

The Reports of Contactless' Death are Greatly Exaggerated

By Vasily Bernstein

In his post in Dell's *Tech Page One*, Vasily Bernstein, Payment Systems Expert at DataArt, disagrees with reports of the end of contactless payments and their substitution by in-app payments, arguing that each covers a unique and complementary set of payment scenarios.

'Evangelists of in-app payments say they are going to replace contactless in daily activities. For example, rather than tapping in a store, the purchase will be made on your phone and the product simply picked up.'

In-app payments are working for products such as Uber. You set it up once and use it each time you travel with their service. ...However, just one small step aside from these scenarios makes use of in-app payments inconvenient and annoying... Imagine you come across a wonderful shop while on holiday, go inside and fall in love with a product. Making an impulse decision to purchase it. Do you really want to download this little shop's app, log in, set up an account and then buy the item?

To summarise, in-app purchasing technology only makes sense when ordering goods or services from the same provider on regular basis or as part of a wider service. Be it ordering a steak or booking a cab. However, if the service comes from an occasional provider, or where it makes little sense to order in advance, like paying for public transport, classic contactless will easily win. It is the easier, faster and more convenient way to pay.'