Agentic Commerce: Mobile or the Metaverse?

General Commentary & Highlights

- ARK Invest forecasted that AI agents could facilitate nearly $9 trillion in payments by the end of the decade (25% of ecommerce), growing from basically zero today.
- However, for agentic commerce to achieve that level of success, it must be trusted by customers and supported by merchants, which will require robust and accessible technology, fair and sustainable economics, and updates to the fundamental rules that govern digital payments today.
- If agentic commerce scales, it will fundamentally alter behavior across the customer journey: how people search for products, make purchasing decisions, pay for goods, and interact with loyalty programs. It is far more than an evolution of the checkout experience.
- It's still a fair question to ask, at this early stage, will agentic commerce turn out like Mobile (transformative) or the Metaverse (mostly hype)?

1 Agentic Commerce at a Glance

(illustrative; simplified e-commerce journey)

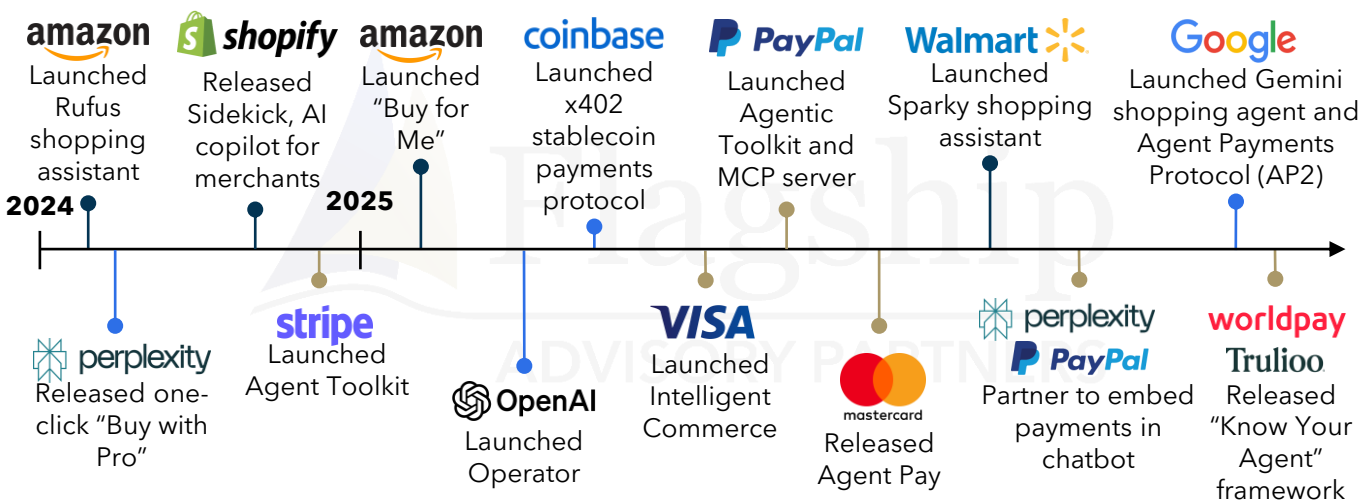
AI agents discover, decide, and execute transactions on behalf of consumers.

Pre – Transaction		During Transaction		Post – Transaction	
User Prompt & Controls	**Discovery & Shopping**	**Checkout & Payment**	**Auth. & Approval**	**Loyalty & Disputes**	**Learning & Refinement**
Buyer prompts agent and sets controls (criteria, cost, speed, etc.)	Agent searches the Web (and in-store) and selects product & merchant	Agent fills in checkout form or sends order and payment details via API	Approval likely based on review of agent, items, and payment	Agent continues to help with points, benefits, returns and disputes	Agent learns from buyer's preferences and successful transactions
Who provides the agent? Who owns the customer?	Will agents crawl merchant sites, use APIs, or use aggregators?	What payment model (MoR, wallet, on-us)? How will payment mix change?	How will fraud models evolve? How to comply with SCA? When will infrastructure be ready ?	How do agents fit into dispute rules? Will agents change the math for points and benefits?	Who owns the transaction data? How will merchants react to agents seeking compensation?

Source: Flagship Advisory Partners

2 Recent Developments

(non-exhaustive; select key events)



LEGEND: Acquirers & Networks — Big Tech & AI Platforms — Merchants & Platforms

Source: Flagship Advisory Partners, Company Press Releases

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3 Agentic Commerce Market Map

(non-exhaustive; logos are indicative)

Sources: Flagship Advisory Partners, CB Insights, Acrew Capital, MJ Farah

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4 Proposed Agentic Payment Frameworks

(select details; non-exhaustive list of frameworks)

VISA INTELLIGENT COMMERCE[1]

- Two net-new capabilities (**payment instructions** and **signals**) supported by three pre-existing capabilities (**authentication, tokenization,** and **personalization** (data tokens))
- Authenticated users can create **agent-specific tokens**, which are locked until users describe payment instructions
- At point of purchase, **agent shares purchase characteristics with Visa**, which validates those signals against the instructions and unlocks the token
- With user opt-in, **buyer insights can be shared with agents**' context window for personalization

mastercard AGENT PAY

- Adapts traditional tokenization into **Agentic Tokens**, explicitly for registering and governing AI agent activity
- Specifies **data exchange standards for personalizing** agentic shopping results
- **Verifies user intent** and matches it to transaction results
- Users can opt-in to personalization via **biometric authentication**
- By Q4 2025, **all U.S. Mastercard cardholders will be enabled** for the Mastercard Agent Pay program, with global rollout to follow

Google AGENT PAYMENTS PROTOCOL

- Open protocol for agent-led payments
- **Payment-agnostic**; works for cards, bank transfers, and stablecoins
- Can be used as an **extension of the Agent2Agent (A2A) protocol and Model Context Protocol (MCP)**
- Addresses simple use cases and enables new, complex commercial exchanges through **digital contracts ("mandates") that memorialize user instructions and limits, basket contents and prices**
- Mandates address **"human present" and "human not present"** scenarios

PayPal AGENT TOOLKIT & MCP SERVER

- **API library for commerce** capabilities (payments, orders, invoices, subscriptions, disputes, reporting, etc.)
- **MCP server** helps agents call PayPal's APIs via structured interfaces, supporting faster deployment of agentic
- **Integrates with agent frameworks** such as OpenAI's Agents SDK, LangChain, Vercel AI SDK
- Showcased **demo with Gemini Shopping Assistant** using agent-to-agent protocol

[1] Currently in development; availability may vary by market

Sources: Flagship Advisory Partners, Company Websites, Press Releases & Product Demos

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For any questions, please do not hesitate to contact the author(s):

Ben Brown
Partner
Ben@FlagshipAP.com

Tim Gallagher
Consultant
Tim@FlagshipAP.com

Joseph Kraut
Analyst
Joseph@FlagshipAP.com

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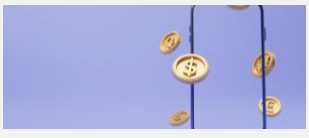

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