

Zapp app to enable millions more shoppers to pay by smartphone

System launching in autumn available to 18 million UK current account holders from five banks in new shift from card payments



Millions of consumers will be able to use a smartphone app to pay for purchases this year in the latest shift away from cash and card payments. Known as Zapp, the app is due to launch in the autumn and will be available to 18 million UK current account holders .

The mobile payment system will only work for online purchases initially, but Peter Keenan, chief executive of Zapp, said he expects it to be enabled for at least one in five store payments from late 2015, meaning that consumers can "leave their wallets at home".

Zapp will be synchronised with existing online banking apps for smartphones and tablets. It will work by using a code sent to a customer's smartphone when they touch the 'Pay by Zapp' button on a self-checkout touchscreen or tell the cashier at a till that they wish to pay this way. Alternatively, customers will be able to scan a code into the handset from a paper bill or the screen on a modern card machine.

The code will contain all the information needed to complete the transaction, including the price, and the retailer's details and information about the goods being bought, which will appear on your mobile screen. Once a customer has opened the mobile banking app on their phone the transaction can be completed, with testing by Zapp suggesting the whole process will take about 12 seconds.