

## About Visa Mobile payWave

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Visa payWave is Visa's contactless payment technology that enables consumers to make "wave and go" payments at the shop counter using their payment cards, without a PIN for purchases under \$100 or with a PIN for purchases over \$100.

Consumers in Australia are now able to make the same contactless payments using a growing range of mobile phones or wearable technology – by waving their device in front of a contactless terminal.

### **What are the benefits of Visa Mobile payWave?**

Visa payWave transactions have proven to be around three times faster<sup>1</sup> and more convenient than paying with cash. A contactless transaction meets all the same security standards as a traditional chip card. Visa Mobile payWave takes contactless payment capabilities one step further and enables payment via a smartphone or a wearable device, making payments more convenient as people move towards a mobile way of life.

#### **Benefits for consumers:**

- The smartphone is already a life companion. It's our social media manager, personal assistant, DJ and GPS. And now consumers can use the same mobile device or wearable to make payments and leave their wallet behind.
- Visa Mobile payWave transactions are just as secure as card-based transactions. Your phone remains in your hand, giving you control throughout the transaction.
- More options for mobile payments are being made available to Australian consumers from a range of financial institutions and mobile providers.

#### **Benefits for merchants:**

- Electronic payments offer greater efficiencies with reduced cash handling costs.
- Contactless payments improve the customer experience with faster transactions, shorter queues and no PIN required for transactions below \$100. Transactions over \$100 can be completed by wave and PIN.

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<sup>1</sup> Visa Smart Card Deployment Study, Taiwan and Malaysia, Deloitte 2006.

- Merchants that already have contactless terminals in place are able to accept Visa Mobile payWave transactions from the growing range of payment-enabled smartphones and wearables, without needing to make any changes to their systems.

### **How does Visa Mobile payWave work?**

Visa Mobile payWave is the digital version of paying with a Visa payWave card. There are different ways for consumers to activate their existing Visa credit, debit or prepaid accounts with a mobile phone, depending on the device they are using and the financial institution they bank with. Consumers should check with their mobile phone provider and financial institution about their handset's capability and availability of mobile payments.

There are also wearable devices with wave and go payments capabilities being made available in Australia. These devices use the same secure technology as mobile or card-based contactless payments.

There are lots of ways of making mobile payments possible and Visa believes in an open, secure approach, allowing consumers to make mobile payments with whatever device, mobile network or payment account they choose.

### **Why is it needed?**

Visa Mobile payWave is delivering on Visa's commitment to bring new payments innovation to Australia, to make Visa the best way to pay and be paid for everyone, everywhere. It follows the success of Visa payWave in Australia where:

- Australia is leading the world in its adoption of contactless payments
- There are over 127 million Visa payWave transactions made each month<sup>2</sup>
- 75 per cent of face to face Visa transactions are contactless<sup>3</sup>
- There are hundreds of thousands of contactless terminals in place across the country<sup>4</sup> – providing the acceptance footprint for Visa Mobile payWave.

### **What is Visa's role?**

As the payments industry shifts from plastic to digital, Visa is helping financial institutions, merchants and technology partners offer consumers a more secure, simple and consistent way to pay.



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<sup>2</sup> VisaNet data, April 2016

<sup>3</sup> VisaNet data, April 2016

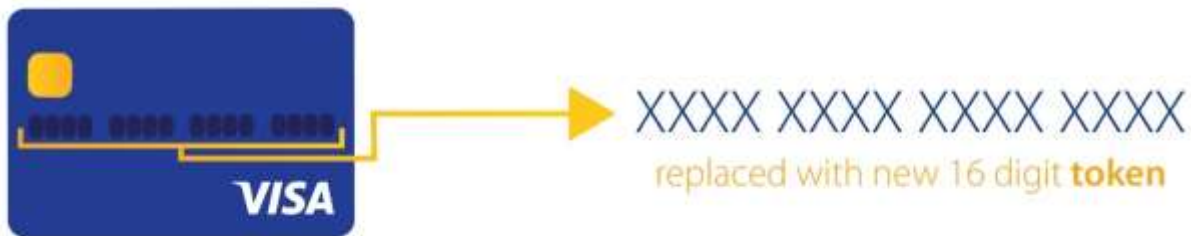
<sup>4</sup> VisaNet data, April 2016

Visa's role is to develop the infrastructure and technology for secure, convenient new ways to pay.

This includes making Visa payWave technology available on the mobile and providing our partners with a new layer of security for mobile payments in the form of the Visa Token Service (VTS).

The Visa Token Service replaces cardholder information, such as account numbers and expiration dates, with a unique digital identifier (a "token") that can be used to process payments without exposing actual account details. The Visa Token Service is used by Apple Pay, Android Pay and Samsung Pay, as well as payment apps from financial institutions, to make mobile payments more secure.

The Visa Token Service is a largely invisible part of the payment process to consumers. When you set up your Visa account to be used on your phone, whether through a bank app or a technology provider like Apple or Google, in the background the Visa Token Service replaces your account details with a token. If your phone is lost or stolen, a fraudster would be unable to retrieve your payment details from the phone.



### **Where can you use Visa Mobile payWave?**

Visa Mobile payWave can be used at thousands of stores across Australia, and anywhere Visa payWave is accepted. Simply look out for the contactless symbol at the payment terminal. Visa payWave has also been introduced in countries/regions including Canada, the United Kingdom, Singapore, Hong Kong and New Zealand.

## How is Visa Mobile payWave secure?

Every transaction using Visa payWave – whether on the card, mobile, or other connected devices – is protected by multiple layers of security, just like a normal chip card. These include:

- **Restricted read range**
  - The mobile device must be held within 4 centimetres of a contactless terminal in order for the payment information to be transmitted to the terminal.
- **EMV chip technology**
  - Visa payWave is based on EMV chip technology. Each contactless transaction includes a unique code that changes with each purchase. Visa Mobile payWave works the same way– it is simply the mobile equivalent of the application that runs on the chip of a contactless Visa card.
- **Low transaction limits**
  - As Visa payWave is designed to offer consumers speed and convenience at the checkout, they do not need to sign or enter a PIN for transactions under \$100. For transactions above \$100, consumers can use Visa payWave with a PIN.
- **Real-time fraud monitoring**
  - Visa payWave transactions on mobile are processed through Visa’s global processing network, VisaNet, in exactly the same way as traditional Visa cards. Transactions are analysed in real-time and scored for their fraud potential. Visa is able to use a comprehensive view of the global payments system to identify fraud patterns and detect suspicious transactions right at the point of sale.
- **Zero Liability Policy**
  - In the unlikely event of fraud, Visa's [Zero Liability Policy](#)<sup>5</sup> means you won't be held responsible for fraudulent charges or unauthorised purchases made using Visa.



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<sup>5</sup> Visa's Zero Liability policy covers Australian and New Zealand-issued cards and does not apply to ATM transactions, transactions not processed by Visa or certain commercial card transactions. Cardholders should notify their issuer promptly of any unauthorised Visa use. Please consult your issuer for additional details.

- **Consumers are in control**

- Your mobile does not need to leave your hand, which puts the consumer in control of the transaction. Consumers can also add an extra layer of security by activating their mobile passcode. If the mobile device is lost or stolen, account holders can have their payment account immediately deactivated by contacting their financial institution.
- Only one payment can be processed at a time, so there's no need to worry about your Visa account being accidentally debited more than once.

### **How likely are consumers to take up mobile payments?**

The rapid rise of contactless payments has set the scene for a shift to mobile payments in-store. The infrastructure is already in place, as mobile payments use the same technology as contactless-enabled cards.

Currently 70% of Australians own a smartphone, providing a large potential user base for mobile payments.<sup>6</sup> The majority – 81% - of consumers say they would use their smartphone for everyday purchases if the option is available to them.<sup>7</sup>

There are several mobile payment solutions already available in Australia from financial institutions and mobile phone providers. Ultimately, consumers will decide how they want to pay and on what device, but the growth in contactless and Australians' history of early adoption of new technology suggests mobile payments are the natural next step to Visa payWave.

### **Want to find out more?**

You can contact your financial institution about what mobile payment options they might have available.

### **About Visa Inc.**

Visa Inc. (NYSE: V) is a global payments technology company that connects consumers, businesses, financial institutions, and governments in more than 200 countries and territories to fast, secure and reliable electronic payments. We operate one of the world's most advanced processing networks — VisaNet — that is capable of handling more than 65,000 transaction messages a second, with fraud protection for consumers and assured payment for merchants. Visa is not a bank and does not issue cards, extend credit or set rates and fees for consumers. Visa's innovations, however, enable its financial institution customers to offer consumers more choices: pay now with debit, pay ahead with prepaid or pay later with credit products. For more information visit [www.visa.com.au](http://www.visa.com.au) and @VisaNewsAU.

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<sup>6</sup> Visa/UMR Strategic research, February 2015

<sup>7</sup> Visa/YouGov Survey, September 2015