



# Contactless EMV thrives in London public transport

## Is transport boosting payment?

Contactless EMV in London public transport is setting the tone.



contactless retailers in the UK, at a time when TfL's EMV acceptance was only deployed on London buses.

In a Barclaycard report from 2013, Transport for London (TfL) was ranked among the seven best

Today, its users now account for an impressive average of 450k taps a day, surely making TFL the leading contactless retailer in the world in terms of the volume of EMV contactless transactions generated daily.

EMV acceptance in the TfL network began when London's fleet of 8,500 red buses started accepting contactless cards in December 2012. This was the first phase of TfL's Future Ticketing Programme. The launch was perfectly timed as it also benefited from a communication campaign from UK banks regarding contactless EMV.

Then in September 2014 TfL extended the scheme to Tube and Overground services. Since then the number of journeys performed with EMV has continued to rise in an impressive manner and now accounts for more than 10% of all PAYG journeys.

In the meantime, UK MNOs, such as EE and Vodafone, have validated their mobile NFC payment applications for the TfL infrastructure, giving more appeal to this new payment method.

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## Snapshot: The Tube goes contactless



As of this day, passengers on the **London Underground** can use a **contactless card** or **NFC-equipped smartphone** to pay at the turnstile

Source: Transport for London



Number of contactless **Tube** journeys made in the first two months



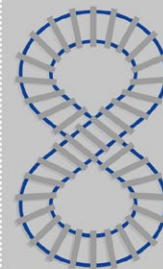
**£2.20**

Cost of a one-way journey within Zone 1 using **contactless**



**£4.70**

Cost of a one-way journey within Zone 1 using **cash**



**%**

Percentage of **pay-as-you-go** journeys made using contactless on London's transportation network as of November 2014

**gemalto**  
security to be free

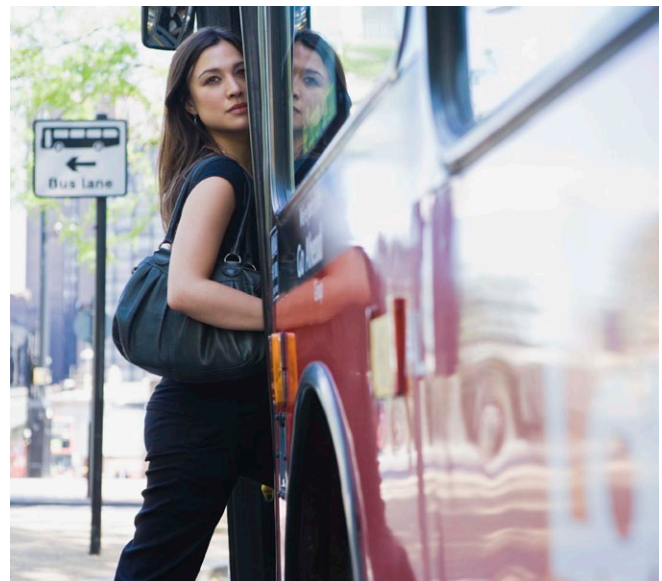
### Transport: a real booster for payments

When talking about contactless transactions for low value payments and small purchases, the fast food and leisure segments are proving to be good drivers for consumer adoption. But public transport payment is an equally significant segment that is coveted by the payment sector. The transport industry is now a sought-after field of opportunities thanks to the emergence of these new technologies.

The mobile NFC digitalization wave is happening slowly but surely with recent deployments in Asia combined with important projects in the pipeline in Europe and the rest of the world.

The need for speed and flow in public transport further underscores the convenience of contactless. And TfL figures highlight this, offering an ongoing source of inspiration for banks and payment schemes.

This virtuous circle between MNOs, transport operators, and banks is motivating more and more companies to deploy contactless and mobile payments. The deployment of dual-interface banking cards is fuelled by increased usage, while MNOs are reassured that their mobile NFC payment strategies are the right ones.



However, EMV acceptance in transportation does not necessarily mean the end for the transportation payment card business. Legacy technology and EMV will coexist for some time yet, as they address different users segments, but contactless EMV has the potential to become another mainstream payment solution for transportation in the next years.