

The impact and implications of digital convergence to retailers and consumers

*MasterCard's report explores the impact of technology and innovation
on consumer and retailer behaviour*

LONDON - 8 May, 2015 – MasterCard's commissioned report "[The New World of Retail](#)" has been released on the occasion of the European Business Summit in Brussels. The event takes place only one day after the European Commission published its ambitious proposals on a Digital Single Market. The report illustrates how technology and the convergence and pervasiveness of mobile and connectivity have changed the purchase behaviour of consumers who now mix concurrently online and of-line interactions with retailer channels as part of their buying experience. Payments are an integral part of the shopping experience and retailers are faced with a proliferation of new payment solutions and interfaces competing for consumer choices. Within this context consumers appear to prefer payment solutions based on convenience and security considerations while the value at risk for retailers goes well beyond a fraud write-off to potential brand damage and future sales.

Speaking at the European Business Summit, Ann Cairns, President of International Markets for MasterCard said: "The Digital Age consumer wants to be able to shop anytime, anywhere and anyhow. New payments solutions such as contactless cards and device-based payments are no longer some futuristic opportunity. Technological innovations such as contactless payments or mobile Wallets e.g. MasterPass enable this new consumer-retailer experience".

"The developments in payment information and communications technology are enabling a range of new payment solutions and are opening up a multiple set of potential points of compromise between convenience and security. Amongst all the latest payment technologies available, in particular host card emulation and tokenisation, enable highly secure and convenient transactions for the benefit of consumers and retailers alike" said Francesco Burelli, partner at INNOVALUE's payments practice and one of the authors of the report.

The study illustrates how consumer as well as retailer behaviour is changing within the context of an evolving retailing industry characterised by channel convergence and a blurring of physical and virtual touch points between retailers and their customers.

About Innovalue, www.innovalue.com, INNOVALUE is a leading strategic management advisory firm dedicated to the financial services industry. INNOVALUE's clients are global or national market leaders, regional specialists, innovators and entrepreneurs that have trusted INNOVALUE for over a decade as their preferred advisors. In the three practices - Payments, Banking and Insurance - INNOVALUE has a distinctive industry know-how based on years of experience, deep and tested insights and established methodologies.

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