



The mobile payment market is one of the most innovative in retail and it has now emerged that Amazon is considering trying its hand, by turning the Kindle into a till.

The online giant is looking at adapting its Kindle ereader to allow bricks-and-mortar retailers to use the device as a checkout, with credit card readers, web development and data analysis all potentially in the offing.

But while Amazon, along with Apple, is one of the first retailers to try using its hardware as an EPoS system, it's certainly not the first business to eye up the soon-to-be hugely lucrative mobile payment market.

The range of hardware and software on offer to retailers interested in mobile point of sale is varied, and is getting bigger all the time. It's a fragmented market and it is unclear which – if any – company will emerge as the leader.

Not even Amazon will find this an easy market to crack. As this list shows, it faces competition from a wide ranging collection of businesses.

Square

Square is the brainchild of Twitter co-founder Jack Dorsey. It involves attaching a small, square card reader to an iPhone, iPad or Android device. It is popular with smaller businesses, but is not yet available in the UK.

Visa

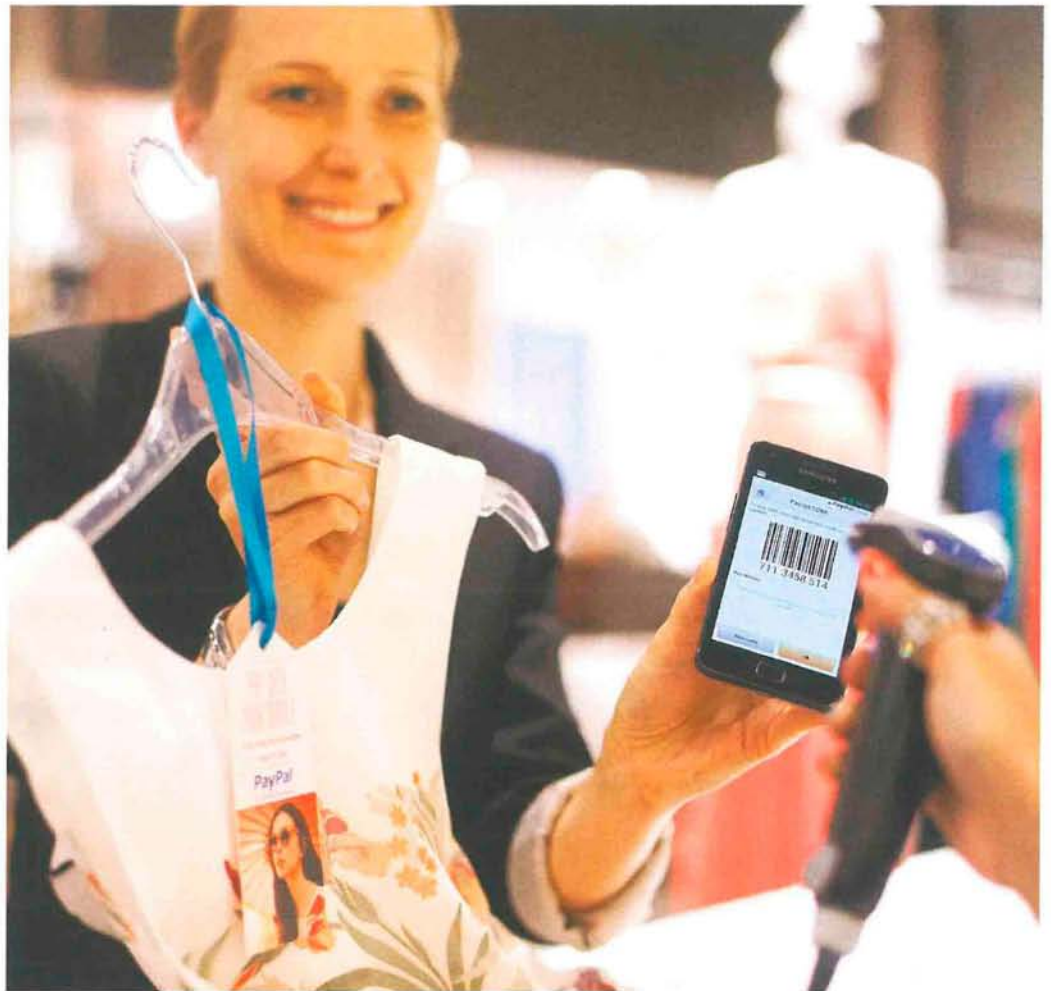
The finance company has ploughed its efforts into contactless payment using Near Field Communication (NFC) technology. Last year there were about 51 million contactless Visa cards in use in Europe, and Visa expects the number to grow.

It says that by 2020 50% of its transactions will be mobile. It has embarked on partnerships with mobile operators and banks in some countries that enable shoppers to pay using mobile phones. However, despite retailers such as Dixons signing up to its V.me digital wallet, the only UK bank to have teamed up so far is Nationwide.

Apple

The technology giant hasn't properly entered the mobile payment race yet – it seems to be as reluctant as most retailers to pin its colours to a mast. But there are some indications of the direction it will go in.

It continues to snub NFC, and instead appears to be looking at using fingerprints and Bluetooth low-energy beacons. Capacity for both was built into the iPhone 5. The beacons work in



The future of mobile payment

Amazon is considering the use of Kindles as tills, but it is not the only new payment development. Rebecca Thomson reports

a similar way to wi-fi but communicate more easily and seamlessly with mobile phones.

PayPal

The online payment firm has been one of the most experimental of the big ecommerce names in payment.

Its app, which can be used to pay in store, has been rolled out by retailers including JD Sports, Oasis and Karen Millen, and PayPal has not been short of innovative ideas.

The PayPal Here service is a card reader and app designed for merchants to take payment using tablets, and it is working with partners to integrate

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PayPal services into the point-of-sale systems of large brands. In addition, it is working on PayPal Beacon, a service that will use Bluetooth beacons.

Software suppliers

Software-based services are offered by a number of vendors, including PCMS, which is working with John Lewis, and Omnico.

This point-of-sale software can be used on Apple, Android or Windows and integrated with existing point-of-sale systems.

Hardware suppliers

Omnico also has a device called the

Digipos Freedom Tablet, which is a dedicated tablet point-of-sale device. The tablet has been designed for the in-store experience, and joins up stores, ecommerce and mobile infrastructure.

Tablets are popular with some retailers because they allow sales assistants to move in front of the till to serve the customer more personally, with access to real-time information on products, offers and stock.

Carphone Warehouse has rolled out 5,000 tablet devices to its store staff, although the main motivation for that was assisted selling. Suppliers including Wincor Nixdorf also make point-of-sale tablets.

WorldPay

WorldPay is a global payments processor working with a range of partners – it is working with Visa, for instance, to provide its V.me digital wallet service.

Monitise

Monitise is another payments processor working with names such as HSBC and NatWest to provide mobile banking services.

Podifi

Podifi is one of a few loyalty apps available and works in a similar way to Apple's Passbook. Retailers that sign up can enable their customers to redeem coupon and loyalty offers via their smartphones. It uses a small pod



Amazon is mulling Kindle tills



PayPal has experimented with a number of mobile payment methods

that connects to retail tills and communicates with phones via wi-fi.

Proxama

The mobile commerce company provides NFC technology and is working with Argos. The Argos project allows shoppers to download the retailer's app by touching download cards in store with their phones. It has the potential to be converted into a payment technology.

Argos has no plans to do so, but contactless terminals are able to communicate with NFC-enabled phones and cards. If banks and phone net-

“RETAILERS ARE OFTEN HAPPIER TO TRY OUT LESS EXPENSIVE PAYMENT APPS”

works manage to team up, NFC may yet take off in payments – and this project suggests there may be other potential uses for it even if it doesn't.

Zapp

Retailers are often happier to try out less expensive payment apps than mobile payment services that require large-scale infrastructure investment.

One example is Zapp. It is working with WorldPay to provide an app that uses codes sent to the mobile to verify a transaction, making infrastructure changes unnecessary.

WHSmith and Superdrug have teamed up with Zapp, and the service is poised to be rolled out this year. Five banks – HSBC, First Direct, Nationwide, Santander and Metro Bank – have signed up as well.

Znap

Znap is another app-based service, owned by MPayMe, which uses QR codes. Shoppers can scan a QR code to check into a location. They can then order and pay over their phone, and pick up their goods from the store.

Paddle

Paddle is an online payment service that can be installed on a website in the same way as PayPal. There is also a mobile app. Marks & Spencer tested the Paddle service in 2013.

MoPowered

Companies such as MoPowered work with retailers that want to build their own mobile payment services. It is working with retailers including Next and SuperGroup.

COULD NFC HAVE A ROLE IN RETAIL?

The adoption of NFC as a payment method depends on several stars coming into alignment. First, retailers need NFC-enabled card readers. Many of them are rolling them out, as increasing numbers are introducing contactless technology.

Second, several companies need to team up to provide the service. Mobile phone networks, banks and payment processors all need to agree to work together in order for an NFC payment scheme to be available on a phone, and no such partnerships have emerged in the UK.

Third, phones need to have NFC technology embedded in them. While many smartphones do, Apple is still not a fan of the idea and has avoided releasing an NFC-enabled phone.

However, while NFC payment is looking less likely than it once did, there may yet be a role for the technology in retail.

Argos has become one of the first to test NFC in



Argos is testing NFC in select stores

its stores, using it to enable shoppers to download its app by tapping their phones on touchpoints.

Shoppers can tap a lanyard worn by staff in select stores, which gives them access to Argos' latest offers on their smartphones. There are also cards placed around the shops that allow them to download the app quickly, giving them access to Argos' full range. The aim is to help replace the paper catalogue in Argos' digital stores. Argos says it wants to encourage app downloads, increase mobile sales and improve the multichannel experience.

If the idea works well for Argos, it opens up the possibility of using NFC in other ways across retail.

Argos is working with Proxama, a technology supplier that uses NFC and Bluetooth beacons to provide location-based marketing. Both of the technologies have great potential when it comes to payment, in-store mobile marketing and other innovative ideas.