

# Google advances on mobile payment system, makes partnerships with MasterCard, Citigroup

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An NFC mobile phone interacting with a smart poster. Image: Timo Arnall/Wikipedia

(PhysOrg.com) -- Google is making some new friends in the world of finance. They have announced partnerships with both MasterCard and Citigroup, that will allow users of Android-based phones to go shopping and pay with their smartphones at the register. Rumors about Google's exploration of near-field technology for payment processing have been floating around for some time now, but we finally have some specifics to drool over.

This deal will involve VeriFone Systems, who will be making the readers that will be need for the transactions. VeriFone usually makes credit card readers, so this may not be a major transition for them. Google has also

begun talks with another potentially large partner, Wal-Mart, which would give them a fair sized starting set of locations.

The project, is still in its very early stages, but rumors are flying around that Google is expected to begin testing of an NFC system as soon as within the next fiscal quarter.

You may be wondering what exactly Google is going to be getting from this deal? According to sources close to the deal Google isn't expected to get any of the revenue from the transaction fees. Most likely, what they have to gain is a lot of new data about their users. Over time this shopping data will be able to determine patterns of consumption and more effectively target adds to mobile-device users while in or near participating stores. The program may also offer customer data to retailers. So, while this technology may be cool, there are some kinks to be worked out. Google would do well to learn from its experience with [Google Buzz](#), and make sure to give consumers control over what data they are sharing.

Near Field Communication technology has been supported by Google's Android operating system since the release of Android 2.3, which you may know better as Gingerbread.

**More information:**

via [WSJ](#)

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