

Contactless Cards



Contactless Cards allow members to conduct POS transactions by simply waving their card over the enabled reader, without needing to swipe or insert the card.

- **Contactless Payment Capability**
- **Latest wireless technology**
- **Faster transaction time**
- **Increased security**
- **Top-of-wallet benefits**

Since the introduction of EMV cards, members have enjoyed increased transaction security, reduced card fraud, and the ability to complete touchless transactions.

As the payments space continues to rapidly evolve, credit unions must offer the products and services that members are seeking to remain competitive. Members want to complete transactions as securely and as quickly as possible. Credit unions want to remain top-of-wallet and grow interchange income through increased member card usage.

Contactless Cards provide members with the fast, secure payment capability they seek. These sophisticated cards do it all (insert, tap, swipe, or key entry) and can be used at any payment terminal, even if not enabled for Contactless Cards.

How It Works

Contactless Cards blend the security benefits of the EMV chip card with the convenience of completing a transaction by quickly tapping or waving the card over a contactless-enabled POS terminal. Embedded with a high-powered EMV chip that doubles as an antenna, and using near-field communication (NFC), Contactless Cards operate by using the remote payment technology used for mobile payment platforms, such as Apple Pay or Google Wallet. They combine the security benefits of the EMV chip with the convenience of smartphone transactions. If a terminal is not Contactless Card enabled, members can still complete their transactions, as Contactless Cards contain EMV chip and mag swipe functionality.

It's All About the Experience

Early adopters already have reported that they prefer using Contactless Cards. Transactions are faster, easier, there's no chance of a card being left behind in the POS terminal, and no "remove card" sound effects are necessary. Contactless cards literally work everywhere by having all possible card functions built in (insert, tap, swipe, or key entry). These benefits help drive top-of-wallet status.

Implementing Contactless Cards

Visa and Mastercard each has its own requirements and recommendations for implementation. As an issuer, credit unions will have to implement changes for instant issue, as these cards require additional keys and coding during setup. Credit unions also will need new plastics to accommodate the shift. Rollout of EMV cards

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can be completed as existing plastics stock is depleted or as first-generation EMV cards expire and need to be replaced. Rollout can also be completed sooner if your credit union requires it due to member demand.

Informing and Educating

Educating staff and members alike will be essential. Similar to the “chip and dip” member education campaign, credit unions will need to explain to members how to complete a contactless transaction, provide examples of where contactless cards are accepted, and emphasize the increased security and convenience of contactless cards. Including information like this in pre-printed inserts, newsletters and on signage and monitors at the branch are a few ways to spread the word on how to use contactless cards.

Contactless Card Features

Contactless Payment Capability. At enabled terminals, members can complete a transaction without dipping or swiping.

Wireless Technology. Card contains an embedded antenna and more powerful EMV chip.

Increased Security. Transaction security is increased, and card fraud is decreased.

Pay Anytime, Anywhere. Card can still be dipped or swiped if contactless payments are not supported.

Faster Transaction Time. A traditional card must remain in the POS terminal, increasing the risk of the card being left behind. Tap and go transactions are faster and more convenient.

Better Member Experience. The speed and convenience of using Contactless Cards make them the preferred payment choice for members. They also work everywhere—insert, tap, swipe, or key entry.

Top-of-Wallet. The benefits experienced when using contactless cards make it the top-of-wallet choice over other card options.

Incremental Rollout. Use existing stock of plastics and implement when new inventory is needed.

“Members use cash for 26% of all payment transactions. That’s \$50 billion spent each year! When implemented, transaction volume is expected to shift from cash to Contactless Cards. Within three years, we’re expecting a lift of up to 30% in card transaction volume. Simply put, Contactless Cards drive incremental revenue.”

Rebekah Higgins

Chief Growth Officer

Learn More

For additional information on implementing Contactless Cards at your credit union, please contact your dedicated Client Success Manager.