Wallet Failure at Register 9 and Other Empty Promises of NFC

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I've been playing around with Google Wallet recently, and I have to admit I like what they've done. They've kept fees for using the service to an absolute minimum and deeply integrated the service with their existing products. It's the most seamless and user friendly payment product out there right now, if less ubiquitous than PayPal. But saying that Google has executed its mobile wallet product well, is like saying that the LaserDisc was well executed. By that I mean that the technology behind Google Wallet is sound but the strategy is flawed, if only because it requires the user to remove their phone in order to pay for goods and services.

If good UI design is measured by the number of clicks it takes to complete an action, the game has already been lost to plastic, which requires exactly zero clicks to use. And does anyone find it the least bit ironic that Google has just launched real-life, physical cards as an addendum to its virtual wallet? Now, you'll need your phone and your wallet at all times, but wasn't the goal to eliminate that sheath of cowhide in your back pocket? It all makes my head hurt a little.

For the record, I'm equally pessimistic about ISIS' approach. It seems to me that more of the smarts, security and detection for using the wallet have to be built into the world, which would decentralize the phone. The use of the wallet has to be absolutely 100 percent frictionless. The only way a digital wallet is actually going to be of value to consumers—and not just the carriers—is when shoppers can walk into the store, grab their goods and walk out, with their device performing all the

necessary check-out duties, while never leaving their pocket or purse.

The iBeacon, with which PayPal and Apple are experimenting [1], really does sound about as close to the frictionless system as we've gotten up to this point. The phone almost has to be secondary in the process, an invisible peripheral that is smart enough, and aware enough, to understand what's happening around it.

Imagine for a moment the frustration and chaos that would ensue if everyone had to remove their phone from their pocket, turn it on, and find an app in order to pay for their groceries! Mayhem, I tell you, absolute, red-faced agony at register 9, as the gentleman with the phablet and the screaming kid repeatedly and errantly taps his battery-dead phablet to the NFC reader. Of course, he doesn't have any plastic, because he was relying on his phone! Oh, the horror!

NFC may be useful as an intermediary between the phone and the world for many different tasks, but I remain skeptical that it is the panacea for truly frictionless payments.

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