

Mobile Phones Equipped with Near Field Communications (NFC) to Generate \$75bn worth of Payment Transactions Within 5 Years

Hampshire, UK (AllPayNews)– 15th July 2008: A new analysis of the NFC mobile payments opportunity forecasts that the gross transaction value of payments made via NFC contactless technology, for relatively low value purchases (such as refreshments, tickets and food), will exceed \$75bn globally by 2013.

In the second report in its Mobile Payment Markets series, Juniper Research found that there is a significant opportunity for NFC mobile payment services, chips, phones and supporting services as the market reaches its tipping point over the 2011 to 2013 period. The study explores how NFC will transform the mobile phone into a mobile wallet payment tool that will be used by more and more people, more and more often in future.

Report author Howard Wilcox said: "NFC will achieve traction initially in developed countries and regions, with Japan already leading the way with FeliCa-enabled phones. North America, Western Europe and countries such as Korea, Singapore and Australia are likely to see service take-up."

Highlights from the report include:

- Global annual gross transaction value will grow over 5 times between 2011 and 2013
- 2009 will see limited numbers of NFC devices shipped (except in the Far East & China region) but the market will begin to ramp up from 2010 onwards and by 2013 20%, or 1 in 5 phones shipped, will possess NFC capability.
- The top 3 regions (Far East & China, North America and W. Europe) will represent nearly 90% of the \$75bn p.a. market (by gross transaction value) by 2013.

However, Howard Wilcox cautioned: "Whilst trial results so far have been encouraging, the industry as a whole will need to convince both consumers and merchants of the merits of yet another payment mechanism on top of cash, cheques, credit and debit cards, and to allay understandable (even if unfounded) fears and scepticism about the security of The Mobile Wallet."

The report provides six year regional forecasts of NFC mobile payments for physical goods, providing data on device shipments, subscriber take-up, transaction sizes and volumes as well as detailed case studies from companies pioneering in this market.

Whitepapers and further details of the study, "Mobile Payment Markets: Contactless NFC 2008-2013" can be freely downloaded from www.juniperresearch.com.

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