

Documented thoughts

The United States versus the rest of the world: the disparate difference in technological adoption

by Ravi Das

I have had numerous opportunities to travel by train whenever I had to visit a client. Usually, when going on such a long-distance rail journey, I just like to drink my coffee and relax. On one of my journeys, however, I decided to take notice of how many commuters are constantly glued to their smartphone. I took a physical count, and on that particular day, I noticed 35 out of 40 people in the carriage playing around with their wireless device.

The question then arose as to what would happen to these people if their phones would vanish out of their hands? Of course, they would be completely paralysed. Let's face it, no matter what country or time zone we are in, the smartphone has become an extension of our daily and professional lives, 24/7/365. But nowadays, another dimension is being added to the smartphone, which will make it that much more of a leash on society: the way you pay for items at the convenience store. In other words, you can literally pay for your groceries with just a tap of your mobile phone.

How does it work? Well, depending on the kind of smartphone you are using, you first have to download a mobile payment app, such as Apple Pay for iPhones. After installing the app, you enter your credit card information which is then permanently stored into the phone. Next time you go to McDonald's and wish to purchase that hot cup of gourmet coffee, all you have to do is merely tap your phone onto the cash register. The credit card information stored in the app will be transmitted to a Near Field Communications antenna on the cash register, and within seconds those few dollars or euros will be deducted from your credit card. As an added security feature, Apple Pay makes use of fingerprint recognition in order to positively, 100% confirm your identity. In more technical terms, this method of payment is known also as 'virtual payment'.

Despite the convenience and the advantages it has to offer, there is a stark difference in the actual usage rates of virtual payments in the developing nations versus the developed ones. For example, in Africa, it is being used quite heavily. Consider these statistics:

- 89% of Kenyans are familiar with mobile payments
- 68% of Kenyans are already making use of virtual payments

- MasterCard has identified Kenya as one of the top developing nations which will make heavy usage of virtual payments in the future.

Now, consider these usage statistics when it comes to the United States:

- 16% of US consumers have totally adopted the idea of using virtual payments.
- On average, 75% of US consumers make fewer than five purchases a month using their smartphone.

Why is there such a sharp discrepancy? In the United States, we have this document called the Constitution. In it, we are afforded many rights and liberties. Because of this blanket of security, the average US citizen can easily claim that the use of virtual payments is a sheer violation of privacy rights and civil liberties, and therefore we can choose not to use a virtual payment scheme. However, in the developing nations of the world, particularly in African countries, there is hardly any formal document which spells out the civil rights and liberties. As a result, many African citizens are not recognised as individuals in the eyes of their own government. The use of a virtual payment scheme (especially when it uses biometrics) gives these citizens the opportunity to be actually recognised as unique human beings.

The citizens in these developing nations don't mind having this 'extra leash' being extended to them, as opposed to the average US citizen. In fact, this is a symptom of a much larger issue when it comes to the American society adopting newer forms of technology. Perhaps the pace of technological development needs to slow down with the pace of the social impacts it brings, in order to fully level the playing field of its adoption worldwide.



Sources

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