

The Future of Payments in the U.S.A

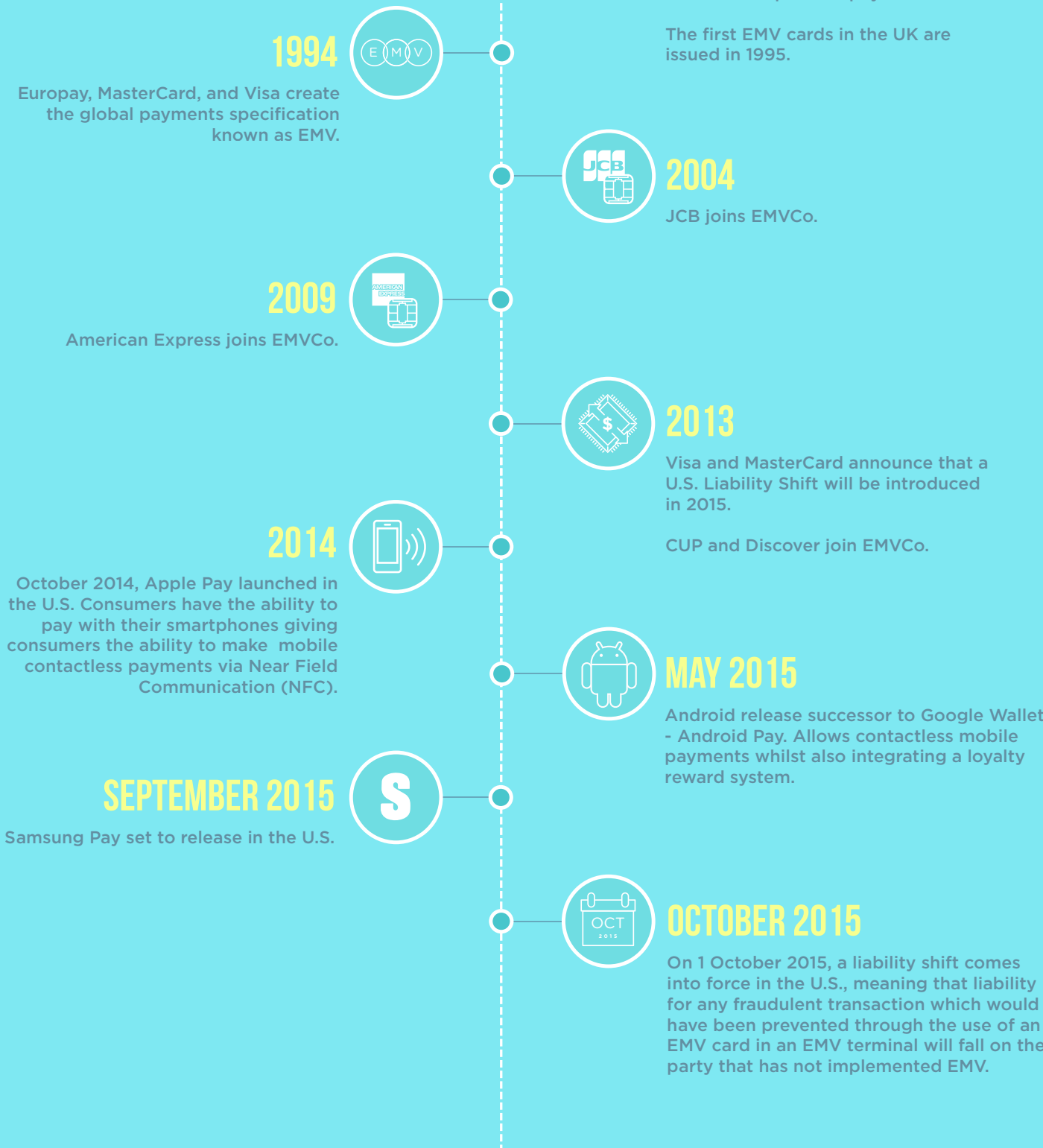
An Infographic from Proxama

INTRODUCTION TO EMV

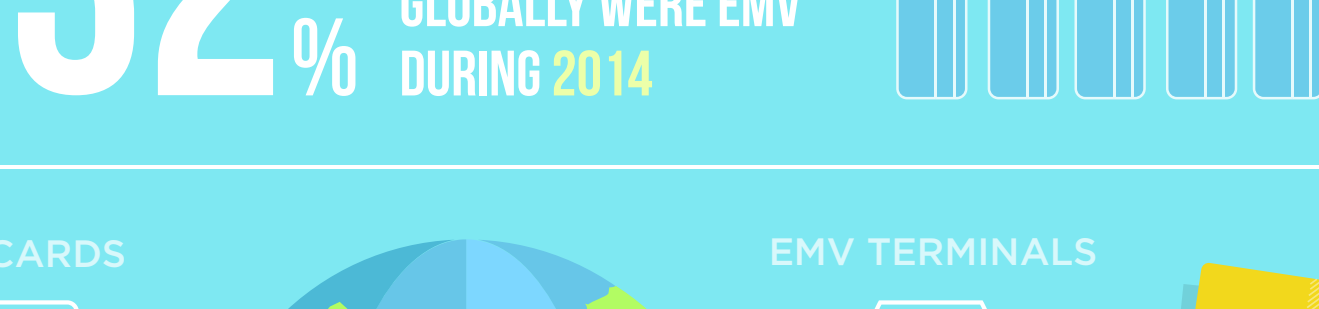
With the EMV liability shift scheduled for October 2015, we explore the current and future state of EMV in the U.S. and address the opportunities the shift to EMV presents in relation to mobile payments.

OCTOBER 2015

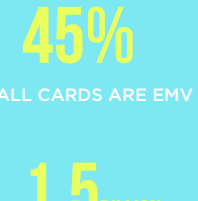
THE HISTORY OF EMV AND NFC TRANSACTIONS



HOW ACTIVE IS EMV IN THE WORLD TODAY?



EMV CARDS



1.5 billion CARDS ACTIVE TODAY



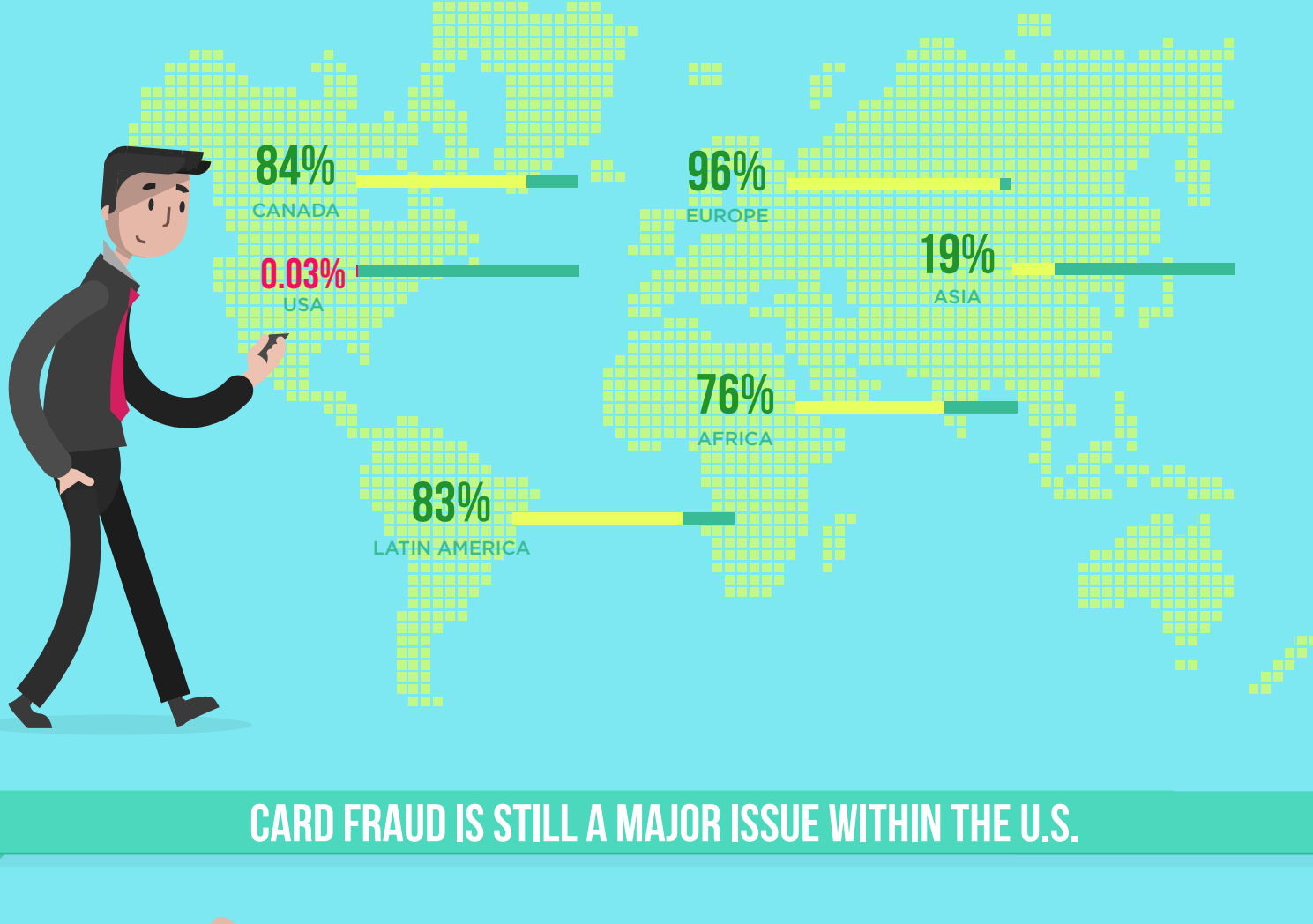
EMV TERMINALS



21.9 million TERMINALS ACTIVE TODAY



PERCENTAGE OF CARD-PRESENT TRANSACTIONS THAT ARE EMV



CARD FRAUD IS STILL A MAJOR ISSUE WITHIN THE U.S.



51% OF GLOBAL CARD FRAUD OCCURRED IN THE U.S. IN 2013

\$ 7.1 BILLION WAS LOST TO FRAUD IN THE U.S., REPRESENTING 60 BASIS POINTS ON TURNOVER

U.S. FRAUD INCREASED BY **29%** IN 2013

WORLD FRAUD INCREASED BY **11%** IN 2013

EMV IS PROVEN TO SIGNIFICANTLY REDUCE FRAUD

CANADA DEBIT CARD FRAUD REDUCES BY **73%** 2009-2012

EU CREDIT CARD FRAUD FALLS BY **80%** 1995-2013

THE U.S. IS AT THE FOREFRONT OF NFC PAYMENTS

Despite the fact that Near Field Communication (NFC) payment technology is built on the same technological foundations as EMV, the U.S. have been slow to make the full transition to EMV payments.

CURRENT AND PROJECTED VALUE OF NFC PAYMENTS IN THE U.S.

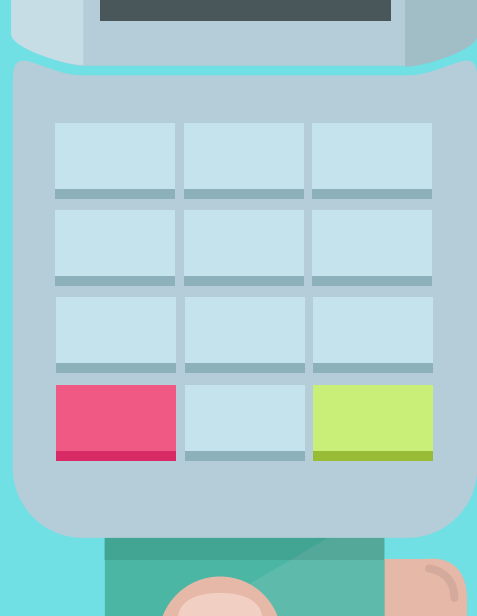
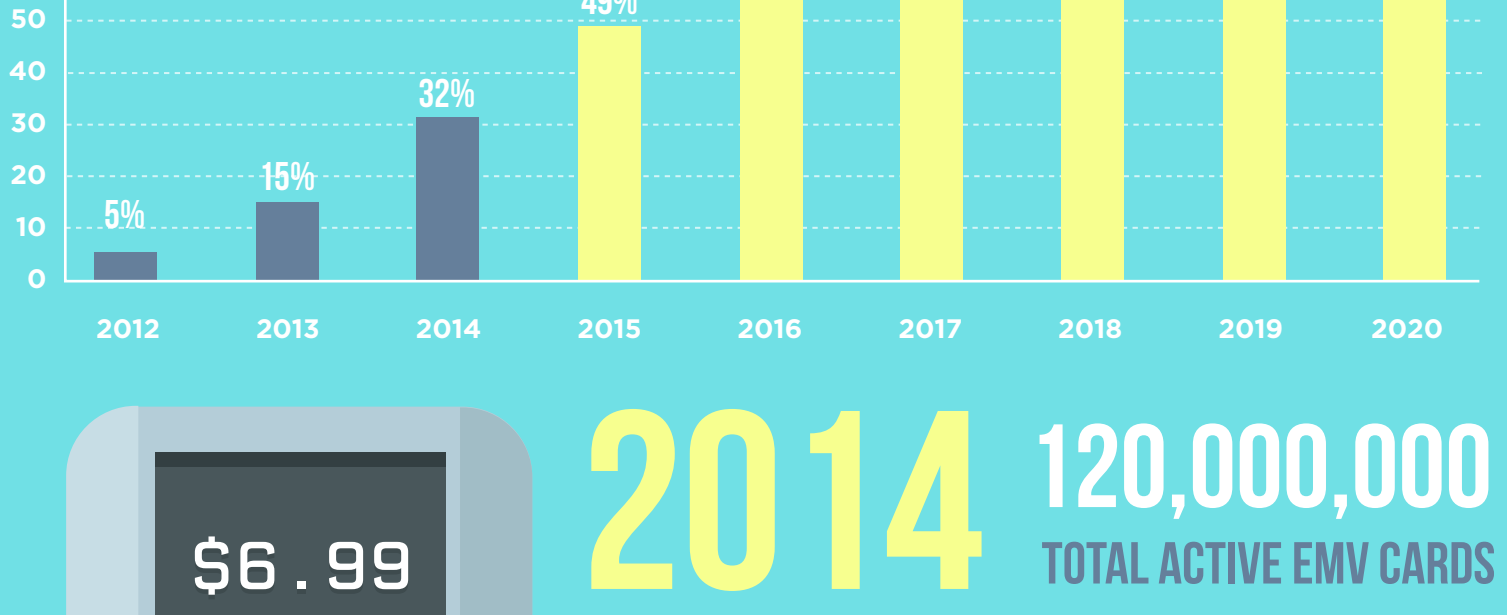


MERCHANTS AND ISSUERS ARE MAKING THE JUMP



What percentage of U.S. merchants will have converted by 2020? And how many more EMV cards will there be?

PREDICTED POS TERMINAL ADOPTION TO EMV STANDARDS IN THE U.S.



2014 120,000,000 TOTAL ACTIVE EMV CARDS

THERE WILL BE SIX TIMES AS MANY EMV ENABLED CARDS IN THE U.S. BY THE END OF 2015, COMPARED TO ONLY A YEAR EARLIER

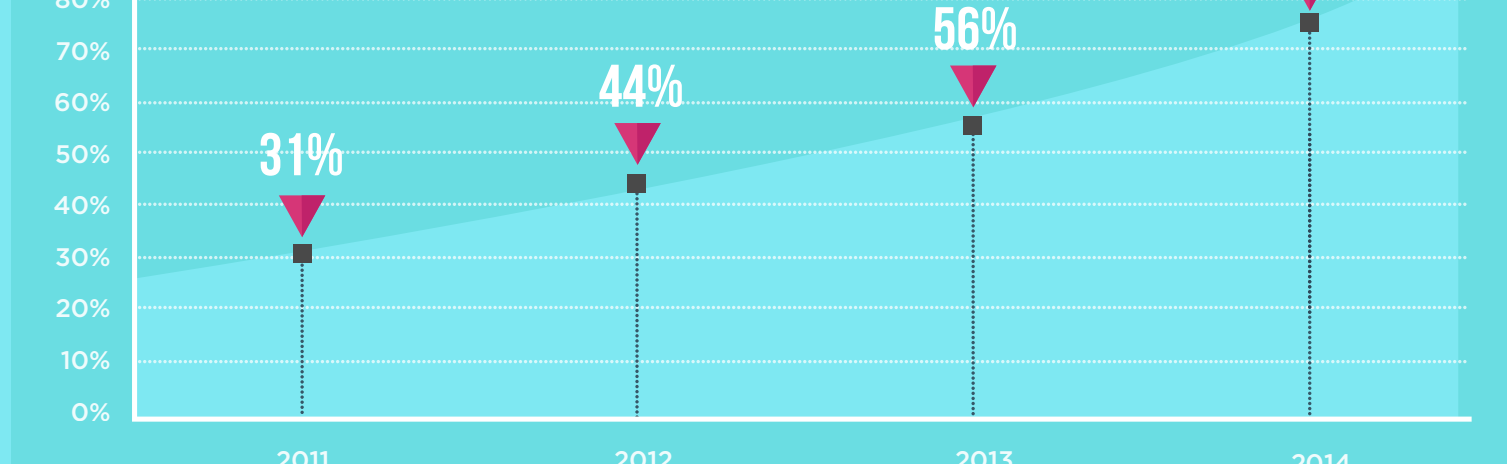
2015 720,000,000 ESTIMATED EMV CARDS



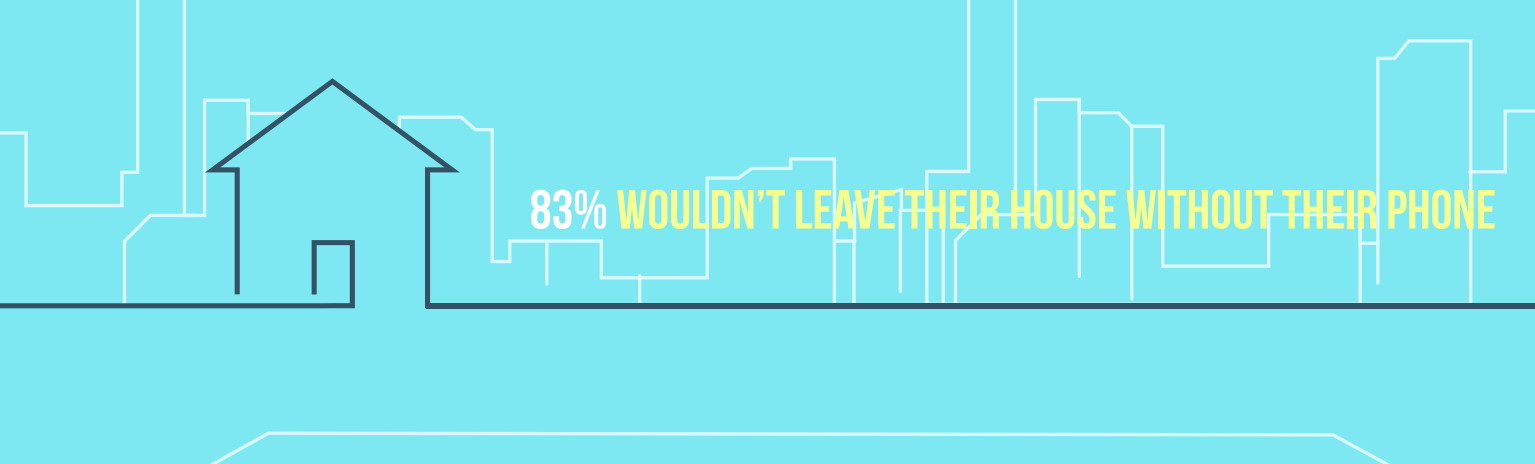
EMV IS THE STEPPING STONE TO MOBILE PAYMENTS

Mobile phones are now an essential part of everyday life. The number of Near Field Communication (NFC) enabled phones is set to reach 650m by the end of 2015 with contactless mobile payments set to increase tenfold.

Issuers and processors with EMV card issuing and transaction processing capabilities can take advantage of the revenue-generating opportunities presented by mobile payments, including loyalty and couponing apps that interact with payments, targeted offers and incentives.

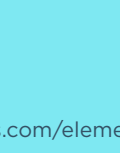


MOBILE USERS CHECK THEIR MOBILE PHONE UP TO 150 TIMES A DAY

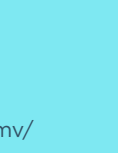


WANT TO MAKE THE STEP TO EMV TODAY?

Proxama is already helping issuers make the jump to the EMV chip card standard. If you'd like to know more about how we can help you make the transition as seamlessly as possible, get in contact.



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SOURCES

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