

ARGENTINA

Mobile Commerce Clusters



Environment



Infrastructure



Consumer Readiness



Financial Services



Regulation



Country Score — Index Average

SUMMARY

Argentina faces the challenges confronting many developing markets

–lack of access to the banking system along with legal and regulatory issues. However, it offsets these with some distinct advantages—a highly developed

telecommunications infrastructure and a concomitant high level of mobile device penetration. These latter two characteristics point the way forward for Argentina in developing mobile payments.

WHAT YOU NEED TO KNOW

- > Mobile infrastructure and device penetration outpace consumer interest
- > The paths most likely to succeed are consumer education, pilots, and P2P
- > Consumer willingness, though low, is more than twice familiarity for all three payment types

COUNTRY OVERVIEW

Market Forces

Compared with access to banking services, the ubiquity of mobile phones in Argentina (there are more than two mobile phone subscriptions for each Argentine aged 15 to 64) presents mobile payments as a vehicle for extending the benefits of a banking relationship to larger segments of the population.

And while regulatory issues could present obstacles in the future, the Argentine government has thus far shown remarkable awareness of the power of electronic payments as a tool for increasing social cohesion, government oversight, and taxable revenue.



Argentina averages two mobile phone subscriptions per capita.

Consumer Sentiment

Consumers express more willingness to use mobile phones to transmit money; given demographic trends that point toward the mass market audience, P2P pilots are most likely to gain traction fastest.

However, looking at mobile payments in all its varieties, the Argentine consumers surveyed are neither familiar with nor willing to try mobile payments, both absolutely and in comparison with other markets. Until they are, it

is unlikely that the other pieces will fall into place. The task then is to raise awareness among consumers, especially about the benefits of P2P.

GLOBAL PERSPECTIVE ON CONSUMER SENTIMENT IN ARGENTINA



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MASTERCARD CONCLUSION

The best near-term opportunity for Argentina is likely in the P2P market.

Consumer education and integral pilots and partnerships are the major tools that present themselves to issuers, telcos, and device makers alike.

Institutions in Argentina seeking to advance the fortunes of mobile

payments as a concept could consider a top-down approach, combining overtures to the State with the pilots and programs mentioned above.

Coupled with consumer education and developments abroad, such efforts could lift awareness of the benefits of mobile payments for Argentine consumers as well as the government.

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Mobile Payments
Readiness Index

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