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Critical Success Factors of Mobile Payment



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Abstract

This paper examines the critical success factors of mobile payment. The paper first evaluated what the key features of mobile payment systems are. Then it derives critical success factors from theoretical models and conducted studies in the mobile payment landscape. The results are verified in four application cases.

The main results of this work are: (1) The key success factor is the consumers perception of the payment instrument. (2) Another key element is that the merchant has to accept the payment method as he is bearing the costs and therefore the far larger risk than the consumer. (3) Technology is seen as a necessary catalyst to achieve or improve certain critical success factors. A payment strategy has to take all three aspects into account.

This work was done to provide a sound decision base for mobile market players which mobile payment systems are worth to pursue and which combination possibilities of technology and business concepts there are. It clearly shows that basic payment procedures, which can only be processed via the proprietary network of financial institutions, are the foundation of all other payment instruments. Finally, critical success factors of mobile payment also build the basis of critical success factors of ubiquitous payment systems.