

# PayPal to expand in Asia after mobile app launch

March 16 2012, by Stephen Coates

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PayPal Asia-Pacific chief Rupert Keeley said Friday the US company plans to expand in the region over the next 12 to 18 months, after it launched the region's first [payments service for smartphones](#).

Australia and Hong Kong were the first countries in the region to have the new [mobile system](#) but Keeley said it would soon be available in other markets including [mainland China](#), where the licensing process was under way.

"We're delighted to be the first in Asia Pacific to offer this innovative mobile solution," he said, noting that Asia had a \$1.3 trillion small-medium business [retail market](#) combined with rapid uptake of [smart phones](#).

"PayPal is going to change the way millions of merchants and consumers connect with each other in the Asia-Pacific region," he said.

The online [financial transactions](#) company's region headquarters is in Singapore but it serves many of its customers in the vast region remotely through a network of six sales offices, he said.

Keeley said PayPal was "looking to expand our footprint in Asia" with the opening of new offices in several countries, including India.

The company currently has six sales offices in the region, covering Tokyo, Shanghai, Hong Kong, Taipei, Singapore and Sydney. It has

development centres in India and Singapore and customer support centres in China and Malaysia.

Keeley said Indonesia was another attractive market, but would not confirm if the archipelago of 240 million people was on PayPal's list for expansion.

The new PayPal Here system will allow merchants in Australia, Canada, Hong Kong, the United Kingdom and the United States to take payments using smartphones.

It uses a triangle-shaped "dongle" [card reader](#) that plugs into mobile devices to let people make purchases with vendors on the run, including small businesses that do not have merchant accounts with traditional banks.

PayPal Here software also lets shopkeepers take payments by snapping a picture of a card with a [smartphone](#) instead of having to swipe it in the dongle.

In the United States the service from eBay-owned PayPal will rival one offered by startup Square, a brainchild of Twitter co-founder Jack Dorsey.

Square has been a hit with independent entrepreneurs and small businesses ranging from masseuses and taxi drivers to farmers and bicycle shops.

PayPal plans to capitalise on its dominant position as a global service for online purchases.

"We are going to aggressively push this out to our 100 million PayPal users around the world," PayPal mobile vice president David Marcus

said while unveiling the new service in San Francisco.

"We can accept any form of payment, short of barter."

PayPal Here thumb-sized plug-ins and accompanying software for smartphones are free. Here was being rolled out for Apple's iPhones with a promise that a version for Android-powered smartphones would be available soon.

[PayPal](#) will charge merchants a fee of around three percent for each transaction, depending on the market, Keeley said.

"It's going to be a huge business for us," he told reporters in Hong Kong.

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