

Credit Card Payments Evolve Beyond the Mobile Wallet

Mobile wallets can make paying by credit or debit card seamless: Tap your phone at checkout and you're on your way. But mobile wallets are just the beginning. Payment networks and manufacturers are building payment functions into more devices — expanding your options as well as freeing up your hands.

You could find yourself buying gas from the dashboard of your car, groceries from your refrigerator door or dinner by flashing a smile. And you won't even need your phone with you to make purchases on the go.

MORE DEVICES ADD PAYMENT CAPABILITY

Payment options already available or on the horizon include:

- **Wearables.** Connected "smart" accessories such as watches, bands and rings travel lighter than a phone. To use, the wearer holds a wrist or hand up to a contactless payment terminal. Visa tested these devices at the 2016 Rio Olympics to demonstrate possibilities, says Mark Jamison, global head of innovation and design at Visa.

The market will determine, he says, if fashion designers want to "embed payments into a ring or any other device." One company privately testing similar tech is Token, whose smart ring — which performs a variety of functions, from opening doors to paying for purchases — has a waiting list.

In 2017, payment capabilities branched out from



An attendee takes pictures of the new Samsung Family Hub smart refrigerator during a news conference at CES International in Las Vegas. Payment networks and manufacturers are building payment functions into more devices — expanding your options as well as freeing up your hands. Samsung's Family Hub refrigerator, lets users order groceries from the Groceries by Mastercard app. (AP)



Credit card...

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Apple and Android smartwatches to some Fitbit and Garmin fitness devices, meaning more people could leave their phone behind while working out.

By the end of this year, Visa expects merchants to have tap-to-pay capability at 50 percent of U.S. locations where face-to-face transactions take place.

- Virtual assistants. When voice payments are enabled on virtual assistants like Amazon Echo and Google Home, you can multitask and take care of "errands" in the moment with verbal commands. **CONNECTED DEVICES WILL BE THE NORM** Consider the number of mobile applications with saved payment information on your mobile device. In the future, you could free up some data and save a little battery life by using other connected devices:

- Cars. Visa and Mastercard are working with manufacturers to embed options in car models. Manufacturers are also testing ways to pay for gas, groceries, takeout, metered parking and other things from screens on vehicle dashboards.

"It's still early, but we are focused on bringing that to life this year, to have the ability for you, as the driver, to not just order from one type of merchant," says Stephane Wyper, senior vice president of new commerce partnerships and commercialization at Mastercard.

- Appliances. Appliances will get smarter in the future. A glimpse of what's possible: Samsung's Family Hub refrigerator, which lets you order groceries from the Groceries by Mastercard app; Whirlpool's Smart Dishwasher, which, when synced with an Amazon account, can estimate when you're low on detergent and order it automatically.

- Your body. Going totally device-free could also become an option. Biometric payments make it possible to pay by voice, face, iris scan or fingerprint. It's not a big stretch from the biometric authentication currently used by some phones or applications.

"The technology itself has been around for a while, but consumers were skeptical of it," Jamison says. They've since become accustomed to authenticating using a fingerprint via phone, and their preference has shifted from user ID and password to biometrics, he says.

In January 2018, CaliBurger restaurants launched a pay-by-face pilot program in Pasadena, California. Customers pay for their order by smiling for the camera and entering the three-digit number from the back of a credit card. **MORE OPTIONS, FEWER PASSWORDS** Current devices, apps and websites generally each require a separate profile with payment details. In the future, you could keep payment information in one place and sync it to all devices.

In 2017, Mastercard launched Consumer Control to offer consumers a central view of their cards across different channels. With access through their issuer, cardholders can add their cards to their favorite shopping sites and devices from one location.

The forecast for the future includes more convenient payment options. Visa estimates that 50 billion smart devices will be connected to the internet by 2020. Merchants won't begin accepting payments from everything overnight; for certain devices it may take a few years. For now, you can start exploring the options outside of your mobile wallet.