

Is contactless the
“Golden Ticket”?



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48

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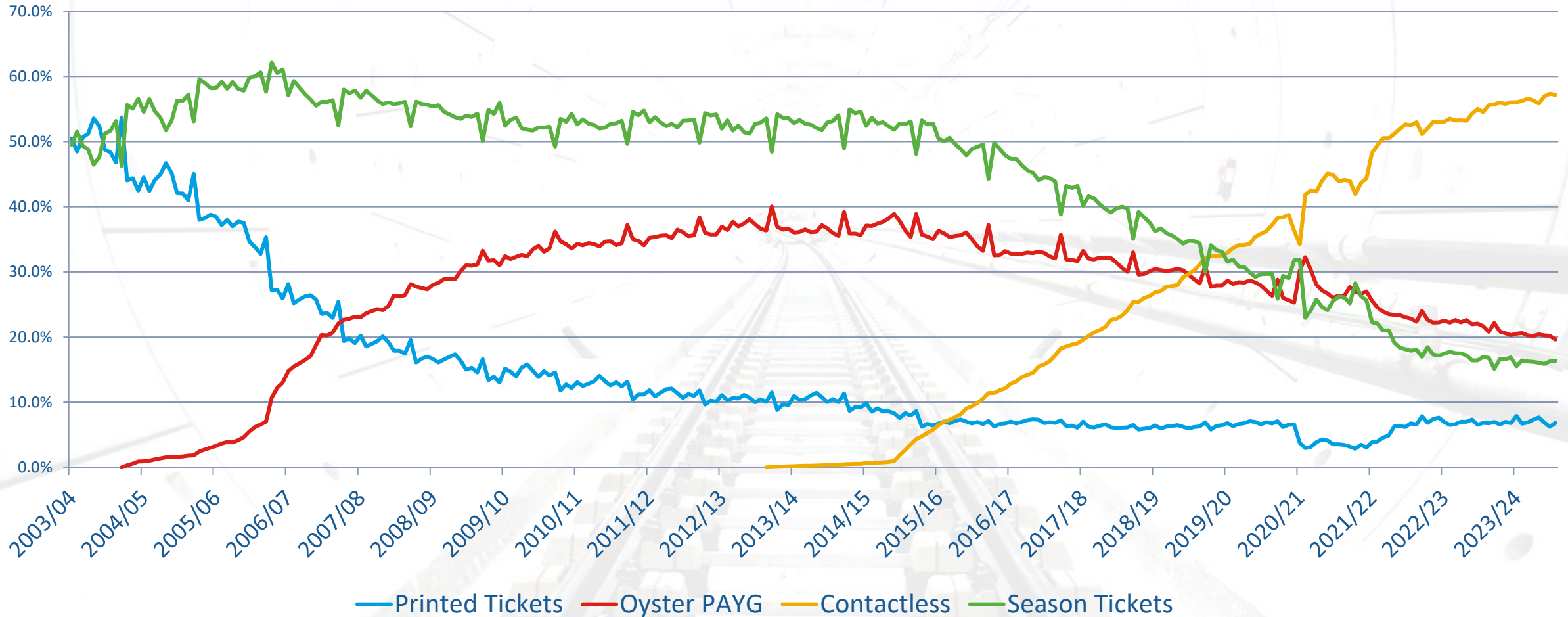
**GOLDEN
TICKET**

Children under 5 and
dogs must be carried **50**



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Paying by card is popular



Source: Transport for London 2024

Running an open PAYG Scheme

New requirements for transit authorities and operators running an open-loop fare collection service

- New drivers of capital costs
- New operating costs
- Unrecovered debt
- New sources of fraud and fare evasion



There are responsibilities for Issuers and Schemes too

- Issuer Liability Limit
- Chargebacks
- There is no standard model for all cards



Do new technologies work for Transit?

- Tokenisation
- Digital wallets
- Primary Account Recognition

Inconsistent approach

All stakeholders need to play their part

Confusing

Difficult to understand

Complexity

Customer-in-common

Enables new tech to work well



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Rising Costs Create Pressure

COST OF PROCESSING DEBIT CARDS (AS A % OF TRANSACTION VALUE)



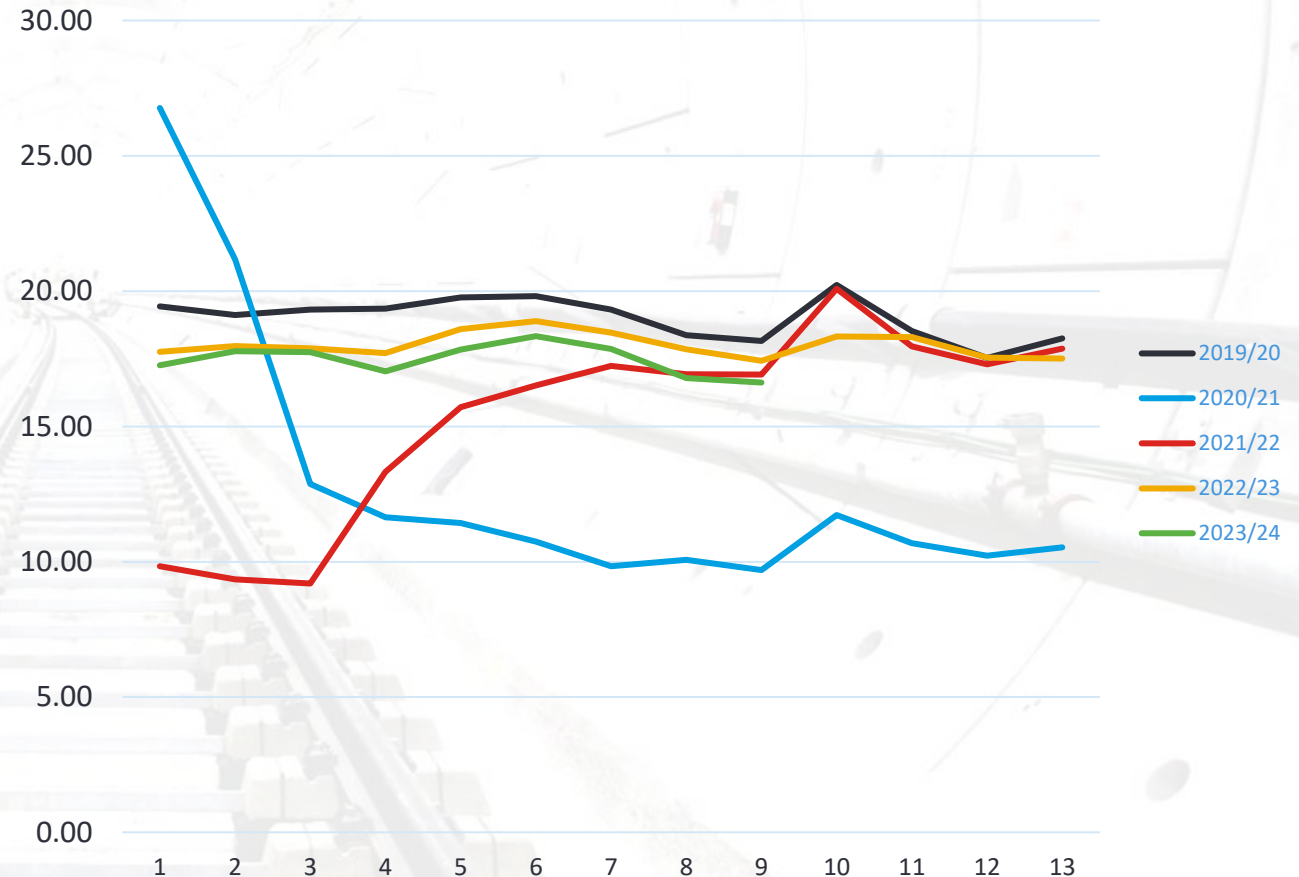
Source: British Retail Consortium Payments Survey 2023

Paying by card is popular....

.... but not universal

- Paying by card accounts for over 80% of transactions at ticket machines
- There is a clear group of customers who do not want to use a bank card
- We will continue to support our cash paying customers.

Cash Payments at Ticket Machines



Considerations for Scheme Expansion

- Fares and risk model
- Ensuring the parameters continue to meet the scheme needs
- Revenue protection
- Different station environments

Conclusion

#TRANSITISNOTRETAIL