

## Consumer Attitudes towards Mobile Payments - UK - August 2016

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“Despite the huge interest in mobile payments across the financial services industry, Mintel’s research suggests that actual usage is low. Companies have two main challenges to overcome to achieve growth: they have to convince consumers that paying with a smartphone is a secure transaction method; and they need to give people a compelling reason to switch from using cards.”  
Rich Shepherd, Senior Financial Services Analyst

### This report looks at the following areas:

- Security concerns are consumers' biggest turn-off
- Incentives are the key
- A cardless, not cashless society

The use of contactless card payments has rocketed in the last couple of years, and with the launch of Apple Pay and now Android Pay, mobile payments have become the central talking point in the payments industry. In the UK, the sector is still new, and consumer concerns over security and usability have yet to be fully eased. However, as use of these services increases and the process is seen to be more 'normal', mobile payments will become a mainstream payment channel in the coming years, significantly displacing plastic card payments.

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## The Market – What You Need to Know

Contactless cards have enjoyed huge recent growth...

...paving the way for mobile payments

PSD2 opens new opportunities for innovation

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Recent activity  
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## Innovation in Mobile Payment Services

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Paypal becomes an incumbent, while Apple Pay shows signs of growth  
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