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Headline: Grab moving into e-payment market

New peer-to-peer fund transfer feature will target cash-reliant merchants

# Grab moving into e-payment market

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Ride-hailing company Grab wants a slice of the electronic payment market.

Yesterday, it launched a peer-to-peer fund transfer feature on its app and aims to extend the payment platform to more than 1,000 merchants by the fourth quarter of this year.

Its targets are merchants who rely heavily on cash transactions, such as hawkers and small retail shops.

More than 75 per cent of Grab

users in Singapore use the cashless payment option, GrabPay, for their rides.

Grab, which has a presence in seven South-east Asian countries, plans to trial cashless payments beyond transport in Singapore first.

With the new peer-to-peer transfer feature, Grab users can transfer money, or GrabPay credits, to another user using a QR code or phone number.

The GrabPay credit cannot be cashed out and is used only to pay for Grab rides.

Mr Jason Thomson, head of GrabPay, declined to reveal more details about the merchant scheme, such as transaction fees, at a media briefing yesterday. But he said the platform would be easy and intuitive to use.

## MARKETING EXPOSURE

Adoption will be low-cost compared with other cashless payment methods, and merchants will get access to Grab's customers as well as increased marketing exposure, he said.

Cashless payment has become a hot topic since the National Day Rally on Aug 20, when Prime Minister Lee Hsien Loong named it as an area Singapore is lagging behind in, though it is part of the Smart Nation vision.

Another peer-to-peer transfer service, PayNow, which works by entering the recipient's mobile phone number or NRIC number in any bank's app, was launched last month.

It can also be used to pay taxi drivers, hawkers and sole pro-

prietors, and a QR code option will be launched soon.

PayNow saw 500,000 registrations in five weeks and more than \$10 million transferred.

Mr Patrick Thng, a senior lecturer in information systems at Singapore Management University, said it would be tough to get micro-retailers such as hawkers on board in the first year, but Grab can offer lower transaction fees and services such as food delivery.

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