

EARNINGS & LEARNINGS:

Meaningful highlights from Mobile Commerce Players

Inspiring and meaningful connections

By Jhorden Niño and Eugene Azucena

It is often a great opportunity to meet new people: through conferences, business meetings, product launching events, et cetera. We build connections, and through these new acquaintances, business relationships spring and often friendships form, too. This is true, at least for us, in our experience in the Telco space.

In the recently concluded 6th Mobile Commerce Summit ASIA, held in Singapore, in the room filled with executives and technology gurus, it was estimated to be 60% networking and 30% learning. Oh, the 10% would be the smoke breaks, refreshments and buffet lunches. It is indeed a perfect time to network, present their companies or businesses and then later on sell their offerings to each other.

Here are some of the highlights when the 2-day event kicked off last 19-20 March 2013 in Singapore. The very enlightening opening presentation by Tom Mowat who is the Head of Asia-Pacific Mobile Payments Program at Analysys Mason was the show's invigorator. After identifying its company's 2013 research themes (that will address the many issues affecting the mobile commerce market), he ended his brief presentation with a remark that, "the most successful of mobile payment services are those that have developed very large agent networks which focuses on a variety of sources to grow the said network". Mowat is among the 270 analysts and consultants working in 12 Analysys Mason offices serving over 344 clients in more than 114 countries. (Page 3)

The first keynote of the summit's DAY 1 was Philip Yen, Emerging Payments Group Head, APAC, Mid East & Africa at MasterCard Worldwide. He tackled on the future of digital payments and he gave a brief review of the recent announcement about MasterCard's MasterPass which is the evolution of the PayPass Wallet Service. Prior to sharing its progress and plans, he explained how MasterPass accelerates the transition to digital payments.

Christian Cadeo, the Head of Mobile at Google Asia Pacific followed to present on Google's Latest Developments in Mobile Commerce. As always, the gentleman from Google awed the audience with his style and the substance of his slides.

The opening panel of the day took the stage to answer the challenging questions on why a user centred design (UCD) is important. The experts led by Tom Mowat (Analysys Mason) did a fantastic job in this unique panel topic. Other panellists include: Yoav Elgrichi (YuuPay), Raja Hussain (FunSpot Corporation) (Page 9) and Tom Wills (Ontrack Advisory Group).

In line with the Future of Mobile Payments theme, the next speaker was Jeremy King, who is the European Director of PCI Security Standards Council (PCI SSC). He discussed on the current mobile payment scenario as well as the risks and challenges it faces. Apart from introducing the new technologies which mitigate or reduce inherent security risks when companies evaluate mobile solutions for payment acceptance, he also laid down the council's new versions of its standards and how it can be utilised on mobile with an ensured compliance. (Page 6)

Another interesting panel session was the one entitled: "The Next Leap Forward: Towards True Interoperability." As mobile money continues to be a natural progression for companies and the utilization of the mobile platform to integrate with multiple services has become popular, the next batch of experts were equipped with the heavy answers to questions on interoperability. Interoperability Panel Experts: John Owens (Chemonics International), Suresh Ramasamy (Digi Malaysia), Ichwansyah Putra (Indosat), and Rajen Prabhu (Mastercard Worldwide).

One very interesting presenter at the Singapore summit was Elizabeth Duke, the Head of Sales – Asia Pacific for C-SAM. She tackled on ensuring successful Mobile Wallet Implementations for all the summit delegates to learn. C-SAM is known in the industry as one of the global leaders in Mobile Wallet Solutions with its deployments in multiple geographies. In Singapore, C-SAM is the technology provider for the first NFC

project in Southeast Asia with telecoms giant StarHub, DBS Bank, and MasterCard Worldwide.

Mobile Monday Singapore was also represented at the summit by Chris Chandler (Co-Founder MoMoSG) who chaired and opened the event's second day. While his opening remarks presentation, "Mobile Money in the Developing World" was very engaging, and he also shared a most comprehensive wrap up of Day 1's presentations and panels. It was a delight to have such an expert like him in the show.

One of the highlights of Day 2 was the Panel Session: "The Missing Link: Merchant Acquisition". It was composed of panellists with vast sets of expertise. They were: Balkrishna Pangam, Professional – Merchant Business & Payments Industry who played Panel Moderator, Paola Barcadel de Toepfer, a Product Marketing Manager from Sprooki Singapore, Brijesh Arora, Head - Product Development, Mobile Financial Solutions Division from Mahindra Comviva, and Tom Wills, the Director of Ontrack Advisory Group. (Pages 8-9)

THE FINALE: Regulators as Catalysts and Inhibitors

As mobile commerce continues to dynamically evolve, and as we know, in every successful mobile commerce initiative, there is a positive government support. What do regulation and regulators play in the ecosystem? Dr. Riant Nugroho, Commissioner from Indonesian Telecommunications Regulatory Board Indonesia together with Chintana Jayasekara, the Head of Mobile Commerce & Partner Management at Dialog Axiata and Ichwansyah Putra, Head of Product Development, MCommerce at Indosat, were in this panel which was expertly moderated by a leading telecoms and technology lawyer Rob Bratby. The Managing Partner at Olswang Asia did a phenomenal job in the panel and left the audience with the significant understanding of the regulation issues and challenges of today's ecosystem.

Read along and hope to be able to meaningfully connect with you soon, too!

The Editors

Analysys Mason to release a bold report on Mobile Payments in the APAC Region



The use of mobile handsets to conduct financial transactions has been long anticipated to change the economies of developing markets in Asia, where approximately 78% or more of the population have no access to bank accounts or payment cards.

According to Analysys Mason, an estimated USD20 billion was transferred over mobile payment services in Asia in 2012, representing 5.6 billion transactions. Despite the logical argument for the even more widespread adoption and use of mobile payment services, a number of factors have combined to delay the development of the market, including: 1) Lack of user demand 2) Lack of regulation supportive to the industry 3) Lack of investment; over-ambitious projections for growth coupled with unrealistically low expectations for cost 4) Slow emergence of mobile payment standards, and 5) lack of interoperability between services.

The indirect benefits of providing and being associated with a well-established, often used and trusted mobile money service are significant to operators in the Asia-Pacific developing markets. As the digital economy develops, and economic growth in these markets increases disposable income, operators stand to benefit from the financial enablement of their subscriber base.

Direct benefits: the generation of profit from a mobile payment service, though possible, should not be the initial focus. The cost of establishing a service will be high, and initial revenues, even in the face of strong adoption may be low as subscribers are reluctant to engage with a new channel in the early stages of their use of the service.

Analysys Mason has produced a report containing the results of an in-depth review of the current range of mobile payment deployments in developing markets in the Asia-Pacific region. We only consider only those deployments as mobile payments which if they are solely mobile-based, have an agent network and earn commission for the service provider, thereby foregoing online payment systems such as Paypal with mobile applications for the same, or anything which requires a formal bank account.

- We provide an up-to-date view on services currently available alongside a forward looking view of the addressable market and associated revenue opportunity
- We explore causes for the slower-than-expected development of the mobile payments market, and explain how operators can prepare, develop and sustain a mobile payments service, and provide a view to the scale of the opportunity presenting our mobile payment forecast for both addressable spend and revenue for 2012–2017 for China, India, Indonesia, Malaysia, Thailand, Philippines and Vietnam.



For more information on this report please get in contact with Tom Mowat, Principal Analyst of Analysys Mason's Asia-Pacific research programme, at tom.mowat@analysismason.com.

Tom was the Summit Chairman of the 6th Mobile Commerce Summit ASIA 2013 organised by Neoedge.

Interoperability in Mobile Financial Services

By Pankaj Kumar



Smart Phone has been the most radical innovation of the world. It has substituted number of existing products such as radios, flashlights, iPods, Cameras, laptops etc. and with the increasing trend of apps, it will continue to cater the substitute services. At present, mobile phone has also become the preferred IT device for banking and financial services. Statistics proves that there will be more smart phones than banked economy by 2016 (Analysys Mason Report). One of the reasons of this astonishing growth is the accessibility of inexpensive smart phones. The identical replica of mobile phone introduced by leading manufacturer is already available in the market at very low price which is helping the banked v/s Smart Phone curve to go higher.

This rebellion growth, in mobile phone users, arouse financial institutions, telcos and vendor to deliver banking through this channel. Most of the persons across the world (specifically in Africa) are

progressively using mobile payments for number of services starting from utility payments to remittances. However the question is whether providing mobile financial services to unbanked economy through one bank or telco is adequate. Undoubtedly mobile phone is the preferred channel to provide the service to unbanked economy, however restricting consumers and unbanked economy to one financial institution or telco is not going to work, that is where interoperability steps in.

Consider the case where I am subscribed mobile wallet unbanked consumer and am willing to pay to merchant but merchant denies stating that he is not a merchant partner of your wallet provider. Consider the case in remittance, where sender is using remitter A to remit money to a wallet but the beneficiary can only cash out the money at the payout agent of remitter A. Though there is several other payout agents yet beneficiary needs to go to a particular agent to cash out which eventually makes the system complicated. Our team has been providing mobile financial services in emerging nations and has also encountered the analogous difficulty to endorse mobile money.

Mobile money ecosystem involves number of significant entities (Financial Institution, Telco, Vendor, Merchant, Consumer) to function simultaneously. The failure in support by either entity brings in inadequacy. Therefore it is the accountability of every entity to encourage interoperability. If there is interoperability among financial institutions, telcos and merchants, I am sure there will be an exponentially growth in the number of mobile money users across the world. We understand that providing interoperability is not that easy, there are numerous challenges however commercial motivation among the entity could be an initial step. I have witnessed a

successful case study of introducing shared merchants and payout agents among financial institution in Nepal. There is a mobile payment network 'fonepay', which accept payments through mobile phone provided the mobile banking vendor should be the member of fonepay network. This could be a replica of Visa or Mastercard fundamentals in mobile money however the notion is to go interoperable and provide consumer with the uniform acceptance of mobile payments.

Therefore, if we aspire to exploit the higher number of mobile penetration and equally high unbanked economy, new strategies needs to be discussed. I would consider interoperability as a prerequisite for mobile money endorsement. As a part of ecosystem of mobile money, we should not only focus on customer acquisition but also practice innovative approaches for increasing volume of transactions.

Though we have countersigned numerous successful case studies from African region, however we are yet to hear a successful case study on Interoperability. I really hope to encounter one.



Pankaj Kumar is the Chief Marketing Officer at F1Soft International and specializing in Strategic Partnership, International Marketing, Global Business Development, Mobile Payments and Money Remittances.

Chemonics International: Working toward the use of Mobile Money to support development around the world

By John V. Owens

Lessons Learned in Promoting the Use of Mobile Money for Development

As an international development consulting firm, Chemonics International has been at the forefront of promoting the use of mobile money services to support business solutions that are a win-win model for partners.

Based on the experiences of our team in implementing projects and conducting assessments in several countries, especially the Philippines, Afghanistan, Kenya, Indonesia, Malawi, and, more recently Yemen and Nigeria, we have established a solid team with a range of different skill sets that continue to look toward new ways to support mobile money services in emerging markets. Our team includes those with a solid background running

telecommunications companies including mobile money initiatives, information and communications technology in emerging markets, financial inclusion, legal and regulatory skills, and international development.

Recently at the 6th Mobile Commerce Summit Asia, we shared some of our experiences using mobile money in several of the countries we work in. We break down our approach into 10 simple lessons learned.

Lesson #1: Develop a Road Map

We have learned the importance of carefully planning mobile money services in emerging economies that we refer to as -developing a road map. Taking a customer-centric approach to mobile money use cases and developing services that meet these needs is the most important step to take. The road map must also take into account the local and regional environments as well as the legal and regulatory framework about what is allowed. Over the years, we have worked with regulators in markets such as Afghanistan and the Philippines to promote a more enabling regulatory environment to support mobile money services. We also help take into account the institutional perspective of partner institutions that are interested in making use of mobile money and have helped to design and pilot test several new mobile money-enabled services. The final part of any mobile money service road map is the launch of these services and related marketing and client education. Our long history and related experiences in emerging markets help us to play a unique role in supporting road maps for those wishing to offer mobile money solutions.

Lesson #2: Strategic Partnerships Are Key

From Afghanistan to the Philippines, we have worked closely with multiple money providers to work with hundreds of small financial institutions, agent networks, utility companies, and other businesses to develop partnerships to promote and support mobile money-enabled services. We have learned that the most successful way to promote and support the uptake of mobile money services is through private partnerships and this has been the cornerstone of the work that Chemonics has supported in this field.

Lesson #3: Focus on Building Trust

In promoting any financial service but especially one such as mobile money services, trust is essential. We have continued to provide support and advice to partners to continuously monitor and support initiatives to build trust in mobile money services including improving agent guidelines and support for call centers to address user concerns. Training, customer education and marketing must all build on trust.

Lesson #4: Convenience & Availability

When you are dealing with people's money, having rapid, reliable, and convenient access to money when and

where you need it is also very important. Convenient, reliable and liquid agent networks are crucial. We have also witnessed the importance of linking mobile money wallets to other payment channels including the use of linked debit/ATM cards or even card-less ATM withdrawals.

Lesson #5: Simplicity

The standard "Keep It Simple" rule is also very important especially when it comes to getting people to start utilizing a new technology in emerging markets. Our team has provided research and feedback to mobile money providers to improve their services and ensure that clients at all levels of the economic pyramid can understand and make use of mobile money services.

Lesson #7: Client Education

Properly educating customers how to make use of mobile money is one of the most challenging aspects of most mobile money deployments. Educating clients takes time but these efforts, if done properly and if focused on those that can create a tipping point for mobile money uptake, can be successful. In the Philippines, we worked closely with Microfinance Opportunities under a MasterCard Foundation grant to expand and educate customers that helped to increase the usage of mobile money services.

Lesson #8: Expand the Value Proposition

The real value of mobile money is in the various use cases that are developed around providing this service. Our work has helped to provide feedback to mobile money provider partners to better understand: Where potential customers transact, whom they pay and who sends them money? Who buys their goods or services? Can mobile money payments be used across supply value chains? Our work with mobile money providers and our partners focuses on helping develop services that allow businesses and clients to accept, send, and make use of mobile money and address some of the pain points normally faced with cash and check payments.

Lesson # 9: Use it Internally First

We always promote the approach of making sure to use mobile money services in-house first in order to "walk the talk". Under the Better Than Cash Initiative, Chemonics International has made sure to incorporate the use of mobile money in several of our projects in places such as the Philippines, Kenya, and Afghanistan. This includes promoting mobile money-enabled payroll services internally and using it to pay vendors and bills. The best

approach is to start internally to utilize mobile money services.

Lesson #10: Get Money into the System

Getting money into the mobile money system is also crucial. In places such as the Philippines, we have supported the use of mobile money services such as using GCASH to promote payroll services among rural bank partners and the support for government conditional cash transfers with our partners providing cash-out services. In places such as Kenya, we have utilized MPESA's corporate bulk payment platform for facilitating disbursements to project beneficiaries.

John Owens is the Senior Mobile Money, Mobile Banking, Mobile Payment Expert at Chemonics International. He is a recognized expert in the field of working with banks to provide greater access to financial services with more than 25 years of field experience in Africa, Asia, the Caribbean, Latin America and the Middle East. Since 2004, he has worked on using mobile money to support development efforts in the Philippines and other countries.





An Interview with PCI Security Standards Council's Jeremy King

MCA eZine: *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?*

Jeremy: It's growing, and will only continue to do so. Juniper Research predicts mobile transactions will hit \$1.3 trillion worldwide by 2015, four times what it is today, as more and more businesses turn to consumer electronic handheld devices (eg; smart phones, tablets or PDAs) for payment acceptance. From our perspective at the Council, we want to ensure that as the technology evolves and adoption increases, that security is a priority. The persistency of connections, the ubiquity of mobile devices and the large number of new merchants increases the attack surface simply by having more opportunities to attack, regardless of the security. That is why limiting exposure, leveraging PCI requirements and decreasing the value of cardholder data to minimize the incentive to attack are primary goals of the industry. As always, the best defense is awareness so that a vendor knows the various types of threats.

MCA eZine: *What are the hottest issues that you think people are discussing about Mobile Commerce and Mobile Payments?*

Jeremy: Every day people are coming up with new applications and new ways to deploy mobile technology for payments. But even with rapid adoption of mobile technology in payments, security still tops concerns for merchants. It comes down to the basic element of trust. Consumers want to have confidence that their information is protected - whether at their favorite restaurant, shopping online or making a purchase using a mobile device in lieu of a traditional POS. Currently, it is challenging to demonstrate a

high level of confidence in the security of sensitive financial data in devices that were designed for other consumer purposes. Which is why we encourage merchants to consider encrypting cardholder data securely prior to using mobile devices to process transactions. Please reference the Council's guidance on this topic for more information: Accepting Mobile Payments with a Smartphone or Tablet, Mobile Payment Acceptance Security Guidelines for Merchants v1.0, and PCI Mobile Payment Acceptance Security Guidelines for Developers.

MCA eZine: *Who are the major players in the Mobile Commerce space right now? Why are they dominating the market?*

Jeremy: The mobile payment space is unlike traditional computing or payment environments, in that it brings together so many different players from different industries and sectors. A big part of our efforts have been in conjunction with an industry taskforce representing these various players including, original equipment manufacturers, operating system manufacturers, trusted service providers, managed network operators, financial institutions, merchants and more. And the guidance we've put out so far on mobile payment acceptance is aimed at helping these

various parties work together to create secure mobile payment acceptance solutions that will ultimately enable mobile commerce to flourish. No matter how convenient a technology may be, at the end of the day businesses and consumers alike want to know that their information is kept safe. So those businesses who can leverage mobile technology both effectively and securely will be best positioned moving ahead.

MCA eZine: *Which part of Asia is the hottest spot in terms of mCommerce innovation?*

Jeremy: Asia is certainly at the forefront in terms of mobile technology innovation and adoption, compared to many other parts of the world; which is a big reason why we at the Council are expanding our efforts to get organizations in

the Asia-Pacific region involved in our work around payment security. We'll be hosting an event on PCI in Kuala Lumpur in November and hope to attract many of those involved in mobile payment security to get their insights. Those interested in joining us can find out more here: PCI Council Announces Inaugural Asia-Pacific Community Meeting

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Neoedge endeavors to integrate the Loyalty and CRM experts in the China business market
by Eugene Azucena

Neoedge, the premier events firm to organize Customer Loyalty & CRM events, endeavors on attracting the local China market to for the 5th Customer Loyalty Programme and **CRM China Summit 2013**.

Neoedge endeavors to integrate the Loyalty and CRM experts in the China business market

By Eugene Azucena

The 2-day main event will be held at the **Pullman Shanghai Skyway Hotel, Shanghai, China from 4th-5th June 2013**.

A one day Pre-Conference Workshop on 3rd of June 2013 will open the event with the morning session entitled, "Measuring Customer Loyalty Using

Analytical Techniques." This will be led by the team from Asia Analytics (Formerly SPSS China).

In the afternoon of the Pre-Conference, the session will be jointly facilitated by Cell City and DBS Bank. The title itself is a strong force to help participants in the event: "Creating A Digital Loyalty Campaign and Engaging with Your Customers in New Dynamics."

The event also features two very engaging panel discussions. On the first day of the summit, some other hot topics in current China market which are not addressed in standalone speaking slots will be addressed. The DAY1 Panel discussion, "How to and Use Which New Channels to Interact with Customers and Enhance Customer Loyalty" will have panel frontrunners from Air China, Shandong Airlines and China Minsheng Banking Corporation, among others.

Meanwhile, the DAY2 panel discussion will revolve on: "Measurement and Financial Impact of Loyalty Programme and CRM to A Company". It will be an engaging panel discussion and brainstorming session and it will be led by experts from Accentiv'.

The Customer Loyalty Asia Programme & CRM Summit is a flagship event organized by Neoedge and it aims to integrate industry leadership, technology and as well as new initiatives on Customer Loyalty and CRM space. It provides an in-depth look into new market developments, and effective practices and it offers a strong networking opportunity for professionals to discuss emerging trends in the field.

The **5th Customer Loyalty Programme and CRM China Summit 2013** will feature industry leaders including **Alibaba Group, Baidu, General Motors, Hyatt International, China Minsheng Banking Corporation, Bottega Veneta, Tencent** and many others. For more information, please visit <http://neo-edge.com/event-line-up/sales-marketing/the-fifth-customer-loyalty-programme-crm-china-summit-2013/>



Sheik Taimur Nawaz

Head of VAS
Zong China
Mobile Company

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 have seen Telco Agnostic models as well as Telcos acquiring banks in launching Mobile Banking across different regions. There are lots of very interesting initiatives in Mobile Commerce space. The different between the two as I see it in the current form and shape is that Mobile Banking is more of a mass offering with much bigger scale while Mobile Commerce is in infancy targeting market segments and niches.

On relative terms the Mobile Banking industry is growing with better uptakes in South Asia, Asia Pacific and Africa as compared to other parts of the globe. The reasons for the growth in these markets is primarily 'adoption rate' as subscribers are much more responsive to such initiatives and of course it's a function of market dynamics i.e. unbanked population, lack of banking infrastructure, regulatory framework, technology savvy population etc. And lastly we all know for fact that Asia and African regions are massive in terms of population size.

The growth rate is 25% and lots of researches by credible sources suggest smart phones penetration is on the rise and lots of these users are into mobile commerce in one way or the other.

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

There are lots of technology interventions in this space and the issues discussed are mostly to scale up these technology initiatives and make it user friendly to reach out to market segments and have a captive audience. Moreover, to have economies of scale, the issue of creating a critical mass can be achieved once we have good mix of diversified merchants and aggressive agent network on board. The trust deficit does exist in the mind of end users and other players in the value chain and it has more to do with market

development i.e. lack of awareness and education on part of potential end users. And last but not the least the trust deficit also comes from a perception that transactions are not secure. In nutshell the overall 'adoption of technology' is something which is discussed at various international forums and derived mostly from above mentioned aspects.

In some markets, there is peculiar challenge of converting end users from OTC (Over the counter) to opening their very own mobile wallet for mobile banking. It's a psyche in Asian markets that when end users get accustomed to OTC facility for banking, it's hard to convert them to actual wallet users. This graduation / transition is an issue in some markets. And there after ensuring healthy cash-in / balance in the wallets to undertake mobile commerce activity.

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

The major players are all very well known to all of us i.e. Amazon, Ebay and Paypal. These players were the early mover and got head start advantage but they smartly capitalized on the opportunities and scaled up simply because their forte is 'ease of use' i.e. usability for the end users without much hiccups. And surely they registered brand equity and recall as they offer credible and hassle free service.

Which part of Asia is the hottest spot in terms of mCommerce innovation?

Asia Pacific i.e. South East Asia holds promising potential as end users have a 'great adoption rate' and 'steep learning curve' for M-Commerce initiatives and there is a lot of focus on 'enablement' to ensure healthy uptake. My pick would be look at other markets predominantly Pakistan and Bangladesh as these would generate enormous scale and we have already seen a lot of focus in Pakistani market;

Asia Pacific i.e. South East Asia holds promising potential as end users have a 'great adoption rate' and 'steep learning curve' for M-Commerce initiatives and there is a lot of focus on 'enablement' to ensure healthy uptake.

Norwegian Mobile Operator Telenor (brand name Easypaisa), China Mobile, Zong (brand name Timepey), Vimpelcom's company Mobilink (Mobicash) and then there are Telco agnostic models launched by Banks such as Omni by UBL and MCB.



ZONG
Say it all

Brijesh Arora

Head of Strategy and New Product Development
Mobile Financial Solutions, Mahindra Comviva

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 momentum is clearly accelerating with banks, operators and payment service providers embracing the mobile platform. However there is still massive work to be done in terms of consumer education and expansion of the services ecosystem.

The Mobile Commerce/Mobile Banking Industry of the future would be about managing the complete customer engagement which is more than just a standard wallet, NFC or Mobile POS payment. The value add of NFC for Merchants who already have POS terminals installed is not significant on a standalone basis. However if the solution can provide for e.g. transaction analytics and loyalty inputs to the merchant with a single tap plus at the same time the consumer can receive information about the latest discounts and coupons, there you have a differentiator !

The major players like Google Wallet and ISIS are moving in this direction and building the ecosystem for managing the entire customer relationship and Mahindra Comviva is also approaching the Asian mobile payments market with this in mind. While we continue to penetrate the market with our current offerings we are focussed towards building a larger ecosystem for managing customer relations.

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

First and foremost, merchant involvement continues to remain very low. Going by stats, only 0.2% of transactions involve over-the-counter merchandise purchase. With big retailers trying to get into payments the biggest question in front of the m-commerce players is how to win the confidence of merchants and evolve the right models to serve the merchants effectively.

Secondly, the industry is realizing the importance of bring greater consumer value via collaboration. There is increasing focus on open loop ecosystems and enabling consumers to transact using any payment instrument, any device, any bearer and using any platform. In practice the vision is a long way to be realized but the growing awareness about interoperability would certainly lead to some interesting partnerships.

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

Depending on the local regulatory conditions in each country, different players and models (bank led or operator led) currently dominate each market. Given a favourable and level playing field and supportive regulatory environment, reach, scale and depth of local and global partnerships would determine who would dominate the marketplace.

Among the global players, Paypal is tapping its existing customer base and has taken various initiatives on the M-Commerce front. Paypal is looking to stay relevant beyond the online space and become the payment option at the brick and mortar stores as well. Google and Isis's are dominating the NFC front but their success would be based on the value they are able to deliver to the merchants beyond just payments.

New solutions like Mobile POS solutions have started to gain acceptance among merchants. Mobile POS is not just about another new technology, but solving the merchant's problem of a simple, flexible and cost effective acquiring relationship. Mahindra Comviva, with its global scale of mobile wallet deployments and new innovative solutions in the Mobile POS space is committed to addressing this market.

Which part of Asia is the hottest spot in terms of mCommerce innovation?

My definition of innovation covers not just envisioning new cutting edge solutions, but also the ability to

bring "perceived" value to consumers with relevant products and services. Services such as Cash-In or P2P transfer may now be seven years old in Kenya but brings value to a construction worker in New Delhi, India

The Mobile Commerce/ Mobile Banking Industry of the future would be about managing the complete customer engagement which is more than just a standard wallet, NFC or Mobile POS payment.

who may sleep on the streets but is able to pay the security guard in the building to keep his money safe. Likewise for a time-starved working professional in Korea the ability to pre-order groceries using mobile Wallets is truly innovative. Several markets are taking steps to deliver value to consumers through innovation.

In the developed markets Japan, South Korea and Singapore lead the way when it comes to NFC as they have a large smartphone penetration.

However, even developing markets such as Bangladesh have deployed solutions like the M-Ticketing service which enables Bangladesh Railways to digitize ticketing transactions, extending greater convenience to consumers and at the same time improving efficiency. While these services utilize traditional channels like the SMS and USSD they are also path breaking in their own way.



Mahindra
COMVIVA

Paola Barcadel Toepfer

Product Marketing Manager
Sprooki Singapore

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 industry is progressing rapidly in terms of consumer acceptance and take up of services, with significant growth in the volume and value of activity. In terms of product innovation, there has been little new released in the last year from a mobile payments perspective, however with mobile commerce the emerging trend is clearly on indoor positioning and navigation and the ability to target offers/commerce by indoor location.

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

As mentioned above, the ability to target consumers when they are in the immediate proximity of or inside a retail location is going to be one of the hottest issues over the coming year. Major retailers and major consumer product/brand companies want the ability to connect with consumers right at the "moment of decision", with tools that allow them to send a targeted offers when shoppers are right outside the store, or perhaps in the aisle of a supermarket when they are about to decide what brand of shampoo to buy. Mobile commerce provides the linkage between mass-media brand advertising and point-of-sale promotion.



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

There are no dominant players in this space - yet! Many players have a mobile offering, but it's still in many cases just an extension of their existing web solution models onto mobile, without using any of the inherent location targeting capabilities that mobile offers.

In our view it's young, innovative mobile commerce firms like Sprooki, that, quite frankly, are setting the pace on what is possible with mobile commerce.

Which part of Asia is the hottest spot in terms of mCommerce innovation?

Overall, several developed Asian markets such as South Korea and Japan have usually been in the forefront of new mCommerce products and services, but Sprooki is currently very active in the Philippines where we are seeing tremendous interest from the retail sector for professionals requiring robust mobile commerce solutions.



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Raja Hussain

Founder
& CEO
FunSpot

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?

This is a real problem and the industry is working on various solutions. We are making progress. But we have a long way to go and it requires some fresh thinking.

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

NFC, Security and Government regulations, segmented focus on specific user groups, virtual goods, alternative currencies to cash

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

Square - Focus and fresh thinking

Which part of Asia is the hottest spot in terms of mCommerce innovation?

Asia is very different. Indonesia and Singapore has different problems and different opportunities. The hottest spot in Singapore/Australia is automatic recognition and activity less payments. Indonesia is focussed on alternatives to cash.



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Balkrishna Pangam, Professional

Director of Merchant Strategy,
American Express APAC

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?

Yes, most definitely, basis some of the reports, news that I have read on the sales achieved the M-Comm business has grown significantly in 2012, both in US and Internationally. I believe there's been exponential growth of M-com, where Smartphone users have transacted more frequently and confidently to purchase On line and while on the move.

Just to quote some numbers Research firm eMarketer Inc., which includes tablets in its mobile commerce figures, says mobile sales hit \$24.66 billion in 2012, accounting for 11% of total e-commerce sales in US. Closer to home in the region, we are experiencing growth in M Commerce transactions as part of the E-commerce business volumes. Having said that, M-Comm volumes are only a single digit percentage contribution to overall E-commerce business.

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

I think in the APAC region, to a large extent, it's still a chicken and egg story. SO while there are major players and Network associations who are betting heavy on the M-commerce platform and capabilities to take off the options available for the consumers and the number of points available to tap are quite limited.

Similarly for online merchants where consumer purchase is directly on the web using Smartphones, the penetration of high end phones is still limited, though it has grown significantly in the last 1 year or so.

The other aspect is still about the Risk factor or the security aspect of such mobile based transactions and hence the limits and caps on the amount that can be transacted at retail outlets.

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

Let me try and answer the question slightly differently. I think the m-commerce space is being torn between the telcos and the Technology driven companies like Apple and Google. The other players in the space are the Networks or Associations and the Banks. Each one is looking at the opportunity from their perspective and rightly so, having said that I believe there needs to be more synergy between the Tech giants and the other participants to make this eco system more impactful in terms of consumer uptake and business growth in the coming months.

Not that the growth will be denied or stunted, it is bound to come, it's just whether it can be achieved in a more non disruptive and smoother way for the end consumers. Hope I have addressed the issue.

Which part of Asia is the hottest spot in terms of mCommerce innovation?

Undoubtedly, China and South Korea lead the E-commerce and also the M-commerce business space, in terms of innovation and generating business volumes. Apart from that, markets like Singapore, Philippines and Malaysia are slated to make significant impact in the coming months and year.

The other two giants are India and Indonesia in this region where Smartphone penetration will have a significant impact in the way consumers transact on line in the near future.

**The answers provided above are based on the individual's experience in the payment and acceptance business and E-commerce business (M-commerce to me is an essential and exponentially growth part of the E-comm business) along with the market information that I like to absorb from time to time to keep me updated, from which ever channel and source that helps me build my understanding of the overall E-commerce business dynamics.*

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C-SAM, a pioneer in secure mobile transactions technology, licenses its highly scalable mobile wallet platform and comprehensive SDK to banks, merchants, settlement networks, healthcare providers, and large infrastructure providers. C-SAM offers a robust, field-tested mobile ecosystem solution, with over twenty-five installations across the US, Japan, China, India, Singapore, and Mexico.

Product Service Profile

C-SAM's Mobile Transaction Platform (MTP) is an infrastructure platform that facilitates the development and delivery of secure transactional services, both mCommerce (OTA) and mPayment (NFC Proximity), to a broad range of mobile phone environments.

C-SAM's MTP consists of the following key elements:

- a) Wallet Experience: Client application for mobile handsets and SE, supporting both NFC and OTA services.
- b) Wallet Management Platform: Robust, scalable, server platform to manage the wallet ecosystem, wallet lifecycle, widget provisioning, integration with other ecosystem partners, etc.
- c) Software Development Kit: Easy-to-use standards based tools and development environment to build and test individual widgets (service capsules).
- d) Value Added Reference Services: Collection of reference service implementations for wallet ecosystems and value added services

The MTP platform is designed to be network, carrier, device and operating system agnostic, masking these complexities and facilitating development. The unique security architecture enables providers to configure different trust models, and effectively aggregate applications from disparate domains without altering their existing risk management practices.

C-SAM's fundamental goal is to support and empower its clients by providing a horizontally integrated technology solution for rapid application and widget development across a broad range of mobile handsets and services, using a common SDK and development environment.

C-SAM Workshop Facilitators at 6th Mobile Commerce Summit ASIA 2013 - SINGAPORE

Ms Elizabeth Duke

Ms Elizabeth Duke is the Head of Sales - APAC for C-SAM. She has 20 years' experience in both corporate and consulting environments. Covering markets across Asia Pacific /Middle East and Africa, she has had the opportunity to work for both global payment brands and local payment solution providers. Roles included Business Development and Strategic Planning with projects relating to both issuing and acquiring businesses. However, recently Elizabeth has focused much of her time on developing e-commerce and mobile payments solutions. Elizabeth has forged insights and relationships with leading issuers, acquirers, domestic debit switches and merchants from markets across Asia Pacific.

Mr Krishnadas Mohandas

As Business Development Manager - APAC for C-SAM, Krishnadas contributes to Business Development, Business Analysis, UI/UX Consulting within the organization. He has played a key role in critical mobile wallet projects across Asia-Pacific and US markets in his current stint at C-SAM. He is an avid technology enthusiast and has a keen interest in the latest innovative happenings in the mobile tech domain.

In his previous stints, he has worked in Sales and Product Consulting roles in the Airlines and BFSI industry. Apart from the corporate world, he has also been a visiting faculty at the Symbiosis International University for e-commerce and m-commerce for more than 2 academic years.

Krishnadas holds a bachelor's degree in Computer Science from Pune University and an MBA in IT Business Management from Symbiosis International University.

Ms Priscilla Le

Priscilla Le is a Business Development Manager for C-SAM. Based in Singapore, she manages various Sales & Marketing activities as well as plays a key role in regional mobile wallet projects across Asia-Pacific for the Company, promoting strategic partnerships in the mobile space across the regions.

Prior to this, Priscilla worked in sales and marketing role at another M-Commerce technology vendor where she helped to drive strategic M-Commerce business development and account management activities for MNOs and Banks in Asia Pacific. Priscilla holds an MBA from Manchester Business School and a Bachelor of Business Administration with Honours from the National University of Singapore.



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