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## Mythbusting Mobile Payments

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**MYTH: It's much safer to use credit cards than debit cards with mobile or online wallets**

**FACT:** Not True! Consumers who use a debit card are equally protected against fraud as those who use credit cards. If consumers are innocent victims of fraud they are identically protected by Visa Europe's rules.

**MYTH: You can only use mobile payments such as Apple Pay if the purchase is less than £30**

**FACT:** People who use mobile contactless payment services payment such as Apple Pay, can touch to pay using their phone at any of the 410,000 Visa contactless terminals in the UK, 2.6 million contactless terminals across Europe or anywhere around the globe that accepts contactless. Terminals have the ability to accept high value payments – payments over the £30 contactless threshold – provided that there is a cardholder verification (for example Touch ID as is used in Apple Pay for all in-store transactions) and the retailer has activated the terminal to accept high value mobile payments. While there may not be many places that accept high value payments in the UK when Apple Pay launches, we expect the expansion of shops, cafés and restaurants that accept these transactions to happen very quickly with mobile payment services now increasingly commonplace across Europe.

**MYTH: People can steal my credit card information off my iPhone with Apple Pay**

**FACT:** Visa's contactless payment Token technologies and numerous unique security features built into the iPhone and Apple Watch allow Visa cardholders use Apple Pay in an easy, secure and private way.

### Tokenised Visa payments through Apple Pay

When you enrol your Visa card within Apple Pay, your payment card information (including the 16-digit account number found on the front of your Visa card) is substituted by Visa and your card issuer, with a Device Account Number that can be securely stored on Apple devices - and passed to merchants to process transactions you make with Apple Pay.

We call this process 'payment tokenisation', and it is effectively invisible to you as a consumer, happening behind the scenes. Your underlying Visa credit and debit card numbers are not stored on any device running Apple Pay, or on Apple servers - and are never shared with merchants through the service, acting as a powerful layer of additional security.

### payWave for Mobile

payWave for Mobile technology from Visa is used within Apple Pay to enable the creation of a dynamic, secure code every time you make a payment with the service – this cryptographic code is transaction-specific, and passed to merchants alongside your Device Account Number to securely process payments made with Apple Pay, as if they were a normal Visa card payment.

## Touch ID

Apple's Touch ID technology allows you to authenticate payments to merchants either in-store, or through apps – using a simple touch of your finger to any iPhone, Apple Watch or iPad compatible with Apple Pay.

**MYTH: If my iPhone or iPad is lost or stolen, the thief could clean out my account / run up my credit card using Apple Pay.**

**FACT:** Even if someone's device falls into the wrong hands, they're protected in multiple ways – not least because the underlying Visa card information isn't stored on the phone or in Apple's servers. Instead, a secure "payment token" known as a Device Account Number is used, which can only be used within a specific device running Apple Pay – rendering it useless to others. And, with Touch ID required to verify payments using Apple Pay, the phone couldn't be used as a payment method by anyone other than the owner.

**MYTH: Someone steals my token / Device Account Number and uses it to find out my card number.**

**FACT:** If your Device Account Number is compromised, it can't be reused for payment -- it is designed to be valid only for a purchase with a specific device, merchant or type of purchase. It is of no use to someone else as they could not use it to shop or pay. Also, upon request from the wallet provider or issuer, Visa can quickly deactivate the token, re-activate it or replace it in a loss / theft scenario. Additionally, customers have access to a number of tools from Apple such as Find my iPhone and iCloud, allowing them to remotely disable or wipe all the data from their iOS device, including payment credentials and token used by Apple Pay.

**MYTH: I can only use contactless mobile payment if the merchant has signed up to a plan with a particular Point of Sale terminal manufacturer or acquiring bank.**

**FACT:** You can use your mobile device almost anywhere you find a contactless terminal – with more than 410,000 in the UK, 2.6 million throughout Europe and a growing number of them around the globe. And, as more retailers activate their point of sale terminals to accept high value payments, consumers will have even more opportunities to use this safe, secure way to pay.

**MYTH: The launch of Apple Pay in the UK means I can use it for contactless payment in the UK only.**

**FACT:** You can use services such as Apple Pay for contactless payments almost anywhere you find a contactless terminal – with more than 410,000 in the UK (at over 250,000 merchants), 2.6 million terminals throughout Europe or increasingly anywhere that accepts NFC-based contactless around the world. Different countries will have different thresholds for contactless payments (generally around £30 / €25 Euro in most EU countries), over which you will need to verify any mobile payment (by using Touch ID in the case of Apple Pay). If in any doubt, particularly when traveling outside of Europe, it's probably worth double-checking with the merchant that you can use your mobile.

**MYTH: While mobile wallets may be good for making payments in stores, they can't accept refunds.**

**FACT:** It helps if you think of a mobile wallet as just that – a wallet. The card contained inside it can do everything that your plastic card can do – including making purchases, accepting refunds and giving you rewards and benefits. When it comes to refunds, that is a little more complicated. Whilst acquirers and contactless merchants work to address issues that impede the completion of refunds on mobile payment devices, merchants must be able to complete a refund to the account of a cardholder that presents a mobile payment device. To fulfil this requirement, merchants can use the physical card - associated with the mobile payment device account number- that is presented by the cardholder and complete the refund to this card through the contact interface

**MYTH: It's easy to accidentally pay for things if your phone is close to a reader.**

**FACT:** Whether we're talking about a credit card or a mobile phone, NFC-based contactless readers only work if the payment device is approximately 4 centimetres away – that's shorter than a car key or the length of your thumb - it would be difficult to pay for something by accident. Plus, with Apple Pay, there is the additional requirement of Touch ID for all payments, making accidental charges almost impossible.

**MYTH: If you load your card in a wallet such as Apple Pay, you can't receive rewards or other benefits.**

**FACT:** It helps if you think of a mobile wallet as just that – a wallet. The card inside it can do everything that your plastic card can do – including making purchases, accepting refunds and qualifying for benefits from your favourite stores. It will just depend on how the card is registered into the loyalty scheme of the retailer and how the transactions are processed in the programme.

**MYTH: When you link your Visa card to Apple Pay, Apple can see everything you buy.**

**FACT:** Apple Pay was designed so that when a consumer pays in stores Apple doesn't collect any transaction information that can be tied back to that person. For in-app payments, Apple retains anonymous information. A log of payments sent through payment cards linked to Apple Pay, is shown in Passbook for the convenience of the user, transaction history is stored locally on the individual's phone, not by Apple.

**MYTH: If I use my phone to pay for something overseas, I'll also be charged with extra fees by my Mobile Network Operator**

**FACT:** There is no cost associated with using your Visa card through mobile payment services such as Apple Pay; however, an active data plan will be required to receive messages and notifications from Apple, other wallet providers and your card issuer – in relation to the payments you make using your mobile device. Based on your wireless plan and mobile carrier's offering, additional message and data charges may apply.



**MYTH: I can only use mobile payments / mobile wallets when I have a signal.**

**FACT:** The customer will need to have their battery charged and their phone 'awake' in order to make a payment. Since the token / device ID is stored on the device, the consumer doesn't need to have an active data connection to make a purchase.