which market is using m-commerce the most?

All the analysis confirms that the m-commerce is big and is still growing fast. Latest statistics showed that the "m-Commerce growth is to exceed the $500 billion sales by 2017 driven by Asia, America and Europe. The m-Commerce is now over one third of the global e-Commerce; Mobile is around 33% of m-Commerce transactions in the US and around 45% globally; this growth continues across all retail categories mainly based on fashion and luxury retailers that have the highest share of mobile transactions. 2015 showed that Japan, South Korea and the UK are the most advanced markets for m-commerce. In fact the consumers interested in shopping It is not anymore a matter of being online or offline, however the more becomes reliant on the mobile the more they will go online. So the mobile is becoming the catalyst.

What are the most popular topics in the industry nowadays Whatever the transaction is in case of Mobile Wallet, Mobile Payments or / and Mobile Money Transfer we can see that the Mobile solution is getting so much the attention of the industry, this is the "M" generation. In the "M" generation word the citizen-centric experience should be the most important focus for any nation simplifying people interactions by making it digital. Governments across the world are leveraging the power of mobile money to digitize the needs because of the challenges faced by the consumers these challenges can be overcome by using Mobile payments. In many emerging economies, mobile money is finding new use cases every day. It is well known that with the Mobile money solution many benefits will be brought in terms of cost saving for both the government as well as for the consumers. In the emerging market we started to see a lot of P2G and G2P solutions that accelerated the economic growth and benefit the entire population.

2. Is implementation and money transfer/banking the unbanked still a hot trend these days?

Certainly, looking at the emerging market still has lots of room for the implementation of the unbanked population. According to a study published by the World Bank, in Africa less than a quarter of all adults make use of bank accounts or other financial products from a formal financial institution and 90 percent of all consumer payments are conducted with cash. With the growing consumer market in the emerging market and the increased penetration of mobile phones demand for retail banking is likely to increase substantially, of course we should not forget all other social, economic, and infrastructure factors when looking at ways to tap the unbanked market.

3. How about Security vs Convenience?

This is very important topic we always reach a point where we have to compromise either on convenience or security: This is convenient for me but not secure or this is secure but not convenient! The growth of mobile account has dramatically increased recently, with consumers always demanding fast and innovative mobile experiences that are still secure. Convenience and innovation are very important to the consumers, yet the security should be able to preserve the privacy of a consumer interaction especially with the Cyber threats that's is becoming so widespread, hence new security methods must be implemented while meeting the consumer demand for convenience and innovation.

4. Which part of Asia is the hottest spot in terms of M-Commerce innovation?

To my opinion, and in order to have a good assessment of the most innovated and growing market it should be understood that the m-commerce will need a strong enabling and ready environment for a long term success. Since the time of the innovation is ready, it is also expected that the growth is also expected globally; however this also vary by regions and countries. So I would say Asia in general has been an attractive market to the m-commerce market, however I also believe that today, the southeaster countries in Asia have big potential for growth and innovation, keeping in mind that this growth will vary from one country to another even in the same region.

Varun Mittal
Group Head, Partnerships & Marketing
helloPay

1. What do you think about the Mobile Commerce/Mobile Banking Industry at the Moment? Is it moving into progression or are we looking at the same things as what we have had last year?

We are definitely looking at progression and I see two major factors which were not present before. Now all incumbents realize that big technology companies are going to join the domain with massive resources and capabilities making them introspect about strategy to counter or partner with Apple Pay, Android Pay, Samsung Pay, Facebook Messenger Payments, Amazon retail solutions, etc. The other change has innovations in RegTech, regulators have now opened up significantly across the markets. India became the first country to give payments back licenses to wallets, opening a whole new world of opportunities for Mobile Commerce. MAS became world's first regulator to invest in blockchain company and supporter of crypto currencies.

2. What are the hottest issues that you think people are discussing about Mobile Commerce and Mobile Payments?

Two main issues -

How can we do one of the activities being done by financial institutions faster or cheaper - P2P , Cross Border, Robo Advisory

How do we solve use cases which existing institutions can't or aren't solving - Loan Approval process, crowd funding

3. Who are the major players in the Mobile Commerce space right now? Why are they dominating the market?

At this moment none is dominating the market, it is still day 1 or 2 in a full year of Mobile commerce innovation which is going to unleash itself. To put it as analogy, when internet messaging started with ICQ, Yahoo messenger and MSN, none imagined that one day a whatsapp will have a billion active users which is more than what all those earlier messanger had combined at their peak. So the dominating players are most likely yet to be born!

4. Which part of Asia is the hottest spot in terms of M-Commerce innovation?

There are two aspects of hottest space - Large sized markets where users are embracing new solution - India (Paytm, Mobiqwik, Citrus), Thailand (Line Pay).
Progressive countries where regulators, governments or local ecosystem have made the country magnet for m-commerce and fintech innovation - Singapore, Hong Kong.

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security to be free

Tokenization, key to mobile payment security

The deployment of mobile payment can be a daunting business. Issuers are presented with a broad range of payment options and channels – from HCE to third-party wallet such as Apple Pay, Samsung Pay, Android Pay, or event operators' initiatives– all vying for majority adoption.

Mobile payment initiatives around the world are building solutions based on NFC technology, designed to create a fast and convenient payment experience. We're also seeing NFC do a broad range of other things, from unlocking car doors to sharing photos with others in close proximity but since the launch of Apple Pay and Samsung Pay, NFC for payments has found its moment in the spotlight.

With all the innovation and momentum around mobile wallets, NFC or otherwise, payment security is a *huge* concern to merchants, issuers, payment networks and any new wallet provider. Demonstrated by the number of high profile data breaches the last year, payment data security is absolutely essential as consumer adoption grows.

Unfortunately, NFC is only a functional technology, not a thorough security safeguard. It needs another complementary layer of security on top of it to complete the payments software package. All of this sets up rather nicely for **tokenization** to emerge as a new defense against mobile payment fraud.

In its most basic form, tokenization consists of replacing a payment card's static credentials with virtually substituted credentials that limit the impact of a data breach or sporadic card theft. These token credentials are limited to use on a specific device, at a specific merchant or for specific types of goods and services.

Gemalto provides comprehensive tokenization services, helping issuers deploy quickly whilst offering a smooth customer enrolment

1: Flexible Security

Tokenization strengthens security as the token cannot be used beyond its pre-defined purpose and has led the way to alternatives such as HCE, opening the door to independent, bank-owned mobile payment apps.

Banks and payment providers can use HCE and tokenization to create their own payment apps without necessitating access to complex mobile storage and chips. Combining tokenization with techniques to encrypt and hide security keys and sensitive data in the code of mobile apps helps secure HCE-based wallets on Android devices.

2: Instant Use

Before the introduction of tokenization, digitizing payment cards for mobile wallets often involved a review and approval process by the bank, which could take anywhere from minutes to days. Tokenization has changed this so that customers can sign up and be ready to pay within seconds – a huge factor in mobile payments convenience and adoption.

3: Easy onboarding

The road to including tokenization technology is fast and straightforward for all involved parties. Tokenization has no impact on physical retail NFC terminals, on the processing side of payments or on the perceived consumer purchase experience.

Even after tokenization becomes ubiquitous, the entire industry, from established giants to burgeoning startups, should continue challenging itself and asking: "Beyond tokenization, what's the *next* technology that can make mobile payments that much easier and more secure for consumers and providers alike?"

For more information, please visit www.gemalto.com, www.justaskgemalto.com, blog.gemalto.com or follow @gemalto on Twitter.

TUNE is on a mission to make mobile marketing better for everyone. As the most adopted measurement and attribution provider for the top 100 apps across iOS and Android, TUNE is trusted by Expedia, Sephora, Starbucks, Amazon, and many other world-class brands. TUNE builds solutions that arm marketers and their partners with insights to help effectively engage consumers with timely, personalized marketing messages. Headquartered in Seattle, Washington, with over 325 employees in eight offices worldwide, TUNE's solutions are globally recognized as the most innovative, reliable, and best supported in mobile marketing.

Tune Marketing Console

The TUNE® Marketing Console (TMC) is the only enterprise platform that unifies measurement across user discovery, acquisition, retention, and engagement. Mobile marketers trust the TMC every day to easily find actionable insights and streamline their workflow, helping them focus on driving results.

The TMC seamlessly integrates with marketers' agencies, ad networks, and other technology to provide critical reconciliation, transparency, and efficiency in marketing efforts. Four integrated best-in-class solutions are featured in the TMC: Advertising Attribution for paid user acquisition, App Store Analytics for app store optimization, In-App Marketing for marketing engagement automation, and TUNE® BI for deeper insights.