

Study: Consumers don't want wallet phones; airline, movie tickets on cell phones more acceptable

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Of the things users expect their cell phones to be -- address book, calendar, camera, music player -- a wallet isn't one of them, according to research by a Kansas State University marketing professor.

Cell phone users are leery of putting banking accounts, identification and other sensitive information onto a device that gets left in cars, buried in the bottoms of purses and lost between sofa cushions, said Esther Swilley, a K-State assistant professor of marketing.

"I think what's going to happen for consumers to accept a wallet phone is that it's going to have to go in stages," Swilley said. "So now we have everybody's telephone number on our phones. Next you will be doing airline tickets and things like that on your phone. Next thing you know, everything in your wallet is going to be on the phone."

She surveyed both college students and a segment of the general population about their readiness to use wallet phones. The results for both groups were the same -- they didn't want them.

"It was the risk that was involved, and people didn't want to take the risk," Swilley said.

The research will appear in the April issue of the *Journal of Consumer Marketing*.

"I would say something in my classes about wallet phones, and just the look on students' faces said no," Swilley said. "I would ask them why, and everybody said, 'because I lose my phone.'"

Her students conceded that if their phone had the same information as their wallet they would keep better tabs on it. But they still said it wasn't worth the risk, even with password protection.

Swilley predicts that consumers will be more willing to accept keeping an airline, movie or sports ticket on their phone. For instance, Fandango is testing a system for sending movie theater tickets to cell phones.

"With something like a ticket, all you have to do is swipe the phone, so it's easy and people aren't as concerned about it," Swilley said. "If somebody stole the phone, you'd be mad, but your identification would be intact."

In Europe, Swilley said consumers are using their cell phones to purchase items from vending machines with a swipe of their phone. The difference is that the money isn't deducted from the user's bank account. Rather, the phone works like a gift card, in which the user places a set amount of money on it.

Swilley said the wallet phones wouldn't look any different from other cell phones. It's the chip inside that would allow users to store the type of information that goes in their wallets.

"What was interesting is that most [cell phone](#) technologies start in Asia," Swilley said. "So they started the wallet phone in Japan, and it didn't catch on there. If it didn't catch on in Japan, it probably won't catch on here, either. If it does, I do think it's going to take a while for Americans to cozy up to the idea."

Provided by Kansas State University

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