

Contactless payments to account for 15% of total POS transactions by 2020

Contactless payments are expected to reach \$2tn by 2020, representing 1 in 3 in-store transactions globally. The trend - driven by payment cards and mobile wallets - will see contactless payments equating to 15% of the total point of sale transactions, according to new data from Juniper Research.



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However, the data shows that contactless transactions will continue to be dominated by card payments, driven by strong adoption in Europe as well as the Far East and China. Indeed, contactless card payments are the strongest across Far East and China and the rest of Asia Pacific, which together account for nearly 55% of global contactless card transaction values.

OEM Pay wallets

According to the new research, *Contactless Payments: Payment Cards, OEM Pay & Mobile Wallets 2018-2023*, the mobile contactless payments market will be driven by Apple Pay, Samsung Pay, Google Pay and other OEM Pay wallets. Combined, these OEM Pay wallets users will reach 450 million by 2020, with Apple accounting for 1 in 2 OEM Pay users globally.

Research author Nitin Bhas explained: "We believe that growth over the next 5 years will continue to be dominated by offerings from the major OEM players. Additionally, we now have the likes of Huawei Pay and Fitbit Pay launching in several markets; this is now included in Juniper's contactless forecasts".

Consequently, Juniper forecasts that OEM Pay wallets will enable over \$300 billion in transactions by 2020, representing 15% of the total contactless in-store transactions.

Contactless ticketing gains traction

Beyond in-store payments, the research forecasts rapid growth in contactless ticketing, especially in the European and North American markets where mobile wallets have been deployed. Juniper forecasts nearly 10 billion mobile contactless ticketing transactions, i.e. tickets purchased or validated, by 2022, with North America dominating the sector, followed by the Far East and China.

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