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Mastercard users to authorise payments via their heartbeat



Mastercard opened its first innovation hub five years ago to test and roll out new retail

technology in partnership with start-ups and retailers.

The payments provider now has seven innovation hubs worldwide, from Silicon Valley to Nairobi.

In its Dublin office, Mastercard is focusing on developing disruptive technology that retailers and consumers alike can use.

From a bracelet that authenticates payments through the wearer's heartbeat, to virtual reality-enabled gift cards, Mastercard's range of technology tests are certainly diverse. But there's one buzzword that is strictly off limits.

Chief innovation officer Garry Lyons says: "We have a philosophy at Mastercard that cool doesn't cut it.

"It might be fantastic to pay with Google Glass but our technology needs to be easy to adopt, highly scalable and serve a genuine need for customers and retailers if it's going to have a future."

Mastercard has identified 12 technology trends, which Lyons says will have "a genuine impact on commerce in the next five to 10 years" and is developing technology to serve each of those needs.

"We're not just talking about the future, we're trying to create it," declares Lyons.

The future of retail

Biometric payment, which authenticates purchases based on a shopper's physical characteristics, is one of the technology trends that Mastercard is banking on revolutionising retail in the next few years.

The payments giant is trialling technology that will allow shoppers to authenticate payments using their fingerprint or iris. It also plans to introduce its

Mastercard has innovation hubs across the world dedicated to "creating the future" for retail technology.
Grace Bowden visits its Dublin lab



Clockwise from top left: the bracelet that allows customers to authorise payments using their heartbeat; the self-pay app to launch in the UK this summer; and trialling virtual-reality technology

selfie pay technology to the UK this summer following trials in the US and the Netherlands last year.

Mastercard is also working with start-up Nymi on a wristband that seems like it has come straight out of a sci-fi novel. The technology will recognise a user's unique heartbeat to authorise payments.

Mastercard piloted the technology to authenticate a purchase in Canada last year and says it is the world's first wearable biometrically authenticated contactless payment device.

"Technology needs to be easy to adopt, highly scalable and serve a genuine need for customers and retailers if it's going to have a future"

Garry Lyons, Mastercard

"It's a bit of a mouthful, but this technology is an indication where retail payments will go in the next few years," says Lyons.

"Wearables are going to play a big part, both in terms of capturing data as well as offering a new experience for shoppers with increased payment security."

It's not just payments that Mastercard is looking to disrupt. The supplier is also developing virtual reality-enabled gift cards that will allow shoppers to select purchases that shoppers can then view using a virtual-reality headset.

Failing smart

Mastercard is trialling a variety of new technology at its innovations hubs. However, Lyons stresses that he does not expect every technology being developed to succeed and that failing smart is essential.

"The reality is we have to move quickly and experiment because we know not everything we innovate is going to succeed," says Lyons.

"We've had products that have been trialled and killed and others that have moved into the core market. If you are going to fail, which when you are innovating is sometimes inevitable, you want to fail fast, cheap and learn as much as possible."

Instead of testing extensively to avoid failure, Mastercard's tech hubs prioritise speed, and Lyons says it can deliver the first iteration of a new technology to a retail partner "within a week".

"We see a huge opportunity as technology trends and payments evolve to deliver innovation and value to retailers and consumers alike," says Lyons.

As retailers grapple with the decision of which technology to invest in next, Mastercard is positioning itself as a middleman by testing and delivering retail technology that inspires and makes life easier for shoppers.