

VERIZON WIRELESS

Commerce & Payments

September 29, 2011

- Attract incremental new revenue streams adjacent to or outside core VZ competency of communication services
- Focus on fewer, bigger initiatives; augment with 3rd party innovations
- Leverage existing assets (brand, billing system, channel) to establish strong foundation for mobile enabled commerce and payments ecosystem
- Leverage NFC as one of the new enablers to enhance customer experience
- Embrace new innovations selectively to align with strategic approach

Download Apps To My Phone For Financial Services

Pay for Goods & Services on My Phone

Pay for Items in Any Retail Store By Tapping My Phone

App Enabled Payments

Remote Payments

Proximity Payments



2010

Customers Leverage Open Platforms Today



2011

Exceed Customer Expectations



2012

Define Customer Expectations

Proximity Payments



“Off-line”

“Mobile Wallet”

“Check-In”



Remote Payments

“On-line”

“Shopping Cart”

“Check-out”



PAYFONE + partners

Consumer Experience

Use mobile phone to pay for goods and services in brick and mortar stores

Buy goods and services remotely using mobile phone

Addressable Market

\$ 4.3 T growing @ 1-2% yoy

\$ 256 B growing @ 30+ % yoy

VZW Tech Enablers (New)

NFC in handset & POS terminal

VZW Billing APIs

Simple, Secure and Trusted – must be easier and safer today, with trusted privacy

Consumer



Banks



Open, Trusted Platform to connect bank accounts to mobile phones with corporate class security



Scale and Standards to justify investment in NFC payments and commerce



Merchant



Distribution

Distribution to drive adoption (MNO channels)