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News

French telcos unite on mobile paymentThursday 10 February 2011 at 11:29 :: [#359](#)

Bouygues Telecom, Orange, SFR, along with Atos Origin have formed a new joint venture (JV) company to launch Buyster, an innovative, simple, quick and secure remote payment solution from fixed and mobile Internet, which will be available in France from mid-2011. Customers will be able to sign up to the service for free, linking their bank cards to their mobile phone number. This means that to make online purchases, the users will no longer need to provide their card details, just their phone number and a confidential Buyster code. Buyster will be available to all bank card holders and customers of French mobile network operators, including MNNOs.

Each of the four Buyster partners will own a quarter of the new venture, which starts out with EUR2.8 million in capital and a staff of 15.

The rivals are planning to take advantage of the European Payment Services Directive (PSD) to launch Buyster in the middle of this year, although the Banque de France has yet to grant a payment institution license.

Major online retailers in France, including Aquarelle, Brandalley, Darty and Rue du Commerce have already backed the new offering, which will be marketed through the participating telcos to their 50 million customers. In order to simplify its implementation in online merchant stores, the Buyster payment service is designed to be integrated as standard in all Internet payment platforms on the market. Buyster will therefore, from its launch, be easily implemented by more than 30,000 online merchants that have chosen the payment platforms Merc@net from BNP Paribas, Payline from Monext and Sips from Atos Worldline.

Not surprisingly, "m-commerce" is considered a sector with quite a bright future. The online business grew 24% in France last year, and was worth EUR 31 billion. Within five years this figure is expected to double, with 10% of online payments likely to be made via the mobile phone. Eric Gontier, CEO, Buyster, said "over the next five years, we are counting on a share of the m-commerce market representing 10% of the turnover for e-commerce with an estimated amount of just over EUR6 billion."