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## Mobile Payment: Current situation and outlook on the European Markets





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# 1 Executive Summary

## 1.1 Development in the payment transaction market and Mobile Payment – New technologies present new possibilities

When the first Mobile Payment systems appeared on the market at the turn of the millennium, the expectations were high in terms of possibilities, scope and implementation of the new Mobile Payment systems. Despite the promising predictions, the Mobile Payment market has so far grown very slowly, and no comprehensive breakthrough has taken place in Europe. The reasons for this are, among others, unattractive business models, a lack of standards and the limited range of payment systems available on the market.

Until now, unattractive business models and a lack of standards prevent a breakthrough of Mobile Payment in Europe.

Aiming to provide further information about the European mobile payment market, this study explores the current state and potential for growth. Therefore a representative questionnaire was carried out. Consumers in Germany, Italy and France were asked about their payment preferences. The three countries were selected in order to examine those economies that include the majority of European consumers so as to generate a representative image of Europe. In addition, merchants/ outlets in Germany were questioned in relation to their views on Mobile Payment.

At the moment, on the basis of the results of the survey, around 50 % of the population above the age of 18 uses mobile phones to access the Internet. This is primarily devoted to the use of search engines and news websites. Banking applications via mobile phone have also found acceptance by a range of users. The term Mobile Payment is now also widely known. On the merchant side, every participant in the study is aware of the subject. Mobile Payment is now also comparatively well-known among private individuals. Around 50 % of German, Italian