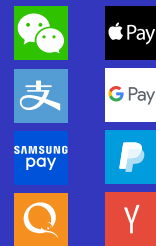


Decoding the mobile payments ecosystem: a glossary of terms

Distance payments: buy something online and pay through your mobile phone

1. Mobile wallets

Stores your credit card or bank information and uses different technologies to pay online, or through a smartphone app



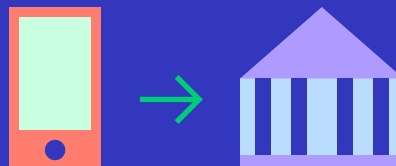
2. Card payments

Authorises the use of your credit or debit card to pay



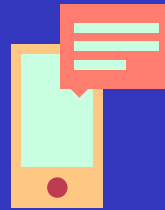
3. Bank transfers

Use your bank's mobile app to send money to someone else's bank account directly



4. Carrier billing

Buy something on your mobile phone, get it billed to you by your mobile service provider



- Step 1: send an SMS
- Step 2: your mobile operator adds a charge for a premium SMS rate on your bill

5. Postpay

Buy something from a webshop now, receive an invoice after your goods arrive



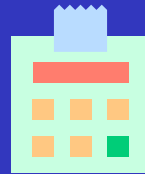
Proximity payments: using your mobile device to pay in person

Also known as contactless payments, in-store payments, tap and go, wave to pay, and more

1. Near field communications (NFC)

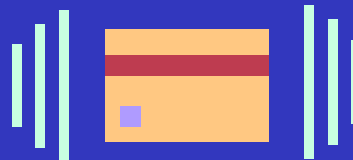
Wave your mobile phone over the Point-of-Sale device, or another mobile phone

- Step 1: send an SMS
- Step 2: your mobile operator adds a charge for a premium SMS rate on your bill



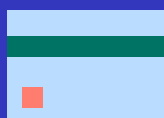
2. Sound-based mobile payment

Communicates your credit card information through sound waves



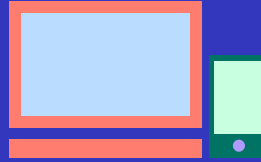
3. Magnetic secure transmission (MST)

Uses internal magnets to mimic a credit card's magnetic stripe



4. QR Code

Scan a QR code to pay



*. Mobile point-of-sale (MPOS) device

A dedicated wireless smartphone, tablet, or reader that functions as a cash register or point-of-sale terminal

