

MoBank app takes shopping to the iPhone in the UK

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Phone and iPod Touch owners in the UK will be able to use their devices to buy and pay for goods using a new application from MoBank.

The company has done a soft launch, but will start to push the application more aggressively on Monday, according to CEO Steve Townend.

MoBank customers will, for example, be able to book and pay for movie or concert tickets, order fast food or buy new shoes. Convenience is the big advantage: "You can do what you want, when you want," Townend said.

iPhone users need to download the application from the AppStore and register a credit or debit card to pay using a personal identification number, he said.

iPod Touch users need a Wi-Fi connection for the application to work.

The app's store has been developed with the mobile phone in mind, rather than an Internet site being brought to the mobile phone without any modifications, according to Townend. So, to make it easier to navigate, users won't have a lot of choices, he said.

However, just like with regular e-commerce, most goods are delivered to the buyer's door, although tickets will have to be picked up at box offices.

The PIN is encrypted and stored on MoBank's servers, rather than on the device, according to the company Web site.

The company is also close to using voice recognition for what it considers to be "vulnerable" transactions, Townend said.

The company wants to expand its platform support all kinds of smartphones and topping its list are Android and BlackBerry phones, according to Townend.

The MoBank CEO is also a big fan of contactless payments. That market is being held back by a lack of phones that support Near Field Communication, the technology that makes it possible for users to pay by waving their handsets in front of readers. However, using a sticker with an NFC chipset may be a quick fix, Townend said.

"We have been working on putting what we call an NFC sticker on the back of the phone," said Townend. The sticker would come with value stored on it, similar to a gift card or voucher, according to Townend, and when the user has spent all the money, MoBank would have to send a new one.

"It's only a temporary measure, but it gets people using it and gets us known for innovating those things," said Townend, who expects to launch the service in six to 12 months.

A similar service was launched by MasterCard and Blaze Mobile in March.

A big challenge for the sector is coming up with a unified way of supporting payments using a mobile device, according to Townend.

Getting readers into stores will be easier, because it's not that expensive for retailers, he said.

"For me it is much better than using a card. I think the card's life span is narrowing, and eventually everyone will use the phone," said Townend.