

《关于Apple Pay的英文报道》

Many of Apple's products such as the iPhone have been huge successes in the Chinese market, but will Apple Pay enjoy the same fortunes? Now for more on this, we are joined in the studio by my colleague Wu Haojun.

Q1: Chinese consumers already have more than a few mobile payment options, literally at the tip of their fingers. So is there still room for Apple Pay?

A: Well, let's just say Apple Pay's breaking into the Chinese market starts out like the story of David versus Goliath. But in this case, in spite of its global dominance, Apple is the David here. The Chinese mobile pay market is already dominated by internet giants Alibaba and Tencent that collectively control over 80% of the market. And the picture looks all the more bleak for Apple if you consider that Tencent probably still has more than a few aces up its sleeve, given that all of its 650 million Wechat users can, if they wish, connect their bank accounts to WePay through a simple two-minute process. And it seems that China's home-grown mobile payment providers aren't just the early birds, but bigger, faster and more flexible. While Apple Pay only works on apple devices, it's no holds barred for Alipay and Wepay. And while Apple Pay functions as a substitute for credit and debit cards, China's domestic payment services can do that and a whole lot more, from paying for taxi rides, food delivery, to investing in wealth management funds and even paying utility bills.

With no cash or cards on me, I pulled out my smartphone and let the waitress scan my AliPay. I got my coffee seconds later.

While in some other stores, it's a simple click away that I can use my WeChat wallet to purchase stuff."

Over 300 million people in China are using mobile payment apps, according to a recent report. People we spoke to on the street shared their preferences about the various mobile payment options.

WeChat Wallet is more popular as people can chat and pay on one single app. There's no need for other apps.

I prefer AliPay as I've been using it longer. Transferring money on WeChat is too slow."

Shanghai is the third-biggest market in the country in terms of using mobile payment apps. Business owners also like the convenience.

"We don't have to worry about change when our customers use mobile payment apps," Niu Xuenian with Taste & See said.

However, neither AliPay nor WeChat Wallet is perfect.

When you are underground and the signal is bad, mobile payments are not effective. The technology still needs to improve, but young people definitely find it easier to use compared with older folks.

Other people we talked to on the street said they use different mobile payment options due to the promotions offered and that they would be willing to try Apple Pay as long as it's secure.

HAOJUN: "With 100 percent saturation of local payment systems, no one in China is clamouring for Apple Pay," that's what one Chinese retailer said in response to the launch of Apple Pay in China. And some have even gone so far as to say it's "dead on arrival". So in this story of David versus Goliath...whether David can eventually come out on top or not..there's now a huge question mark on that.

Q2: Now given the already packed field, what is Apple doing differently from China's own mobile payment providers to gain an edge in competition?

A: One key difference, which might just be Apple's winning strategy, is that Apple is working with the traditional banking system and not against it. The U.S. firm has 19 of China's biggest lenders as partners. That means 80 percent of China's credit and debit cards are eligible for Apple Pay, usable at about one-third of all locations that accept those cards. In China's third and fourth tier cities, where Alipay and WePay have not made as much foray, Apple does seem to hold a potential advantage. And it's interesting to note that this certainly isn't a one-way initiative. There's been a huge capital flight from China's traditional banks to mobile systems such as Alipay and WePay, where the returns on capital are higher and usage more flexible and convenient. So the banks are also hoping to take advantage of this alliance with Apple to stop this capital flight and keep Chinese people's money in their own coffers.