IBA Group launches Tap to Phone payment options in Eastern Europe and Asia

Company:
IBA Group

Industry:
Information technology

Location:
Eastern Europe

"Digitalizing hardware opens the doors to markets where a lot of POS hardware traditionally exists."

— Vadim Smotryaev
Product Representative
IBA Group

IBA Group, one of the largest IT service providers in Eastern Europe, launched Tap to Phone technology that enables NFC-enabled Android and iOS devices to accept payments anywhere without additional hardware. With Tap to Phone, sellers use the smartphones they already own to accept payments simply by downloading an app. Customers make safe, contactless payments with a tap of their contactless card, phone, or wearable device to the seller's phone.

IBA Group's Tap to Phone Solutions

IBA Group built solutions for Tap to Phone payment with multiple acquirers in Ukraine, Belarus, Kazakhstan, and Moldova. The pilot enabled thousands of Tap to Phone devices in the region for sellers who had never before accepted contactless payments. Those new terminals handled tens of thousands of transactions between Sept 2020 and April 2021. IBA Group and its partners continue to scale this roll-out.

Transportation

Conductor fare collection: IBA Group provided 80 smartphones and trainings to conductors in Borisov City, Belarus, which enabled them to start accepting payments using Tap to Phone on their buses. This effort helped to modernize a previously cash-only transit system and a similar project is already launched in Chisinau - the capital of Moldova.

Inspection revenue process: Android mobile phones are used for close loop system revenue inspection. The IBA Group will enhance functionality by using Tap to Phone to help validate ticket purchases and plans on expanding functionality to help operators accept payments and provide passengers with a new experience by combining Tap to Phone and IBA Group's Account Based System.

Fleet management systems: IBA Group has targeted vendors to explore Tap to Phone integration with fleet management systems for intercity bus lines or shuttles. Since drivers already have Android tablets or phones for fleet management applications, the extra functionality of card payment acceptance on the same device serves as both a convenient and cost-effective solution.

Retail

Accepting payments: In a retail environment, Tap to Phone technology can help the seller quickly transact with each client wherever they are in the store. In a coffee shop, for example, the customer can pay at the table, allowing for quicker table turnover. And the device can also be used like a traditional point of sale terminal at a central payment location.

IBA's Visa Ready-certified Tap to Phone solution supports a dynamic pinpad which provides a safe and secure contactless payment experience to customer, including transactions above CVM limits. PIN on glass entry with a shuffled pinpad (keypad numbers are shuffled securely and displayed on the POS screen) provides a secure way for merchants to accept both high and low value transactions.

Payment experience: Customers can easily understand, and use Tap to Phone in retail environments because it functions like the tappable POS terminal they are used to. In some settings, it has the added convenience of allowing them to shop and pay from anywhere.

Integration with Digital Cash Register Apps

In many markets across the Commonwealth of Independent State countries and the European Union, cashiers and delivery workers may be using multiple devices for different functions at the point of sale. Tap to Phone offers an alternative to this complexity, as this technology can enable all necessary functions on a single Android device. In Belarus, IBA Group integrated Tap to Phone with one of the digital cash register providers to enable the option to accept contactless card payments as well as cash payments and register fiscal transactions all on a single device.

VISA

Lessons Learned

IBA Group shares that PIN functionality is widely requested by most of their customers and acquirers, who prefer to provide a fully functional application which supports PIN entry for transactions above the CVM limit.

To understand merchant and cardholder reaction to the secure shuffled PIN entry keypad, they conducted an experiment to validate the user experience. Since the company is also a mPOS provider, they compared the transaction volume with incorrect PIN entry that came from the mPOS solution with those from the Tap to Phone solutions. They discovered that the error rate of the two sources was approximately the same, concluding that the Tap to Phone PIN on glass entry with shuffled keypad provided a good user experience without added difficulty to the customer.

For questions, please contact taptophone@visa.com