Identity thefts and data breaches have been constantly making headlines in the news and pose persistent threat to mobile app security. Mobile payment applications are also prone to these threats and businesses need them to be secured for successful business transactions and retaining satisfied clients. Mobile app security for payment applications has considerably seen an improvement in recent time and the ISACA has termed mobile payment apps more secure and beneficial for businesses and consumers as compared to online shopping sites and plastic payment cards.

There has been a significant improvement in mobile payment technology over the past years, especially with the introduction of the concept of tokenization. The idea behind the concept of tokenization is that secured mobile payment apps, known as mobile wallets, generate a random token to the Point of Sale terminal (POS) rather than transmitting the Primary Account Number (PAN) of a card during transaction. This helps the customer’s critical information from being hidden from potential perpetrators during transit. This technology contributes towards stronger mobile app security and lessens the chances of fraud as compared to payment cards, where PAN is visibly written onto them and the magnetic strip can also be read with a card reader.

Another added advantage of mobile payment technology is that it keeps the mobile wallet secure in case a device is stolen or lost. Data on the mobile device can be removed from a remote location and payment cards do not need replacement as their information does not exist on the mobile wallet.

**Secure Mobile Payments can Encourage Business**

Improvement in mobile payment technology has enabled the formation of increased customer trust and satisfaction for businesses and serves as an added value for them. The reduction in fraud has resulted in reduced costs and given businesses the confidence to introduce customer loyalty programs. However, enterprises must consider all potential risks that come along with the benefits. Technology, in every form, comes with risk elements and this must be evaluated before a business plans to adopt mobile payment.