

Mobile Payments: View from India

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The Asia-Pacific Internet Handbook

Episode IV: Emerging Powerhouse



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news media and new media

The Asia Pacific Internet Handbook episode 4



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Smile, it's Monday!



Global Bringing the Mobile Industry Together



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Community

BARCELONA

Mobile Search - subscriptions open

19 Apr 2007 In our next MobileMonday Barcelona event on Monday, May 7, we invited some of the most important international players in Mobile Search to present and discuss opportunities and challenges that lay ahead.

With confirmed participations from: Jeff Pedigo, Director, Business Development at Yahoo! Inc. (UK); Steve Ives, Founder & CEO Taptu.com (UK); Anat S. Amir, Mobile

LONDON

Think you know Location? Think again.

19 Apr 2007 We had another great event this month on Location based services on hand to present were Seeker Wireless and Locomatrix exploring different facets of location based service services evolution. We also featured great demos from Buddyping, SportsDo, Trackaphone and M-Spatial (who demoed at our first demo night event last April). All in all, a great night with some exciting and sometimes surprising demonstrations and information. Did you miss it? Watch for the podcast, coming soon! Thanks again to all our speakers and demoers and also to our "mystery sponsor" for the evening! ...

LONDON

Next Event: Mobile Widgets on May 14th

19 Apr 2007 The date is set for our next event, focusing on

A MobileMonday in Your City?

No MobileMonday in your city? Start your own!

Photos on Flickr



More Flickr photos tagged "mobilemonday"

Community News Archives

April

- 4th BEIJING Mobile Location-Based Services - Apr 9
4th ISTANBUL April Meeting Recap: User-Generated Content

March

- 31st MUMBAI April Event
29th BEIJING Preparing | Location-Based Services - Beyond Maps and Navigation | April 9
29th TORONTO MoMo-TO Update: APRIL 2007 MEETING CANCELLED
28th ISTANBUL April Meeting: User Generated Content

Search, Login, Sign up, Username, Password, Remember me, Login button, Help! I can't get in!

Global Partners



Security for Mobile Rich Media Contents
May 15(Tue.), 2007 Seoul, Korea



Asia: Internet + Wireless

- 36 per cent of the world's telecom market (21 per cent in early 1991; 50 per cent in 2007)
- World's largest regional user base of cellphones
- 33 per cent of the world's Internet user base
- 95 per cent of the world's 3G mobile users
- 47 per cent of the world's ADSL broadband Internet users
- 7 of the world's Top Ten most profitable telecom operators

The "8 Cs" of Wireless Ecosystems

- Connectivity
- Content
- Community
- Culture
- Capacity
- Cooperation
- Commerce
- Capital

The "8 Cs" of Wireless Ecosystems

- Connectivity
 - Connectivity, bandwidth, devices, platform, interfaces, standards, portals
- Content
 - News, information, databases, feeds; media/businesses/government/citizen
- Community
 - Group dynamics, evolution of communities, support
- Culture
 - Trust, support, openness to change

The "8 Cs" of Wireless Ecosystems

- Capacity
 - Skills, talent, organisational support, training, HR, processes, lawmaking
- Cooperation
 - Between citizens, industry, government, academia, NGOs, external institutes
- Commerce
 - E-commerce/M-commerce provisions, regulation
- Capital
 - Investments in ICT infrastructure, RoI metrics

Dimensions of the Wireless Ecosystem

- Wireless as Instrument
 - Providing affordable access to ICTs, local language content/tools, sectoral benefits (news, education, healthcare, environment, business, government)
- Wireless as an Industry
 - Boosting digital content industries, venture capital, stockmarkets, technical skills, regulation, global alliances

Classification of Wireless Information Societies

- Restrictive *eg. Myanmar*
- Embryonic *eg. Afghanistan*
- Emerging *eg. Nepal*
- Negotiating *eg. China*
- Intermediate *eg. India*
- Mature *eg. Australia*
- Advanced *eg. Japan, South Korea*

“The new competitors, China and India, are unlike any competitors we have seen in our lifetime.”

Jeffrey Immelt
CEO, GE

India Today

- Telecom/Internet boom
- Media boom: new newspapers, magazines, TV channels
- Organised retail: growing by 25-30% each year
- Number of malls: increased from 95 in 2005 to 230 in 2007
- "Bottom of the pyramid" – Nano car (Tata)

Mobile VAS: 2007

- Overall: \$900-950 million
- Killer content: Bollywood, cricket
- 35% (\$300-325 million): music
- Mobile payment service: new players (JiGrahak, Obopay)

New Alliances

- Bharti Airtel, Western Union
- Bharti Airtel, VeriSign: secure payment
- IFC, FINO

Example: Fox News, Star India

- Content
- MakeMyTrip, TravelGuru and Yatra for travel and ticketing
- Mobile banking services through HDFC Bank

Profile: Obopay enters India

- P2P money transfer, remittance services
- Cross-bank, cross channel, cross operator)
- Ticketing for Railways, Buses, Airlines, Cinemas and Events
- International Money Transfer
- Mobile and TV Content
- Partners: 6 banks, 3 mobile telephone providers
- But cannot issue debit cards in India due to RBI regulations

“There are more people with mobile phones than bank accounts in India. The Indian market has both the need and maturity for a mobile payment service based on cutting edge technology and strategic business relationships.”

Aditya Menon
Executive Director, Obopay India

Ericsson, IPX

- Global Internet Payment Exchange (IPX) payment and messaging
- 8 mobile operators: Bharti Airtel, Reliance Communications, Bharat Sanchar Nigam, Vodafone Essar, Aircel, MTNL Delhi, TATA Teleservices, Idea Cellular

Microfinance

- Financial institutions in sub-Saharan Africa: cheap financial services to the poor
- Equity Bank in Kenya: vans, laptops, mobile phones
- Bangladesh: Grameen Telecom
- India: IFC, FINO

Example: IFC, FINO

- Mobile/Internet banking solutions for microfinance institutions
- Payments for health insurance, remittances, warehouse receipts, social and pension plans, micro-deposit machines, mobile banking
- Pilot projects with microfinance institutions, banks, government organisations

Indian banking today

- Indian banks have doubled their loan assets in four years, but two-thirds of the country continue to have no access to organised financial services.
- India has the second highest number of financially-excluded households in the world (Boston Consultancy Group)

Report: Boston Consultancy Group

- Many of the next billion potential customers are unlikely to have a relationship with a financial services provider but may already be tied to a telecom provider
- Cost of mobile handsets is coming down, applications availability is increasing
- Back-end technology is falling into place (most large public sector banks will have migrated from branch-banking to a core banking platform in 2008)

Banks and Mobile Payment Solutions

- ICICI Bank

- Internet banking: 22% of transactions (just 2 % a few years ago)
- iMobile: mobile banking will enable utility bill payments, payment of insurance premiums, funds transfer

- Corporation Bank, Mysore

- Mobile e-purse which will allow account holders to make payments to merchants through their mobile phones
- Pilot project: 2,000 merchant establishments

GSM Association: Remittances Initiative

- 35 mobile operators
- 100 countries
- 200 million international migrant workers
- India: receives \$27 billion annually; average size of each transaction is \$350

“With the opening of the 50,000th location, India has surpassed US in terms of the company’s agent network.”

Hikmet Ersek

VP, EMEA; Western Union

Profile: Bharti Telesoft

- Golden Peacock Innovation Award
- Mobiquity mBanking solution
- Next targets: Africa, MiddleEast, Latin America

“We see a wider benefit in the additional overall economic growth that will result from financial empowerment in emerging markets.”

Sanjiv Mittal

Vice-Chairman, Bharti Telesoft

Trends

- Financial inclusion
- Migrants, international remittances
- Start-ups, venture capital
- Microfinance

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