



Emerging P2P Payments Services

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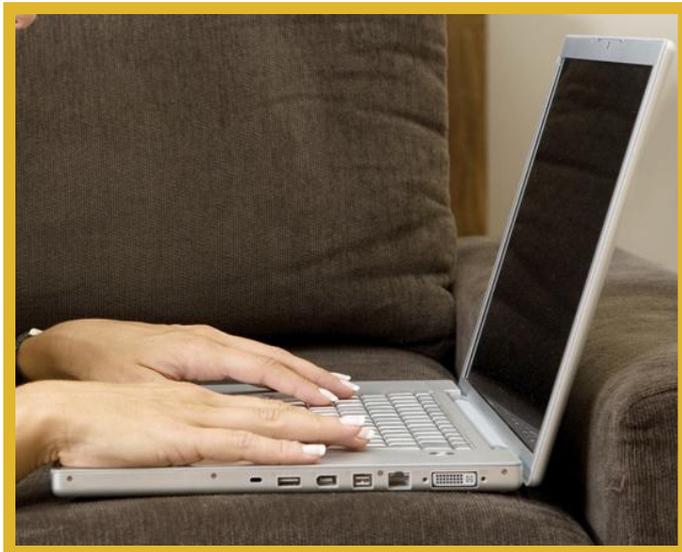
**SYNDICATED RESEARCH
CUSTOM RESEARCH
STRATEGIC CONSULTING**

A Large Number of P2P Offerings Were Deployed During 1999-2000

Early Entrants into the Person-to-Person Payments Market

1999

- Billpoint (eBay/Wells Fargo)
- BidPay
- PayPal
- X.com

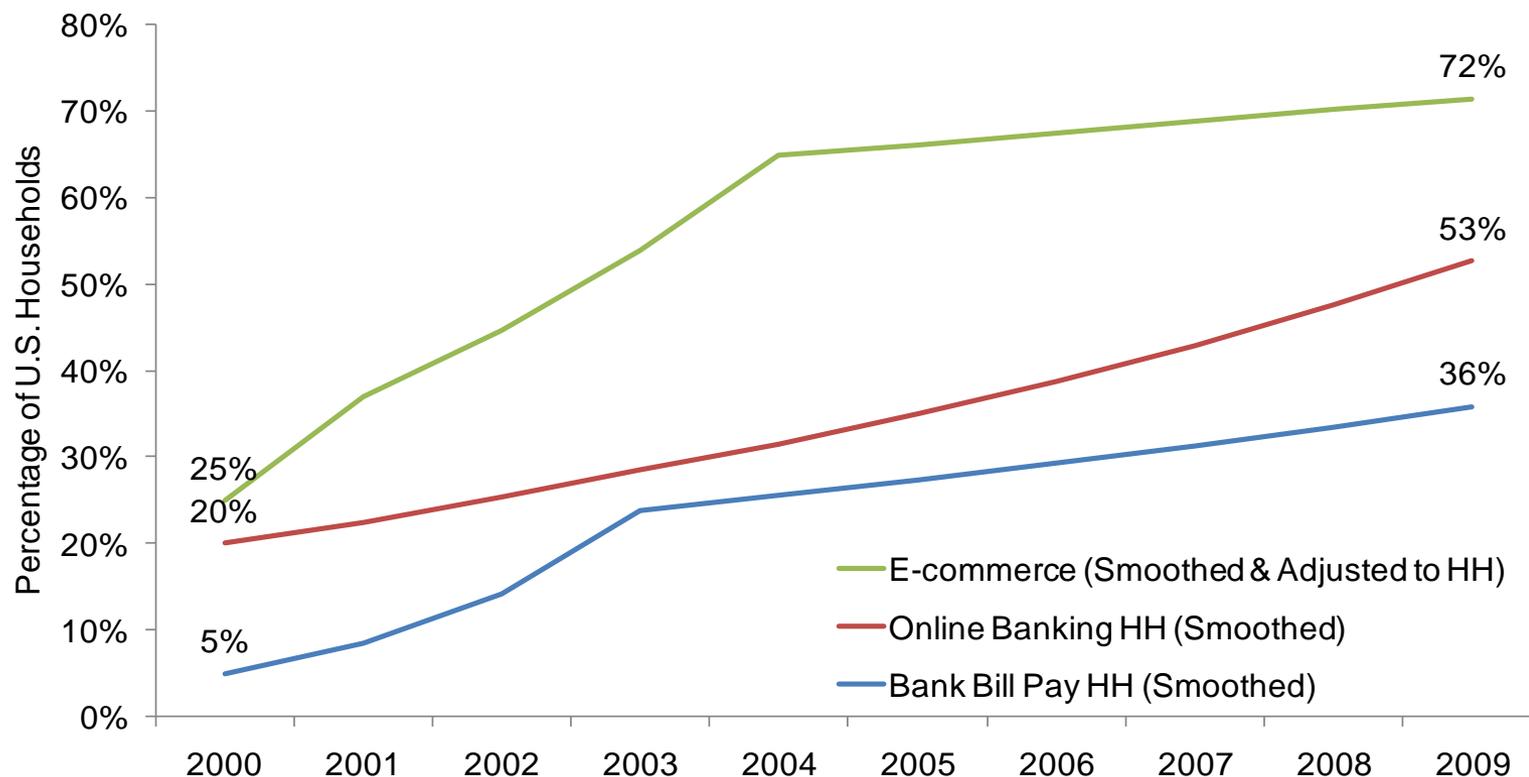


2000

- PayMe
- eCash Technologies
- eMoneyMail (Bank One)
- eCount
- Achex
- Yahoo! PayDirect
- MagnaCash
- CertaPay
- MoneyZap (Western Union)
- C2it (Citibank)
- AOL Quick Cash

Consumer Readiness for P2P was Established as Use of Other Online Transaction Services Rose

Growth in Household Use of E-Commerce, Online Banking, and Online Bill Payment, 2000-2009



April 2009, 2008, 2007, 2006, 2005
n=2,256, 2,699, 3,212, 2,200, 2,200, 2,877
Base= All households with banking products.
Internal data for 2004-2009.

<http://www.pewinternet.org/Trend-Data/Online-Activities-20002009.aspx>, accessed November 14, 2009.

<http://www.census.gov/prod/2001pubs/c2kbr01-2.pdf>,
accessed November 13, 2009.

External data and Javelin estimates for 2000-2004.

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More Recent Entrants

Amazon TextPayMe™



TAKE PayPal WITH YOU—WHEREVER YOU GO

PayPal Mobile

Manage Your Account

Send Money

Buy Things



Manage your PayPal account

No matter where you are, you can view your account history and check your balance.

GET THE PayPal APP

PayPal Mobile

fiserv.

Zash pay™

WESTERN UNION | yes!

MONITOR
PARSAM TECHNOLOGIES

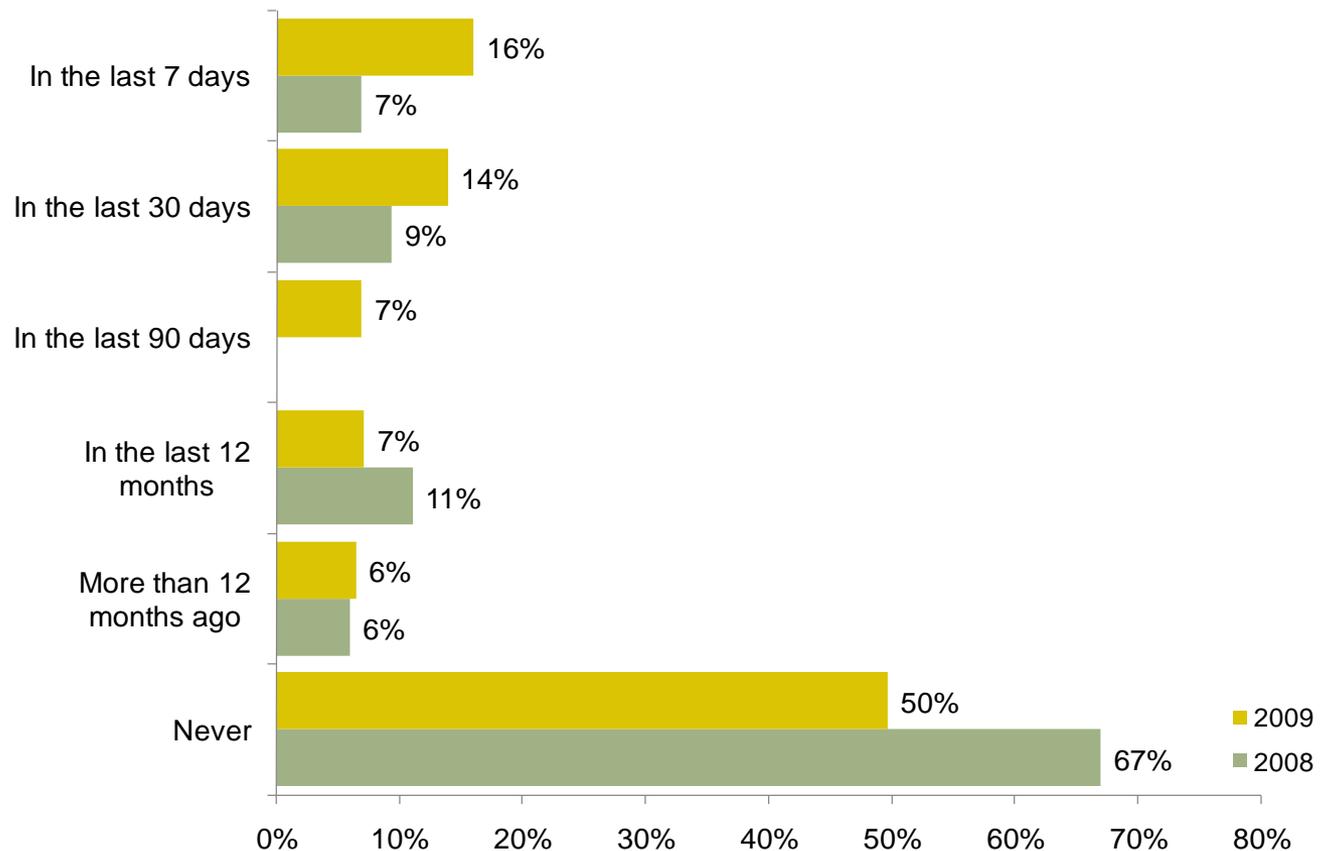
CASH EDGE

pepmoney

peerTransfer™
International Money Transfer & Payments

Consumers Initiating an Online P2P Transfer Weekly More than Double Prior Year

How Recently Consumers Have Used Online Person-to-Person Transfer Services, 2008-2009



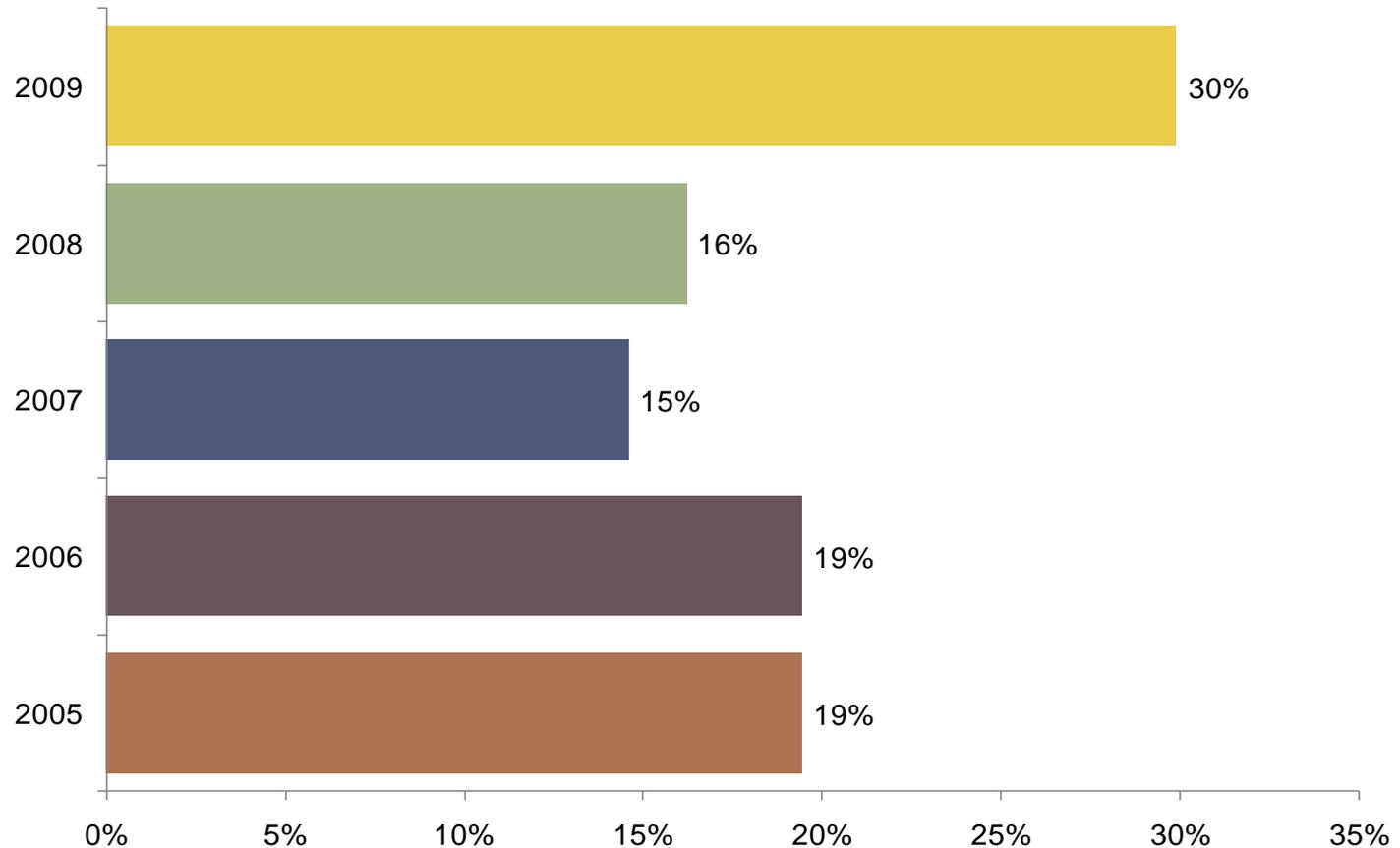
Q12: Please indicate the last time you conducted each of the following. Transferred funds to another individual online. (In the last 90 days was not collected in 2008)

April 2009, n= 2,641, 2,256
Base: All households with banking products.
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Online P2P Use Expands as Risk Factors are Managed

Use of Online Person-to-Person Transfer Services, 2005-2009



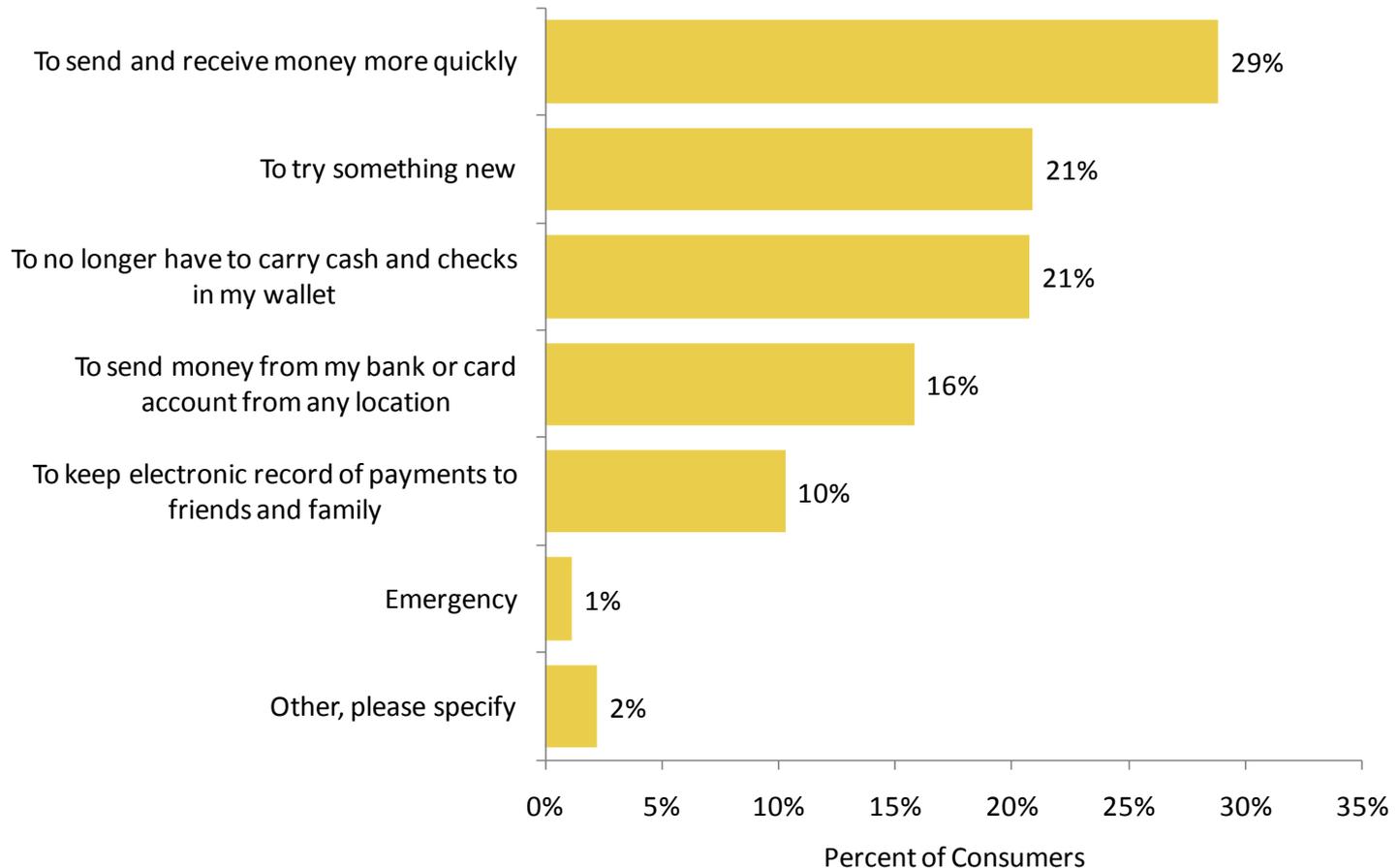
Q12: Please indicate the last time you conducted each of the following: Transferred funds to another individual online. In the last 30 days only, other options available.

April 2009, 2008, 2007, 2006, 2005
n= 2,641, 2,256, 2,699, 3,212, 2,200
Base: All households with banking products.
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Primary Reasons Cited by Consumers in 2010 for Using Mobile P2P Payments

Consumers' Key Reasons for Using Mobile P2P Services



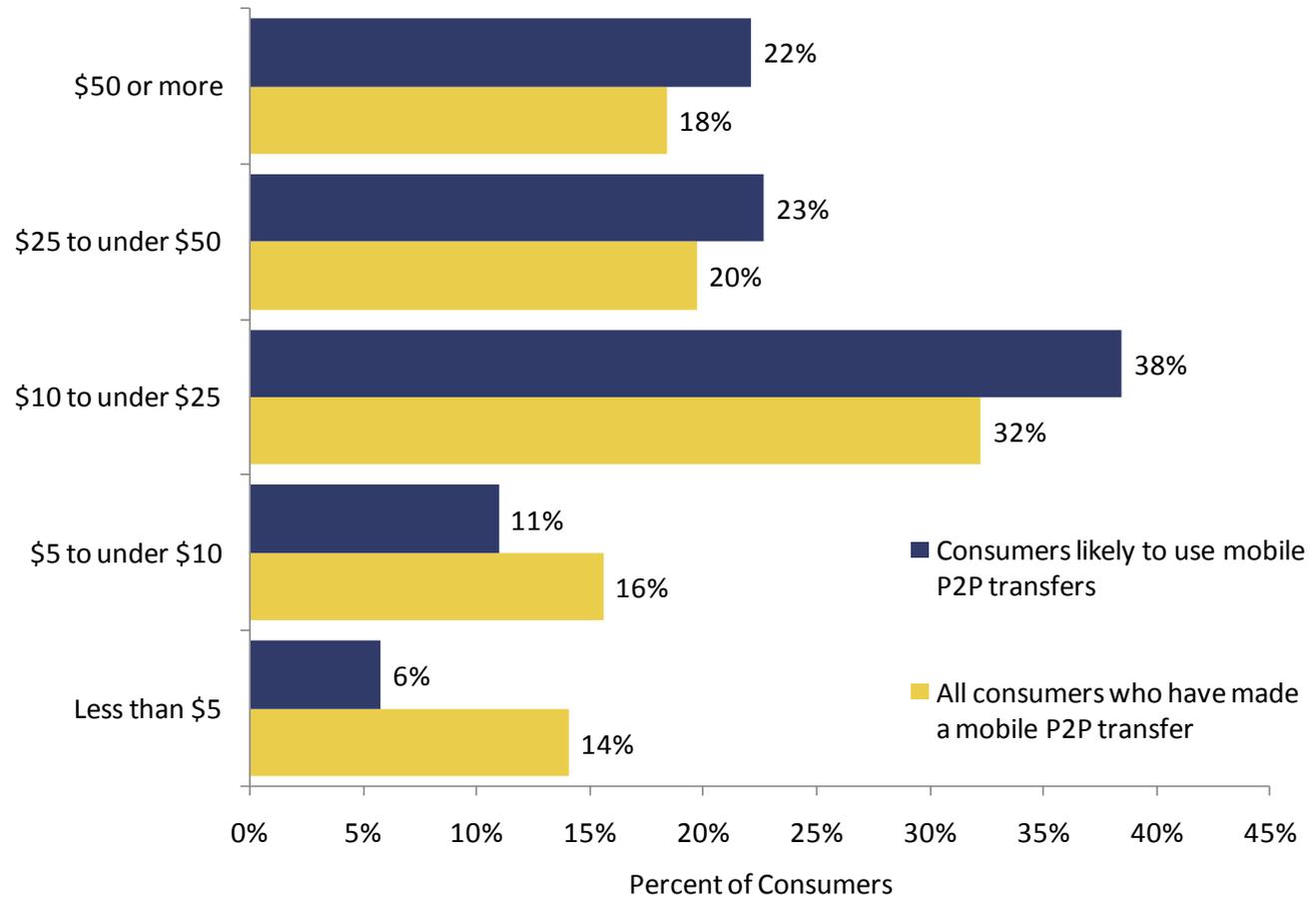
Q42: What is the primary reason you would use mobile person-to-person money transfers for? (Select one only) other options apply.

July 2010, n= 1,504
Base: All consumers who do not use mobile P2P and excluding those who would never use it .
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Average Value of Mobile P2P Transactions Conducted in the U.S.

Average Value of a U.S. Mobile P2P Transaction



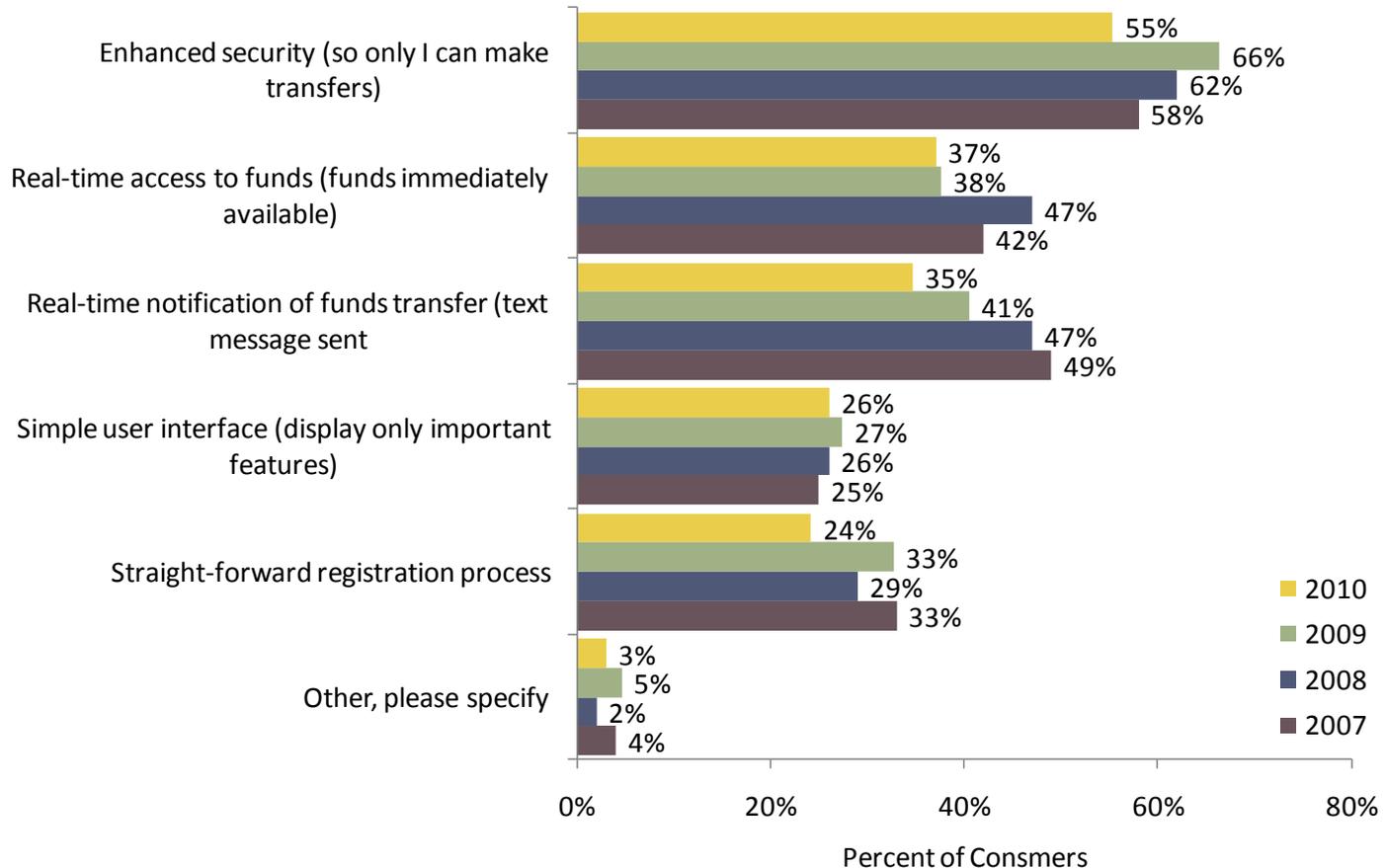
A38: What is the approximate amount of the average mobile person-to-person transfer you conduct through your mobile device? (select one only)

July 2010, n= 106, 274
Base: Consumers likely to use mobile P2P payments ,
all consumers who have used mobile P2P.
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FIs Need to Address Consumers' Security Concerns to Help Drive Mobile P2P Adoption

Consumers' Concerns with Mobile P2P Transfers, 2007 – 2010



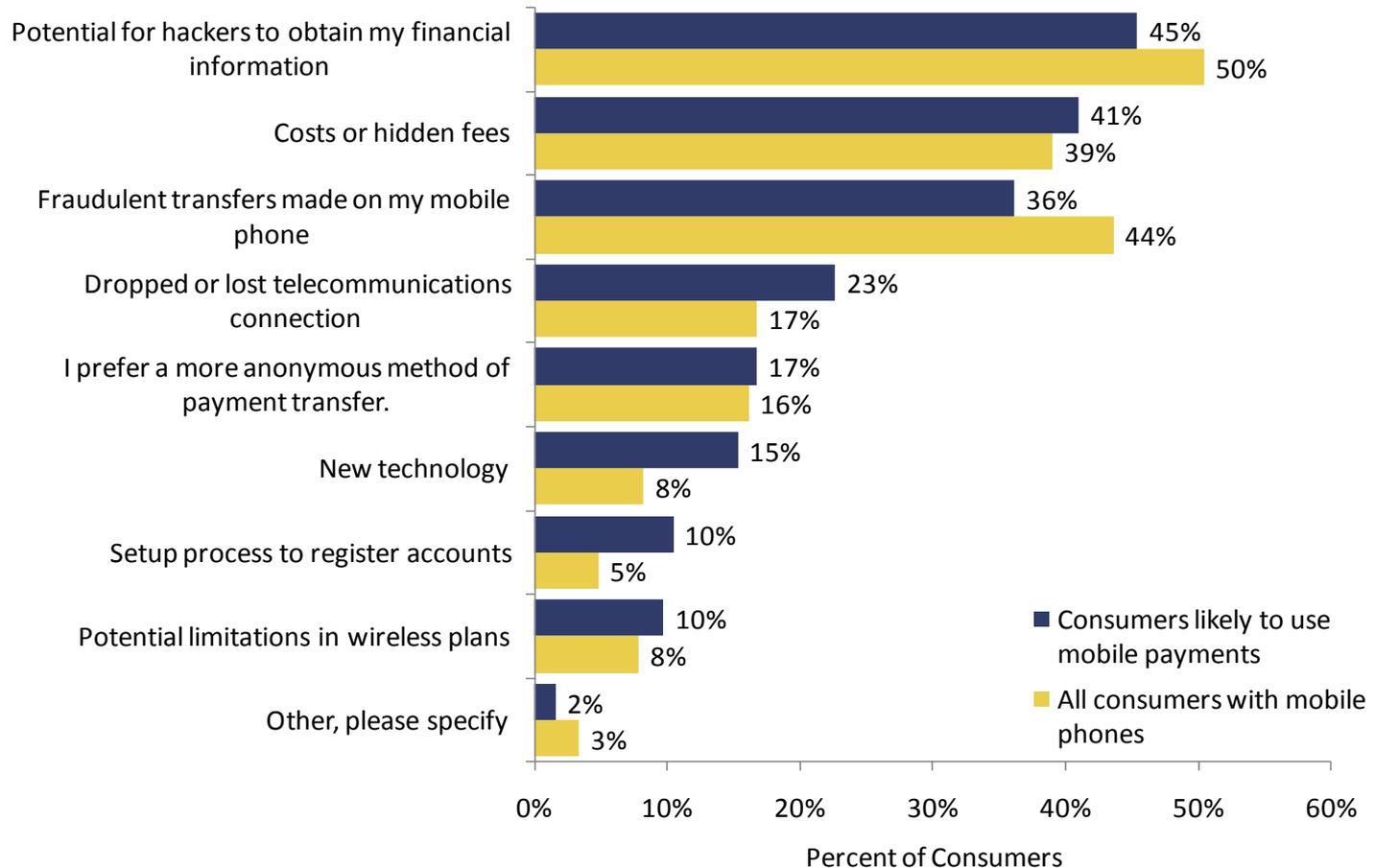
Q41: Which of the following features do you believe are essential in order for you to begin using mobile person-to-person (P2P) transfers? (Select up to three)

July 2010/2009, September 2008/2007,
 n= 619, 409, 569, 454
 Base: All consumers likely to use mobile P2P.
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Fear of Hackers and Fraudulent Transfers Inhibit Consumers from Conducting Mobile P2P Transfers

Consumers' Concerns with Mobile P2P Transfers



A44: What are your main areas of concern with mobile person-to-person money transfers? (Select up to three)

July 2010, n= 3,100, 232
Base: All consumers with mobile phones, all consumers likely to use mobile payments
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Thank You

Javelin provides superior direction on key facts and forces that materially determine the success of customer-facing financial services, payments and security initiatives. Our advantages are rigorous process, independent position, and expert people.



For questions regarding access to Javelin research please contact:

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