



FOR MOBILE WALLETS, RESTAURANT FRUSTRATIONS ARE AN OPPORTUNITY

An Ipsos Point of View

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GAME CHANGERS





KEY FINDINGS:

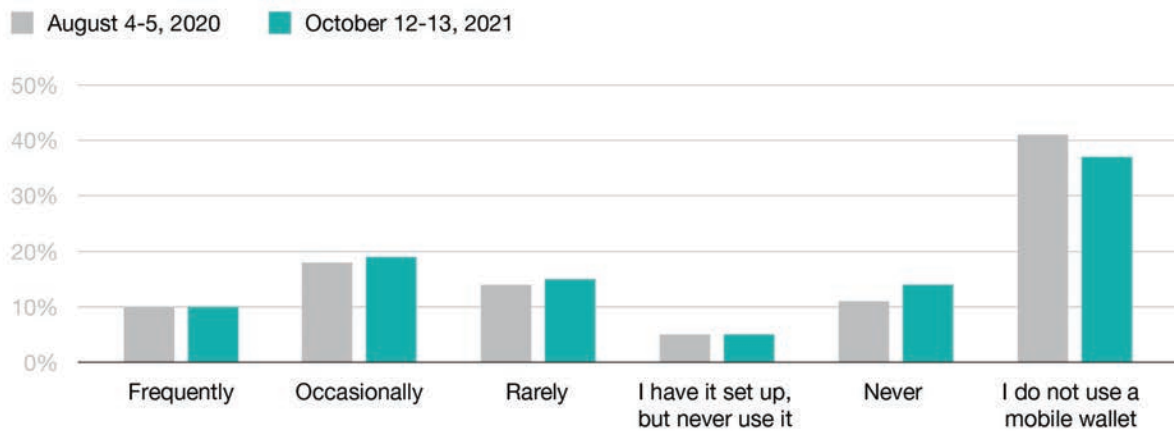
- Mobile wallet usage remains relatively unchanged the past couple of years, despite the pandemic spurring contact-free ways of payment.
- Many older Americans are reluctant to use mobile wallets.
- Brands should emphasize convenience in industries that are seeing long wait times for customers, particularly at restaurants.

Nearly two years into the pandemic, one piece of technology remains stubbornly resistant to change among consumers: mobile wallets.

The technology, which includes prominent brands like Apple Pay and Venmo, involves users storing payment info from their credit card or debit card on their mobile device, then using that device to make payments instead of using their physical card. Over the last few years, Ipsos has studied consumer attitudes when it comes to mobile payment usage, with several findings that companies should consider.

Ipsos finds few changes in general behavior regarding mobile wallet usage, both at the start of the pandemic and today.

How frequently do you make purchases with a mobile wallet?



Source: Ipsos Coronavirus Consumer Tracker, fielded October 12-13, 2021 among 1,174 U.S. adults.



Among older Americans, 58% of consumers over the age of 55 don't use mobile wallets, while 38% of consumers over 55 say they "are not more or less comfortable" using the technology. Just 23% say they are "slightly more comfortable from before" using mobile wallets.

What does that mean for related brands? Are older Americans more reluctant to try new technologies that don't involve a physical card? What does the payments industry need to do to broaden appeal and increase usage, especially among older Americans?

One answer to this issue could lie in a problem specific to the pandemic era: longer wait times.

Ipsos research on the U.S. labor shortage found 60% of Americans have felt some sort of disruption like longer wait times for food delivery and reduced hours at restaurants since the pandemic began. One in three Americans say they have experienced reduced hours at restaurants and retail stores, as well as longer delivery or take-out times.

Many are feeling the impacts of the labor shortage

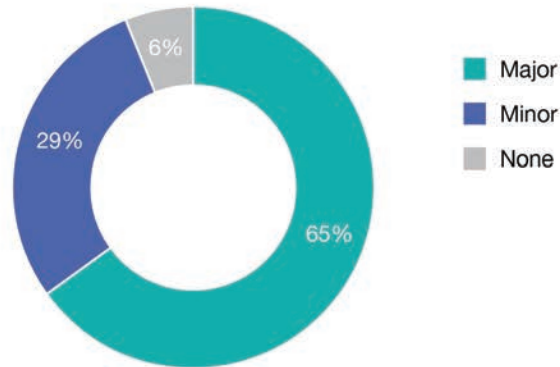


Source: Ipsos Coronavirus Consumer Tracker, fielded October 12-13, 2021 among 1,174 U.S. adults.



This presents an opportunity for brands to push mobile payments. Stressing the ease of mobile wallets may help restaurants and consumers who are anxious about wait times. Faster payment processes could ease stress on both workers and consumers, especially given the current U.S. labor shortage.

How big of a role, if any, has labor shortages played in the longer wait times or reduced hours you have experienced?



Source: Ipsos Coronavirus Consumer Tracker, fielded October 12-13, 2021 among 1,174 U.S. adults.

Turning a problem like the labor shortage, especially in the service industry, into an opportunity to advertise mobile payment conveniences may help broaden the technology's appeal. Mobile payment providers should look for links like this to prioritize their goals for each consumer segment.

Along with stressing the ease of mobile payments, providers should learn more about the knowledge gap for many consumers when it comes to payments. As mobile payments have become slightly more common in the past decade, many consumers are still uncertain about the conditions for paying for items. Many stores and restaurants now offer consumers the options of swiping, tapping or inserting a physical card into payment machines, often confusing the payer.

Making it clear to consumers that a mobile wallet option could jump over the confusing "swipe, tap or insert" payment method could be another way of reaching consumers who may be overwhelmed and in a hurry at registers to pay and leave. Stressing the ease and speed of the mobile wallet will help create the conditions for these payments to become a consistent, established payment method among Americans.



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