

AN ISSUER'S GUIDE TO CONTACTLESS PAYMENTS IN THE U.S.

smartcardalliance.org

WHAT ARE CONTACTLESS PAYMENTS?

Contactless payments are secure payment transactions that don't require physical contact between the payment device, such as a dual-interface EMV chip card, NFC-enabled mobile phone or wearable, and the acceptance device.

BENEFITS OF CONTACTLESS ISSUANCE

Improved Portfolio Utilization

Increased spend

Straightforward Dual-interface Deployment

Similar requirements as EMV contact-only cards

Global Interoperability

Enhanced Security

Same strong security with both contactless and contact EMV payments

Faster & More Convenient Transactions

Improved Dual-interface Card Economics

Complementary Strategy to Mobile Payments

NFC-enabled mobile payments as driver for contactless payments

Top-Of-Wallet Status

New Opportunities

Access control, authentication, loyalty, coupons

BENEFITS SEEN IN OTHER COUNTRIES

\$2 BILLION PER WEEK

Spent using contactless



\$30 BILLION INCREASE

In value of contactless transactions in 2015



233% INCREASE

In contactless spending value in 2015



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SOURCES:

<https://www.finextra.com/pressarticle/64672/contactless-payments-take-off-in-canada>

<http://www.smh.com.au/business/retail/110bn-australia-contactless-boom-20160805-gqmg7j.html>

<http://www.smartpaymentassociation.com/images/news/16-04-26-SPA-Contactless-Payment-Benefits-WP-Final.pdf>