

700m Mobile Phone Users to have Near Field Communications (NFC) Phones Within 5 Years

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Hampshire, UK – 10th September 2008: A new analysis of the NFC mobile payments opportunity forecasts that 700m mobile subscribers globally will have phones equipped with NFC contactless technology by 2013. NFC will enable users to make payments with their mobile phones for relatively low value purchases (such as refreshments, tickets and food).

In the second report in its Mobile Payment Markets series, Juniper Research found that there is a significant opportunity for NFC mobile payment services, chips, phones and supporting services as the market reaches its tipping point over the 2011 to 2013 period.

Report author Howard Wilcox said: "NFC is an exciting and versatile technology that has great potential to make many everyday tasks such as buying small value items as well as tickets much easier. In future, users will also be able to discover new services by holding their NFC phones next to smart posters and advertisements. The Oyster card in London and the recent O2 Wallet trial results confirm the promise of NFC."

Highlights from the report include:

- Global mobile subscribers with NFC phones will reach 700m by 2013
- The market is currently dominated by FeliCa-enabled phones on the networks of NTT DoCoMo, KDDI and SoftBank in Japan, where we estimate about 50m FeliCa-enabled phones have been shipped to date.
- North America, Western Europe and Far East & China will be the leading regions by 2013, with each region having annual shipments in excess of 25% of total NFC phone shipments.

The report cautions however that whilst the trial results so far have been encouraging, there are two important factors that will determine the speed of market traction in the next couple of years: the availability of NFC phones; and the speed of installation of NFC readers by merchants. The NFC ecosystem needs to deliver: it needs to ensure that the ever growing number of trials around the globe is translated into full service offerings.

The report provides six year regional forecasts of NFC mobile payments for physical goods and services, providing data on device shipments, subscriber take-up, transaction sizes and volumes as well as detailed case studies from companies pioneering in this market.

Whitepapers and further details of the study, 'Mobile Payment Markets: Contactless NFC 2008-2013' can be freely downloaded from www.juniperresearch.com. Alternatively please contact John Levett at john.levett@juniperresearch.com, telephone +44(0)1256 830002.

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