



## “la Caixa” contactless services

Press kit

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Media Relations Department



## “la Caixa” is the European leader in developing contactless services

“la Caixa” is regarded as **one of the world's most advanced banks** in terms of implementing new payment systems. The development of contactless services is one innovation project that is currently attracting a **great deal of international attention**.

“la Caixa” began working with contactless systems in 2010, when it launched a contactless payment pilot scheme using mobile phones in the town of Sitges (Barcelona). At the time it was the largest real-world test that the technology had undergone, with 500 retailers and 1,500 individual customers taking part. The retailers were provided with point of sale machines featuring **special readers, while customers were provided with NFC-ready** (Near Field Communications) **mobile phones**.

Encouraged by the results of the Sitges pilot, in 2011 the bank decided to **roll out the contactless system across an extensive region**, the first time this had been done in Europe. Thus, the technology was rolled out right across the Balearic Islands in 2011. Now, in 2012, “la Caixa” is installing the technology in the city of Barcelona.



Furthermore, “la Caixa” is the **world’s first bank to install ATMs** that allow contactless transactions, either by card or mobile phone.

The incorporation of new technologies into the world of financial transactions represents the bank’s **strategic engagement with improving the customer experience**.

This approach has seen the bank become the leading operator in online banking via its Línea Abierta platform (with more than 6.9 million customers) and in electronic banking (10.5 million cards issued). “la Caixa” also has Spain's largest ATM network, with more than 8,000 terminals.



## Contactless services

### Cards and Points of Sale

These allow customers to make **quick payments** in small businesses, retailers and restaurants. The transaction is made by bringing the card into close proximity with the point of sale: a chip on the card connects with the terminal and instantaneously processes the payment.

**The system is particularly useful for micropayments** (small sum purchases). Making micropayments electronically offers numerous benefits to the customer, mainly in terms of convenience, speed and security. The system is also beneficial for retailers, particularly establishments that attract large numbers of people: Supermarkets, restaurants, newsstands, cafés, petrol stations, tourist souvenir shops, etc.

**Security** is fully guaranteed with the contactless system. For purchases of over €20, customers will be required to enter their card PIN number to validate the transaction. Furthermore, "la Caixa" ensures the proper use of contactless cards via its CaixaProtect guarantee. This coverage protects every card customer from any fraudulent use of electronic payments.





## ATMs

“la Caixa” has also installed the world's first contactless-ready ATM machines, developed by Fujitsu.

The terminals allow customers to process their usual financial transactions quickly and simply. To use the ATMs, rather than entering a card physically to operate, users simply bring their cards into the proximity of the reader and enter a PIN number.

According to technical estimates, this is the **fastest system available for ATM money withdrawals.**

Contactless ATMs are also compatible with all other contactless payment supports, such as NFC mobile phones.





## Success Stories

### Barcelona 2012

In January 2012, "la Caixa" and Visa Europe began the launch of their contactless system in Barcelona.

The bank is to make all cards and points of sale across the city contactless, requiring the distribution of **1 million cards and more than 15,000 new point of sale terminals**. "la Caixa" also plans to install **more than 500 ATMs** with contactless readers.

The "la Caixa" and Visa Europe project makes Barcelona the first major European city to have a widespread contactless payment system available at retailers and ATMs. Furthermore, given that the technology is the same as used by NFC (Near Field Communications) mobile phones, **"la Caixa" will also be ready to process mobile phone payments across the entire city of Barcelona.**



Over the first quarter of 2012 the service is due to be available to 50% of "la Caixa" customers in Barcelona. The distribution of the cards is set to be completed over the second quarter of 2012.

The installation of new ATMs featuring contactless readers will also begin in January. The aim is to have at least one contactless ATM operating at each Barcelona branch before the end of 2012.

The "la Caixa" and Visa contactless system in Barcelona will be fully compatible with other cards and contactless payment devices issued by other banks, both domestic and international.



## **Contactless Shopping Balearic Islands 2011**

Contactless Shopping on the Balearic Islands represented a double landmark: It made the Balearic Islands the **first European to have contactless payment infrastructure** in place, while also representing the first large-scale commercial launch of the new payment technology as a service available to all “la Caixa” customers.

“la Caixa” **installed contactless point of sale terminals at more than 5,000** establishments across the Balearic Islands, and sent contactless cards to more than 130,000 “la Caixa” Visa card users on the islands.

“la Caixa” believes that approximately 75% of the cards were issued on the island of Mallorca, while the remaining 25% were divided amongst Menorca, Ibiza and Formentera.

The contactless reader infrastructure used in retailers and the public transport system is designed to be compatible with all contactless payment systems that may emerge in the medium and long terms: cards, mobile phones, electronic devices, etc.

Furthermore, contactless cards may incorporate additional services. In the Balearic Islands, “la Caixa” reached an agreement with the *Empresa Metropolitana de Transportes de Palma*, the public transport operator, to include public transport ticketing capabilities into “la Caixa” Visa cards.



### **Mobile Shopping Sitges 2010**

In 2010 “la Caixa”, Telefónica and Visa Europe successfully organized **Spain’s first mobile payment project**. The initiative saw 1,500 users and 500 shops take part, all of them customers of “la Caixa” and Telefónica. The project represented the first real world test in Europe to involve such a large number of participants.



The final results showed that the mobile payment program **was enthusiastically received**:

- 9% of customers and 80% of retailers that took part made transactions using the system.
- Customers made 30% more use of electronic payments, while card purchases increased by 23% per user.
- Customers preferentially made micropayments using mobile systems: 60% of purchases were for a sum equal to or less than €20, although many big ticket items were also purchased.
- 75% of operations were made during the working week.
- Supermarkets (57%) and restaurants concentrated the majority of mobile payments.
- The technology was welcomed by all sectors of the public, with the average age of users making mobile payments being 46 years.
- Customers largely found the system to be quick and convenient, giving it score of over 8.
- 85% of users believed the security protocols in place for the NFC system provided sufficient security.

Intention of future use was very strong amongst users: 90% of users said they would continue to use their mobile as a habitual form of payment. The project backers therefore decided to leave the mobile phones and point of sale terminals operational in Sitges indefinitely.