

Tired of carrying cash? Well, your mobile phone is your wallet.

Quick response (QR) code-based mobile payments are gaining momentum in South Africa allowing consumers to make payments using their mobile phones. More and more companies in both the financial services and fast food industries are accepting mobile payments. But, the questions still remains “Are South African consumers ready for a cashless society?”. Answers to this question are important for companies that are investing heavily in mobile as the mode of payment.

A study was conducted by July Sekhoto, a [Master's](#) student in the [Department of Marketing Management](#), to determine the extent to which consumers are ready to adopt QR code-based mobile payments, as an alternative to cash. Data were collected from a sample of Generation Y consumers who owned a smartphone and who had downloaded a mobile payment app at the time of survey. Generation Y consumers are regarded as techno-savvy and receptive to new technologies. A total sample of 111 respondents was realised. The results of the study indicated that consumers' level of optimism significantly predict their readiness to adopt QR code-based mobile payments. Contrary to previous reports, consumers' innovativeness, discomfort and insecurity emerged as insignificant predictors of consumers' readiness to adopt QR code-based mobile payments. The study recommended that service providers should focus on designing marketing communication strategies to promote the benefits of mobile payment services that consumers view as important rather than promoting only the features of the application.

Although respondents showed high levels of discomfort and insecurity in the use of QR code-based mobile payment systems, marketers should find ways to reduce scepticism levels by investing in payment applications that are compatible with users' lifestyles. Transaction costs should be kept to a minimum and not be passed on to the consumers to enhance their optimism levels while reducing high levels of discomfort in using QR code-based mobile payments.

This research was conducted as part of the fulfilment of the [Master's degree](#) in [Marketing Management](#) in 2018 with the [Department of Marketing Management](#) by July Sekhoto under the supervision of [Dr. M. Humbani](#).