

The End Of Cash

Mobile wallets –and more ways to use them– are making money less useful

Walk into a store, submit your shopping list, and a map directs you to the peanut-butter-brittle ice cream you crave. When you get to the front of the line, just bump your phone on the reader and you also get a discount via an e-coupon you've downloaded. Mobile wallets can also be your shop-bot, sniffing out exclusive offers – say, \$2 off oatmeal at Jamba Juice as you walk by. Not hungry? Save the coupon to the wallet, which will automatically activate it when you buy your next oatmeal. Or scan pictures of the lasagna, salad and French bread you want for dinner from a Safeway ad as you wait for the train and pick up the bag on your way home. This is the year the surging popularity of the mobile wallet – a smart phone that also acts as credit card, checkbook and shop-bot– will radically shift shopping habits. It's the biggest thing in retail since the credit card got us talking about a cashless economy.



Google wallet

Source: Wikimedia Commons

Mobile wallets work in different ways. Google and Isis rely on NFC, or near-field communication. Basically, this means the phone and the sales terminal talk to each other. The Subway sandwich chain is installing NFC in about 7,400 of its 25,000 locations; 219 Macy's and Bloomingdale's stores have it up and running; Jamba Juice, OfficeMax, Coke vending machines, even New Jersey Transit trains are set up to take payments with a tap of your phone. "Twenty years ago, we had zero need for digital payments," says Osama Bedier, vice president of payments at Google. "But today you can't buy a song or a game or an app without them. Increasingly, it will be hard to get a lot of experiences on offer with just cash." There's something ironic about getting your money's worth only if you're not actually using money.

PayPal, with its 103 million account holders and 9 million merchants, is betting on the cloud: store your information and access it from any computer or phone. It has been buying up companies, at least a dozen in the past year, that specialize in bar code readers, inventory

tracking or offering location-based deals. The potential glitch? If your cell service or wi-fi goes out, so does your ability to pay.

Adapted from *Time Magazine* – Monday Jan 9th 2012

A. Comprehension – Read the text

1. Paragraph 1

a. Mobile wallets enable you to:

- find your way in shops
- enjoy special offers
- receive and store reduction vouchers
- order your shopping list
- replace cash and pay for your purchases

b. Quote the text to illustrate each box you've ticked.

2. End of the text

- a. Name the two competing systems, say which companies rely on them and explain how they work.
- b. Find elements showing this new shopping tool is developing rapidly.
- c. Any drawback(s) mentioned? Can you imagine others?

B. Role-Play – Convincing a prospect

A sales-representative for Google-wallet visits the owner of a chain of local fast-food restaurants to convince him/her to audition this new way of payment.

● Pupil A - You work for Google wallet, get ready to:

- briefly introduce yourself and give the reason for your visit,
- explain how your product works,
- develop on the advantages shop owners can draw from the product,
- convince the prospect it's the tool of the future and he/she needs it.

● Pupil B - You are the owner of the restaurants, get ready to:

- explain what sort of restaurants you run and the needs you have,
- ask questions about the product,
- express hesitation and ask for precision before making a decision.