

FINANCIAL SERVICES

Mobile wallets to exceed \$3tn in the next 4 years: Zion Market Research

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Mobile commerce has boosted many luxury industries. Image credit: Yoox

By DANNY PARISI

The global mobile wallet market is expected to reach more than \$3 trillion by 2022, making mobile commerce for luxury brands a highly desirable prospect in the future.

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Currently, the mobile wallet market is valued at more than \$500 billion and is set to grow massively over the next four years, according to a report from [Zion Market Research](#). Luxury brands looking to capitalize on mobile commerce, particularly in China, would do well to invest in mobile wallets.

"We are gearing up for a concerted sales and marketing campaign for Glance PayMe," said Desmond Griffin, CEO of Glance Technologies, one of the mobile wallet companies surveyed in the report. "We are thrilled to begin introducing the world to Glance PayMe and believe that this will change our sales dynamics to allow us to take advantage of online marketing and help enable viral adoption."

Mobile growth

Mobile wallets, programs and platforms that allow users to store, transfer and pay with money using their mobile devices are an incredibly popular form of financial service today.

The overall market is currently valued at \$594 billion by Zion Market Research and is expected to grow at a compound annual growth rate of 32 percent, hitting \$3.14 trillion by 2022.

Mobile payments are an important part of the multichannel retail world today.



Consumers value convenience for mobile shopping. Image credit: Neiman Marcus

These types of payments are especially popular in China, where a large majority of customers shop through mobile platforms such as WeChat.

For luxury brands that are seeking to engage with more consumers in China, making stores mobile wallet friendly and easy to navigate on mobile devices can help make that goal a reality.

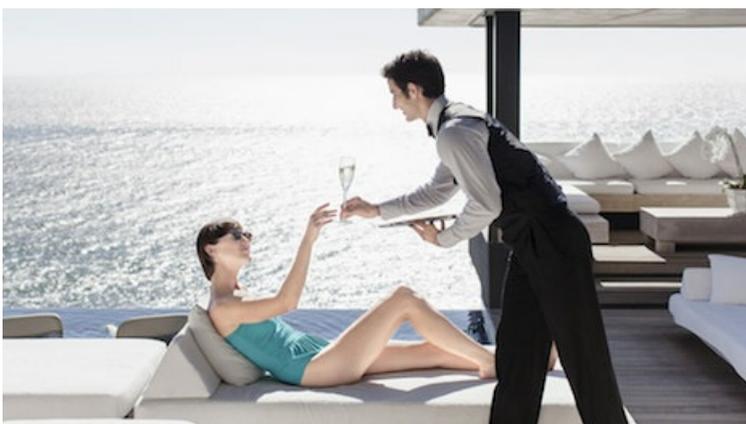
Multichannel commerce

Mobile is an incredibly important part of the luxury world today.

As more shoppers buy online, a brand's mobile presence can become a dealbreaker, with about half of consumers saying they have switched to a competitor after a poor experience.

According to a new report from Worldpay, consumers show an affinity for mobile applications that deliver a tailored, speedy, secure purchase path. In particular, India has outpaced the rest of the world in mobile app usage, with most consumers in the developing market willing to pay for more personalized, upscale service ([see story](#)).

Luxury brands across sectors have begun embracing the possibilities of mobile checkouts, mobile wallets and mobile shopping.



Genting's quick pay service is meant to take the stress out of settling one's bill. Image credit: Dream Cruises

For example, Genting Cruise Lines is making purchasing on board its ships simple and digital with the help of online payment company Wirecard.

Under the new partnership, Genting and Wirecard will work together to create a seamless universal digital payments system to be used across Genting's many ships. With this platform in place, customers will be able to make all payments on board a ship, whether they be paying a bill or making a purchase, all through their smartphones ([see story](#)).

These efforts from luxury brands show that the luxury business at large is aware of the potential growth of mobile

wallets and is embracing the possibilities afforded by stronger mobile options.

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