

# Turn your mobile into your wallet

Mobile shopping takes off in India with companies launching innovative software to make you their next customer

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**Y**OU have been buying stuff online. Purchased plane tickets, paid your bills, booked your movie tickets. But now you can do it faster and better. And you need neither an internet connection nor a credit card. Your mobile phone will do. Yes, just send an SMS and the deal's done.

Enjoying the first mover advantage, wireless transactions platform provider PayMate has launched India's first purchase-by-text system, which allows shoppers to purchase a range of products and services directly from their mobile phone. And this is not limited to high-end mobile phones with integrated digital wallet technology or those that can scan barcodes. "All that you need is a phone that can send and receive text messages," says PayMate's assistant vice-president, marketing, Akshay Sharma.

The times that you are most likely to want to buy a movie ticket, send a birthday gift to your mom, or take an old friend out for dinner, are times when you are least likely to have internet access or carry your credit card details. I definitely be carrying yo with an SMS, your mobile wallet," he explains.

This simple ecosystem e actions connecting banks, and customers using a security. It works on any hand to upgrade the SIM or GPRS o debit card or credit card detail during the transaction process secure payments for a host of s stores, buy flowers, book tickets to magazines and news; Sharma.

Agrees Madhurima Das, who is adept at making purchases over h "I recently purchased flight Travelmart through my mobile i pleasantly surprised. The convenience while on the move gives it the extra

## HOW IT WORKS

Powered by the PayMate ecosystem, th works like this: You first register your. PayMate with your bank and based on your i phone number, you are given a unique PIN i ber. This can be used for all your future purcha... Alternatively, you can simply SMS PayMate to 2484 and a bank representative will do the needful. Once you choose to pay via PayMate at any of the accredited merchants, all you have to share is your mobile number. You will instantly receive a SMS (with the merchant name and amount) asking for authorisation of payment via PIN and re-entering the alpha code mentioned in the SMS. Once you reply to this SMS, within a few seconds your bank will authenticate the details and debit the amount to your account. You will instantly receive a confirmation of the same via SMS and the merchant's system will also get updated with the status.

Currently, anybody who has an account with

Citibank and Corporation Bank can log onto PayMate's system. The company is looking at tying up with 12 other banks shortly, as part of the drive to increase its user base. "Once we strike a deal with a bank, all its account users with or without a credit card can register with us. As of now, 10,000 customers have signed up with us," says Sharma.

For D'Onnell Vaz, curiosity led him to try out the system, and since then he has been a loyal user. "I have used the system several times and am now waiting for retailers to offer this payment solution," he says. Growing the merchant base is key to driving this business. Some 3000 top merchants in India, including online portals, travel services, utilities, hotels, retail outlets, restaurants, book-stores and hospitals today accept payments through PayMate. Says Sachin Bhatia, co-founder and chief marketing officer, Makemytrip.com,

"We are committed to providing our customers the

easy and hassle-free booking experience. Customers can purchase our products through their mobile phones with an easy-to-use SMS service."

Points out Rahul Chhabha, director, CRS Health, "It offers a great payment solution for our DTH services which is currently limited to cash pick-up by the delivery boy. It also offers added security and convenience to customers paying in-store. While this may take some time to become really popular, we would like to be partners in driving this growth and be the early ones to offer this service to our customers."

## THE GLOBAL STORY

World over, the ubiquitous mobile phone is changing the dynamics of shopping. As consumers grow comfortable using mobile devices for activities

beyond voice, the mobile channel stands to

more likely, according to Forrester research. Recently, Knitting Factory Entertainment allowed concert-goers to purchase tickets via SMS, based on the ShopText wireless application suite, which is similar to PayMate's platform.

Then there is Verizon that tied up with Obopay to offer wireless payment to subscribers through mobile phones. This service acts as a virtual MasterCard account. The only condition: the mobile phone should support the BREW standard so that it can download and install a mobile client that keeps track of a bank account.

Product search and comparison facilities have also sprung up to aid the mobile shopper. SCAN-BUY enables shoppers to compare retail prices with online prices by clicking a picture of the barcode or tapping the barcode number into a downloadable mobile application. The application then retrieves prices from online comparison shopping engines. GPSHopper, which boasts of more than 1,00,000 users, allows consumers to search for products at local stores and compare prices and promotions. NearbyNow, along with Channel Intelligence and ShopLocal, go one step further — they collect inventory feeds from stores within an earmarked area; when users search for specific products, the application sends an SMS listing shops storing the product. In India, search and comparison tools over the phone are yet to make their debut, although Avake Technology recently launched the first online local comparison shopping site, tolmol.com.

## THE PATH AHEAD

Compared to 60 million internet users in the country, the 150 million-plus mobile phone subscribers represent a huge market. For an SMS-heavy market like India, mobile commerce is waiting to happen. Agrees Sankarson Banerjee, CEO, Futurebazaar.com, which accepts PayMate payments. "The convenience that it offers over cash payments as well as online credit card payments gives it the necessary edge. As of now, 3-4% of our customers are trying out PayMate as against 10% of our customers opting for net banking."

Points out Ajay Adishesah, MD and founder, PayMate, "For any company, extending its reach to the mobile platform offers a compelling business opportunity. Given the ease of use and convenience factor of the service, we feel the mobile phone will soon become a major payment channel." So, with so much being tried internationally, and in India, the mobile phone is all set to change your current shopping behaviour. If PayMate's mobile payment platform gets a good response, expect more players in this niche segment enticing you to buy CDs, medicines, books, and apparels, et al, sitting in the car.

best value — the lowest cost tickets, access to hotels, the best travel advice — and we are constantly looking for ways to improve customer access and experience. Our partnership with Paymate provides customers with an

exert a greater impact on their shopping habits. Although buying products through the mobile phone still is far from becoming mainstream, using the device as a tool to enrich the shopping experience is

Since no debit card or credit card details are disclosed during the transaction process, one can make secure payments

