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Role of Retailers in Mobile Payments

Wences Casares, *Bling Nation &Lemon Bank*

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According to Bling Nation Co-Founder Meyer Malka, retailers are in the best position in the mobile payment space, as payment companies interested in placing solutions in retail stores are courting them. However, fellow Co-Founder Wences Casares warns that retailers have been slow to adopt mobile payment solutions, at rates even slower than their willingness to embrace e-commerce in the past.

Transcript

So the question is what do you think retailers need to adjust as, as more people start to interact with our phones? I think that the retailers are in the best position of all. Ah, they control the experience at the store. They control the value that they're willing to give each one of us for our business, ah, for us doing our shopping there. So actually I, I, I will argue that they're right now if you look at the landscape they're being offered from ten different companies. Access to more and more ways of generating value at the store. So it's the other way around. I think that the challenge is for anybody who wants to work with retailers is what do you have that is different that will find compelling value from them and interest from them to work with you. Especially the large retailer. I agree with that. I think that the retailers, especially the large retailers are in a unique position that they haven't been in a long time where ah, all of the players are going after them and in most cases they, they are exclusive offers.

They have to choose to work with one or the other but not with more than one of, of these large place that are going after them at the same time. So uhm, right, as the market is right now they seemed to be in a great position. I do see the combination of mobile and social creating more of a shift in consumer retailing and how we shop than e-commerce did and it seems like retailers, ah, or many, many retailers didn't take the threat of e-commerce seriously enough and they've lost ah, depending on the categories but anywhere from 6% to 15% market share to e-commerce because they didn't take it seriously enough early on when they should have taken it seriously enough. And I think a little bit of a repeat but probably with much bigger consequences maybe playing out right now where the combination of social and mobile may change ah, market share more dramatically than e-commerce did and they retailers are being even more passive than they were with e-commerce.