

# Use of Mobile Payment Services and Factors Affecting Consumers' Choices

Kim Dong Sup\*, Lee Ye Il\*\*

Various mobile payment services have recently been introduced, including mobile banking, mobile card, mobile wallet and easy payment services. This paper looks into the state of domestic mobile payment services and the background to their widespread introduction. It also analyzes the state and major characteristics of mobile payment service use by Korean consumers by utilizing the 2015 Bank of Korea survey on Korean consumers' behaviors in their use of mobile payment services.

According to the analysis results, mobile payment services are found to be more actively used by the lower-age group, the higher-educated group and by females than males. However, among all social demographic variables, consumers' income is not found to have had a conspicuous impact on their choice of mobile payment services. Meanwhile, residents in big cities are found to have used mobile payment services more frequently and this tendency has been more apparent for offline commerce payments, but has not been found for online commerce payments or for mobile banking.

These analysis results should be useful for establishing payment and settlement policy that supports the widespread use of mobile payment services and promotes the FinTech industry. First, for widespread use of mobile payment services, there is a great need to narrow the gap among classes in the use of such services. Particularly since education and age, rather than income, are analyzed to be major factors restraining the widespread use of these services, it is important to devote efforts to make these services easier to use, while strengthening their safety and reliability. In addition, there is a need to support the use of mobile payment

means in stores mainly used by the elderly and in smaller cities.

One limitation of this study is that it has only indirectly confirmed the effect of accessibility to service member stores when consumers choose their payment means, by basing the analysis on whether they reside in big cities or not. Accordingly, to make a more accurate analysis, additional research should be done concerning stores' status in accepting these payment means, in consideration of the unique characteristics of a two-sided market.

\* Economist, Payment Systems Research Team, Payment & Settlement Systems Department (Tel: +82-2-750-6640, e-mail: kimds@bok.or.kr)

\*\* Junior Economist, Payment Systems Research Team, Payment & Settlement Systems Department (Tel: +82-2-750-6622, e-mail: yeil.lee@bok.or.kr)

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