# **Sales Sheet: Selling EMV to your Merchants.**

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| Overview |
| EMV is a globally accepted smart chip technology payment standard established by EuroCard, MasterCard and VISA in the early 1990s. EMV cards come with an embedded microprocessor (chip) that provides better transaction security, card authentication and additional application capabilities not possible with traditional magnetic stripe cards.    **Why EMV?** The migration to EMV technology in the U.S. will help:   * Ensure that only the rightful card owner can use the chip card, protecting against lost or stolen card fraud. * Protect data on the chip against unauthorized changes, protecting against counterfeit fraud. * Enable U.S. cardholders to use their secure chip payment cards anywhere in the world.  |  |  | | --- | --- | | The US has 50% more fraud then the rest of the world as compared to payment volume.  *(Neilson Report Aug 2013)* | Estimated 90% of counterfeit card fraud in the US could be eliminated with EMV deployment.  *Aite Group “Card Fraud in the US” Jan 2010* | |
| EMV Timeline in the U.S. |
| http://www.paymentscardsandmobile.com/wp-content/uploads/2014/02/Fig-1_-Network-Announced-Migration-Timelines.jpg |
| EMV Benefits for Merchants |
| * Increases security and fraud protection to reduce card present fraudulent transactions and charge-backs:   + Reduces skimming at the point of sale   + Enables increased PIN use for stronger cardholder verification   + Helps prevent the use of counterfeit, lost and stolen cards * Improves customer service:   + Enables PIN transactions for both credit and debit cards, reducing time needed to obtain a signature and the need for authorization referrals.   + Supports contactless transactions which are approximately 53% faster1 than a traditional magnetic stripe card transaction. * Enables merchants to offer cardholders a secure payment of their choice:   + Meet expectations of cardholders who want more secure payment transactions   + Accept foreign cards that are already EMV enabled * Drives innovation in emerging consumer technologies:   + Chip-based applications can be embedded into a mobile wallet, enabling consumers to pay via their mobile devices.   + Chip card technology works on the same technology that enables mobile payments at the POS |
| Questions to Ask |
| * ***Are you familiar with the new EMV or chip-based payment cards? Have you seen them?***   EMV cards are the new cards that the major banks and credit card issuers will be sending out to their customers in the U.S. A few consumers have already received these new cards, however approximately 100 million EMV cards will be issued in the U.S. this year. You will definitely see more customers with this type of payment card very soon. The EMV card contains a gold microchip, which adds an additional layer of security, and will be easily recognizable to you.   * ***Is the current terminal you use EMV- enabled? How is the terminal that your currently use working?***   We have a range of solutions from easy to use terminals to full functioning POS solutions. Our newest solution, the Clover™ Station is a modern tablet-based POS that does much more than credit card payments. It can manage inventory, employee scheduling, and integrate with your accounting software, such as Quick Books and much more.   * ***Do you want to accept contactless payments such as Apple Pay™?***   Contactless payments including Apple Pay provide solutions for payment that are 53% faster1 than traditional magnetic stripe card transactions, providing faster checkouts and greater customer satisfaction. In addition, both Apple Pay and EMV provide an opportunity to drive more innovation to the customer experience by adding emerging technologies to boost loyalty, repeat business, and improve customer satisfaction.   * ***What is tokenization?***   Tokenization is a data encryption technology where the sensitive card data and transaction information are substituted with a random sequence of numbers (referred to as the Token) that has no intrinsic meaning or value if stolen or lost. If this data is exposed or gets hacked, the token does not provide access to sensitive card or transaction data. |
| Handling Objections |
| **I’m a small Merchant; I don’t need to worry about card fraud.**  As recently published and widely covered card breaches at several large national retailers in the US show, breaches and card fraud are extremely costly and damaging to the brand. For a small business, an incidence of fraud can be catastrophic. In addition to minimizing the risk of fraud merchants implementing EMV chip payments in neighboring countries, including Canada and Mexico, have reported a significant decrease in fraudulent transactions. In addition, on October 1, 2015, the merchant whose POS system is not EMV-enabled will assume full liability risk for fraudulent card-present transactions when processing chip cards on a non-EMV enabled terminal.  **My bank or processor has to worry about that, I’m covered.**  Companies you work with can help but it is up to you to become compliant with the EVM requirements and deadlines.  **I don’t take that many payments.**  Number or size of payments doesn’t matter. The Merchant will be liable for any and all fraudulent transactions.  **Nothing has happened yet.**  The likelihood of a data breach is greater than you may think and consequences can be catastrophic. With the move to EMV in Mexico and Canada, more fraud is migrating to the US where EMV has yet to be fully adopted. As a case study, the Netherlands was a late adopter of EMV in Europe – they saw a 300% increase in fraud rate in 4 years2. |
| Reference Links |
| * Industry Websites: EMV Co: <http://www.emvco.com/> EMV Connection <http://www.emv-connection.com/> * Website: First Data EMV 101: <http://www.firstdata.com/emv/emv-101.html> * White Paper: EMV Best Practices: <http://www.firstdata.com/downloads/thought-leadership/2756-EMV-Best-Practices-WP.pdf> * White Paper: What Merchants need to know: <http://www.firstdata.com/downloads/thought-leadership/EMV-Market-Insight-Merchant.pdf> * Video: [How does EMV Work?](http://video.firstdata.com/services/player/bcpid1614194986001?bckey=AQ~~,AAAA2uzqPsk~,x6biOaTywG8UAMLYQ5oKG_zusiCGVnCg&bctid=2221417321001) |
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1. EMVco, LLC, “About EMV”, <http://www.emvco.com/about_emv.aspx>

2. “Chip-and-PIN: Success and Challenges in Reducing Fraud”, King, Douglas, Retail Payments Risk Forum, January 2012