



Mobile application for retail mPoS devices: Best practices

The last 20 years of the EFTPOS (electronic fund transfer at point of sale) industry is littered with identifiable leaps in evolution. The Millennium Bug, the migration to the euro (for European PoS terminals), migration to chip and pin, and the development of contactless payment technology are examples of these drivers of change.

The once-numerous providers of traditional payment terminals have grown and consolidated during this time into two giants, VeriFone and Ingenico, plus a handful of Asian manufacturers who collectively have been able to perfectly answer the core needs of their clients, both direct (merchants) and indirect (customers).

But a new evolutionary development, the mobile point of sale revolution, which brings plenty of opportunities for innovation, has now opened up the market for new entrants and is forcing traditional PoS manufacturers to adapt.

Initially, mobile PoS terminals were seen as a specific niche market. But thanks to their "App Store" approach, combined with the needs from merchants of all sizes, categories and environments that mobile apps can answer, mobile PoS is increasingly becoming mainstream, bringing benefits inside and outside of physical stores.

All the main players in the mPoS industry, whether they are new entrants or traditional PoS providers, now launch their own mPoS devices with apps distributed through their own market place, a digital portal very similar to App Store or Google Play, from which merchants can download their favourite apps.

Providers of applications for merchants and their mPoS devices who want to succeed can draw inspiration from a few good practices drawn from Apple Store and Google Play.

1) A provider of mobile applications for merchants should ensure that merchants can easily find and download their app

This translates into a few rules of thumb to follow:

- Make sure your app is developed and present in multiple market places
- If you can, have your app already installed by default in the device
- Raise awareness of your app in the market place in terms of ranking
- Your app should be easy to install and set up to ensure high use rate and thus high ranking.

2) Your app should always solve core problems for merchants

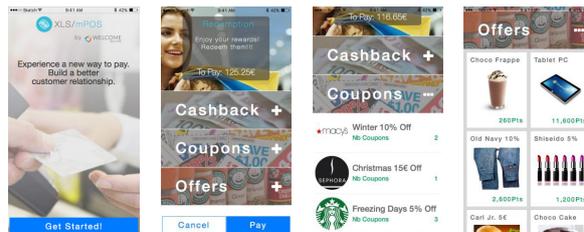
mPoS devices relate mostly to payments, so applications that rely or complement the payment function are expected to be widely used by merchants, such as:

- Payment and social media actions (customers like on Facebook while paying)
- Payment and CRM (customers' data is captured during payment for later communication)
- Payment and charity (customers round up their payment to donate to a charity)
- Payment and rating (customers rate their purchasing experience)
- Payment and inventory (merchants update their goods inventory in real-time).
- Payment and couponing (customers' payment behaviour

triggers the earning of coupons)

- Payment and loyalty (customers earn points from a loyalty programme in real-time)

For example: Welcome Real Time XLS/mPOS solution enables merchants to easily run a loyalty programme and reward customers in real-time during payment:



3) Your app should provide a great user experience, not only to the merchant but also to their customers

Focus on designing a merchant app that:

- Is intuitive, easy to use, with a clean and lean design
- Does what the app promises to do and avoids non-related features
- Creates an addiction so that consumers and merchants use it regularly
- Becomes viral.

4) Providers of merchant apps for mPoS devices have an obligation to create value for all stakeholders, i.e. merchants, customers, acquirers and market place enablers

This means helping merchants to:

- Solve core business problems
- Save time and efforts
- Drive traffic
- Increase average spend and visits
- Raise awareness.

This requires making sure that customers using your merchant app find it:

- Easy to use/convenient
- Efficient/performing
- Visually compelling
- Benefits driven.

This includes creating value for the acquirers or mPoS providers, so your merchant app must:

- Be quickly adopted by merchants
- Strengthen the relationship and create stickiness with merchants
- Bring revenue and profitability.

And finally, helping the marketplace enabler to distribute an app that:

- Matches most of all merchant categories and size/tiers
- Complements existing apps
- Guarantees new revenues.

Providing value to all stakeholders of the ecosystem – merchant, customer, marketplace enabler, acquirer/mPoS provider – is one of the key factors for success in the the growing mPOS market. But with all sorts of new payments methods – including instant payment and peer to peer payment – providers of mobile apps for merchants will need to be agile and nimble to regularly roll out new innovations.



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Pierre has brought an extensive knowledge of the payment business to Welcome Real Time, having held various positions at First Data International, Gemalto, Bull Smart Cards & Terminals and VeriFone. Pierre oversees activities related to Corporate marketing, Product marketing, Product management and Consulting and Pierre and his team design, market, and promote innovative solutions that bring value to our clients.

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