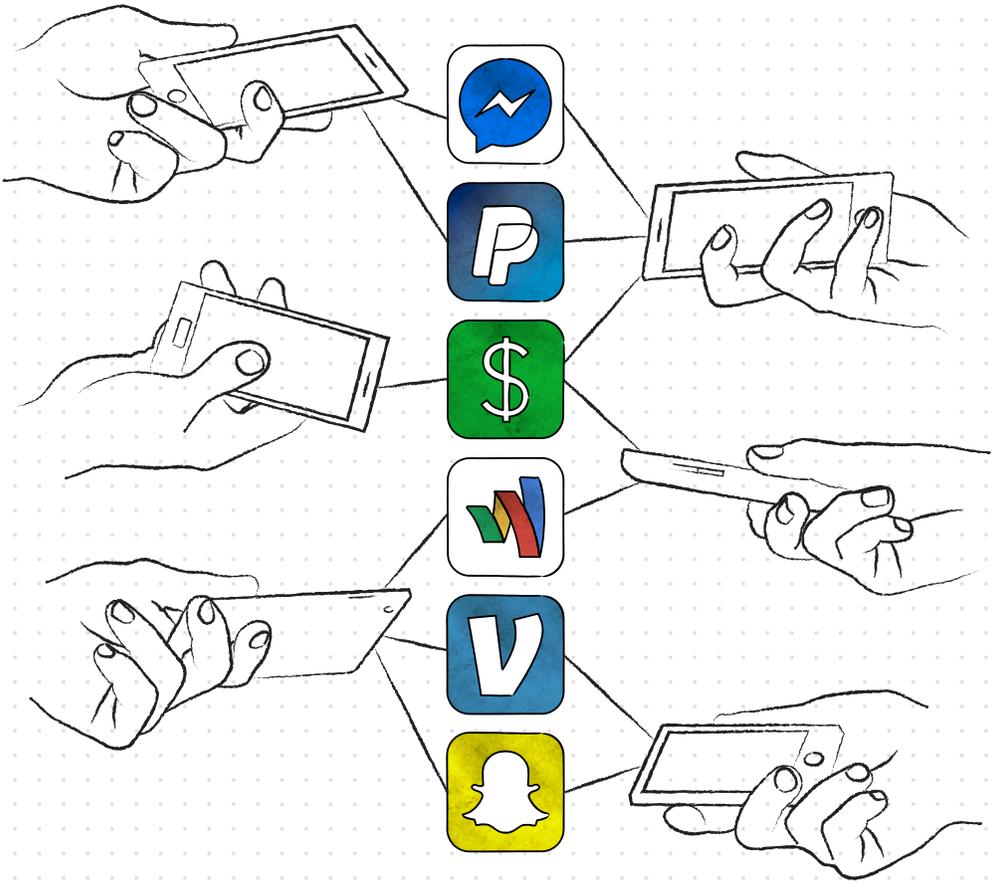


**MBLM**

# FIELD NOTES



**MOBILE PAYMENT APPS  
HEAD-TO-HEAD**

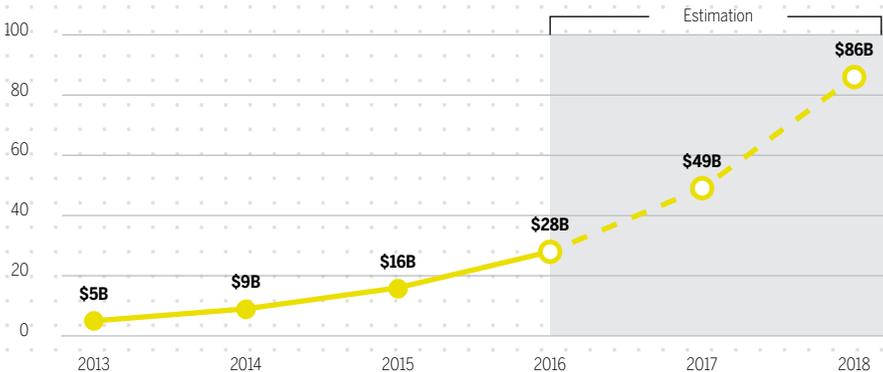
# MOBILE PEER-TO-PEER PAYMENTS

## Context

As has been well reported, the financial services industry is undergoing a dramatic transformation. FinTech (or financial technology) is changing the way we spend, save, sell, invest, and lend. From crowdfunding to personal finance, this \$707B industry is growing, both in size and in scope.

Peer-to-peer mobile payments are still a relatively modest \$28B sector within this industry, but we believe they are on the cusp of mainstream adoption. At 82 million users, at least one in four adults in the U.S. is expected to send money to a friend, colleague, or family member this way in 2016. That's nearly half of all smartphone users in the U.S. (190M), which happens to coincide with roughly the entire population of millennials in the U.S. (83M). Given MBLM's interest in brand relationships in the digital age, and the millennial generation's role as a technology bellwether, we felt it was time for a Field Notes edition focused on the firsthand experience and assessment of this intriguing category.

 Mobile P2P Payment Growth in the U.S. 



## Challenge

We tested the mobile applications of six key players to evaluate the user experience of each app, based on ease of sign-up and use, how much we felt we could trust them, how many of our friends were using them, and how much we enjoyed the payment process. We spent a week taking the different services through their paces, determined to declare a winner.

# HOW THEY STACKED UP



## Ease

Was the sign-up quick and the interface painless?



## Trust

Did we trust the app with our money?



## Community

Who else do we know who uses the app for P2P transfers?



## Fun

Did the app give payments a personality?



\$\$\$\$\$

\$\$\$\$\$

\$\$\$\$\$

\$\$\$\$\$



\$\$\$

\$\$\$\$\$

\$\$\$\$\$

\$\$\$



\$\$\$\$\$

\$\$\$\$\$

\$\$\$

\$\$\$



\$\$\$\$\$

\$\$\$

\$\$\$

\$\$\$\$\$



\$\$\$\$\$

\$\$\$

\$\$\$

\$\$\$\$\$



\$\$\$

\$\$\$\$\$

\$\$\$\$\$

\$\$\$

# Venmo



## 👍 PROS

- Popular among millennials
- Social feed
- Next business day cash deposit

## 👎 CONS

- Credit card fee

## 📋 RATING

Ease.....	\$\$\$\$\$
Trust.....	\$\$\$\$\$
Community.....	\$\$\$\$\$
Fun.....	\$\$\$\$\$

Venmo is the youngest of the six brands we tested, but it has quickly become a favorite in mobile P2P among millennials. It became a part of PayPal when the FinTech pioneer acquired Braintree for \$26.2 million.

**Market Entry:** 2009

**Revenue:** Approximately \$100 million

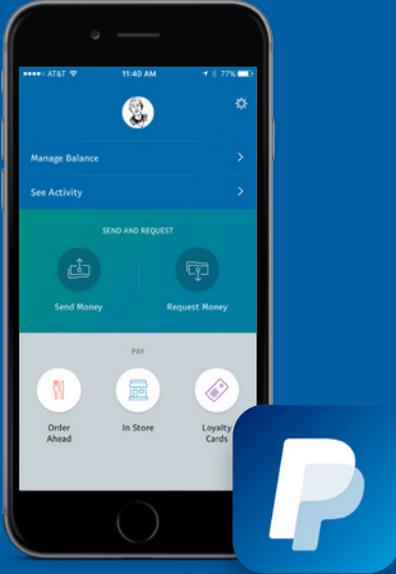
**Notable:**

- Recently opened up to businesses
- Acquired by PayPal in 2013

## 💰 Our two cents 💰

Venmo could make it easier to find users who aren't in your contacts.

# PayPal



## 👍 PROS

- Pay at stores and order food with the app
- PayPal.Me links
- Best for international payments

## 👎 CONS

- Credit card fee

## 📋 RATING

Ease .....	\$\$\$👍👍
Trust .....	\$\$\$\$\$👍
Community .....	\$\$\$\$\$👍
Fun.....	\$\$\$👍👍

PayPal is one of the largest online payment companies in the world, offering money transfers and payment processing, among other financial services. It was acquired by eBay in 2002 but was spun off into its own publicly traded company in 2015.

**Market Entry:** 1998

**Revenue:** \$9.2 billion

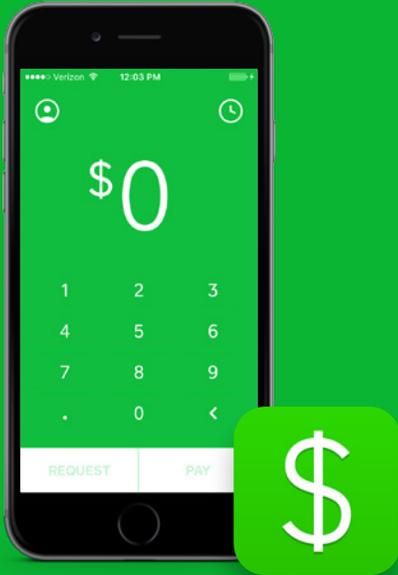
### **Notable:**

- Recently revamped its app to highlight P2P payments
- Recent Super Bowl TV spot was a first for the brand

## 💰 Our two cents 💰

PayPal would benefit from a more streamlined sign-up process.

# Square Cash



## 👍 PROS

- \$Cashtags are convenient and fun
- Easy setup and intuitive interface

## 👎 CONS

- Limited user base

## 📅 RATING

Ease.....	\$\$\$\$\$
Trust.....	\$\$\$\$\$
Community.....	\$\$\$\$\$
Fun.....	\$\$\$\$\$

Square provides several financial services, including payment processing devices and software, payroll services, and P2P transfers. Square's first product was its Square Reader, which allowed users to accept credit card payments via the audio jack of a smart device.

**Market Entry:** 2013

**Revenue:** Unknown (\$1.3 billion, Square Inc.)

### **Notable:**

- \$Cashtags can be used to donate money to 2016 presidential candidates

## 💰 Our two cents 💰

Square Cash could do more to encourage users to integrate \$Cashtags into social media to spread awareness.

# Snapchat



## 👍 PROS

- Simple, clever, fun
- No fees

## 👎 CONS

- Difficult to find Snapcash in the app
- Can't store funds on Snapchat

## 📅 RATING

Ease.....	\$\$\$\$\$
Trust.....	\$\$\$\$\$
Community.....	\$\$\$\$\$
Fun.....	\$\$\$\$\$

Snapchat is the fastest growing social network. Over the past five years, its photo-messaging app has evolved to offer several new features, including text, P2P transfers, and animated lenses. Recently, Snapchat announced that its users watch 8 billion videos per day.

**Established:** 2014

**Revenue:** Estimated \$300 million +

**Notable:**

- Snapcash is powered by Square

## 💰 Our two cents 💰

Snapchat could take greater steps to ensure users that the popular social platform's money transfer service, Snapcash, is safe and secure.

# Facebook Messenger



## 👍 PROS

- Large network of friends
- No fees

## 👎 CONS

- Few Facebook friends use it for P2P payments
- Can't store funds on Facebook

## 📄 RATING

Ease.....	\$\$\$\$\$
Trust.....	\$\$\$\$\$
Community.....	\$\$\$\$\$
Fun.....	\$\$\$\$\$

The social media giant's messaging app has 800 million monthly active users from all over the world. It is accessible through a mobile app and Facebook's website and offers communication via text and voice.

**Established:** 2011

**Revenue:** Unknown (\$17.9 billion, Facebook)

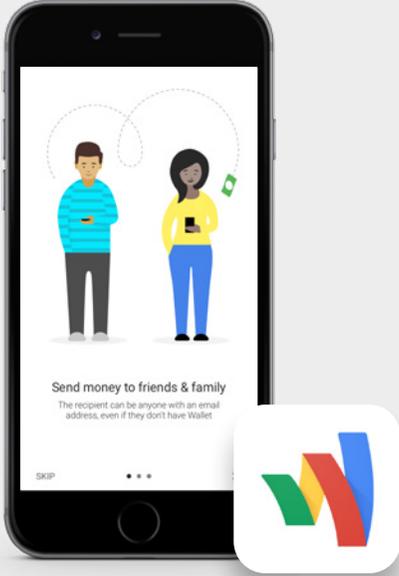
**Notable:**

- In 2015, Facebook announced that users will soon be able to connect with businesses through Messenger

## 💰 Our two cents 💰

Facebook Messenger could make its payment feature more obvious to its many users.

# Google Wallet



## 👍 PROS

- Pay by Gmail
- Comes with a Google Wallet Card
- Integration with Google's ecosystem

## 👎 CONS

- Integration with Gmail accounts makes setup confusing
- Only available in the U.S.

## 📄 RATING

Ease.....	\$\$\$\$\$
Trust.....	\$\$\$\$\$
Community.....	\$\$\$\$\$
Fun.....	\$\$\$\$\$

Google Wallet is the technology giant's digital wallet and P2P payment service. As of 2015, Android Pay has replaced Google Wallet's point-of-sale purchasing function, which is now only available when using a Google Wallet Card.

**Market Entry:** 2011

**Revenue:** Unknown (\$75 billion, Alphabet)

**Notable:**

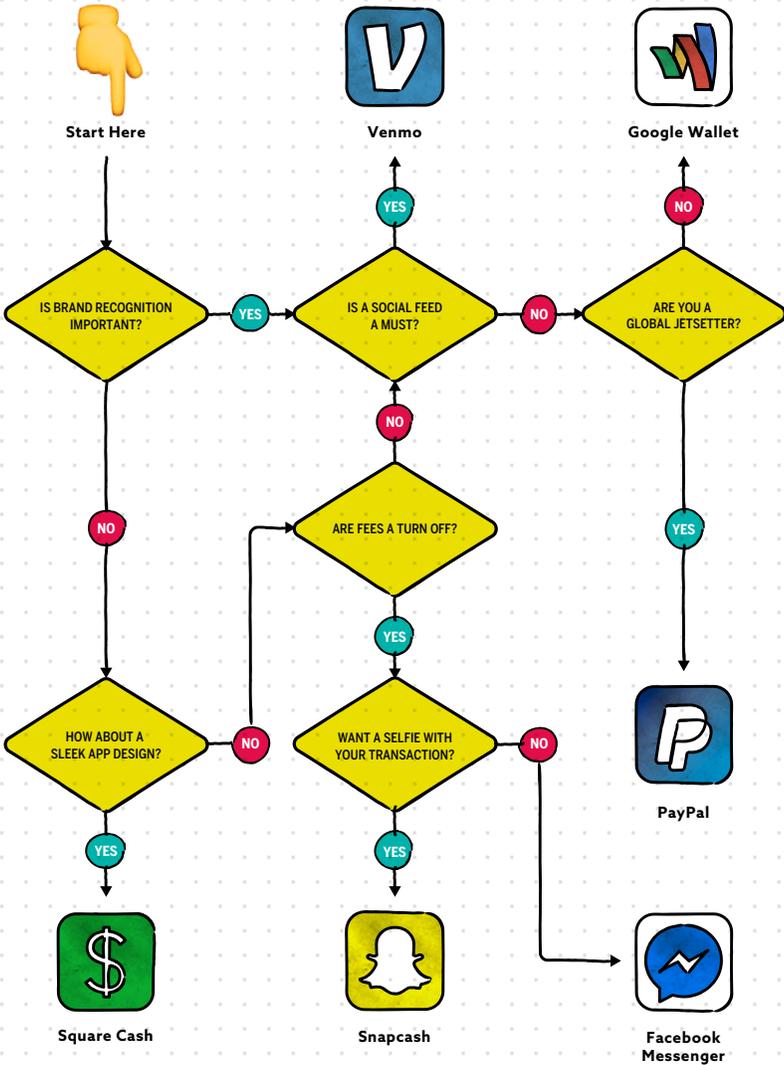
- In 2011, PayPal sued Google for misappropriation of trade secrets after Google hired two former PayPal employees to work on Google Wallet.

## 💰 Our two cents 💰

Google Wallet could have a simpler user interface and more transparency about user account information.

# PICK THE APP FOR YOU

Having trouble deciding which peer-to-peer mobile service is right for you?  
Let our handy flowchart be of assistance.



## SOURCES

1. Moeser, Michael. "2016 Trend: #2 Mobile P2P Is the Killer App for Real-Time Payments." *Javelin*. Javelin, 21 Jan. 2016. Web. 24 Mar. 2016. <<https://www.javelinstrategy.com/blog/2016-trend-2-mobile-p2p-killer-app-real-time-payments>>
2. "How Many Smartphone Users Are Officially Addicted?" *EMarketer*. EMarketer, 31 July 2015. Web. 24 Mar. 2016. <<http://www.emarketer.com/Article/How-Many-Smartphone-Users-Officially-Addicted/1012800>>
3. "Millennials Outnumber Baby Boomers and Are Far More Diverse." *United States Census Bureau*. United States Census Bureau, 25 June 2015. Web. 24 Mar. 2016. <<https://www.census.gov/newsroom/press-releases/2015/cb15-113.html>>
4. "Value of Mobile Peer to Peer Payments in The United States in 2013 and 2014 and Forecast Thereof till 2018 (in U.S. Billion Dollars)." *Statista*. Statista, n.d. Web. 24 Mar. 2016. <<http://www.statista.com/statistics/468619/value-of-mobile-p2p-payments-usa/>>
5. "FinTech - United States." *Statista*. Statista, n.d. Web. 24 Mar. 2016. <<https://www.statista.com/outlook/295/109/fintech/united-states>>
6. Borison, Rebecca. "PayPal's Venmo Could Soon Be a Big Money-maker." *TheStreet*. TheStreet, 18 Nov. 2015. Web. 24 Mar. 2016. <<http://www.thestreet.com/story/13370690/2/paypal-s-venmo-could-soon-be-a-big-money-maker.html>>
7. Yeung, Ken. "Square Cash Publicly Launches to Help You Send Money to Your Friends." *The Next Web*. The Next Web, 16 Oct. 2013. Web. 24 Mar. 2016. <<http://thenextweb.com/insider/2013/10/16/square-cash-launches-public-can-send-money-friends-email/#gref>>
8. Wagner, Kurt, and Peter Kafka. "Snapchat Thinks It Will Generate at Least \$300 Million in Revenue This Year." *Recode*. Recode, 07 Mar. 2016. Web. 24 Mar. 2016. <<http://recode.net/2016/03/07/snapchat-thinks-it-will-generate-at-least-300-million-in-revenue-this-year/>>

## MBLM

MBLM is the Brand Intimacy Agency, dedicated to creating greater bonds between people, brands and technology. With offices in seven countries, our multidisciplinary teams help clients deliver stronger marketing outcomes and returns for the long term. To learn more about how we can help you create and sustain ultimate brand relationships, visit [mblm.com](http://mblm.com).

---

### CONNECT

Follow us for our next #MBLMFieldNotes and the latest in #BrandIntimacy



**MBLM**

@mblm | mblm.com