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What Are NFC Mobile Payments?



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NFC mobile payments can help your business process payments quickly and easily.

- NFC is a technology that allows card readers and certain devices to communicate over a short distance.
- NFC payments can be accepted using Android devices, iPhones, laptops, tablets and smartwatches, as well as NFC-enabled credit cards.
- NFC is convenient for businesses and presents little additional risk.

- **This article is for small business owners interested in flexible payment processing options.**

NFC mobile payments are contactless [digital payment options](#) that allow phones, tablets, or credit cards to communicate with NFC-enabled readers. NFC technology allows businesses to accept customer payments quickly and conveniently without requiring employees to handle or cards.

NFC mobile payments are an ideal payment-processing option for a range of businesses, including retailers, restaurants and professional service providers. Businesses that accept NFC payments should expect to pay [fees consistent with standard credit card processing charges](#) (a few cents per transaction, plus a small percentage of the transaction value).

While most of the best credit card readers are NFC-enabled, some businesses may need to purchase a dedicated reader for \$50 to \$150.

Editor's note: Looking for the right credit card processor for your business? Fill out the below questionnaire to have our vendor partners contact you about your needs.

What is NFC?



NFC stands for “near-field communication,” the technology that enables communication and data-sharing between wireless-enabled devices in close proximity. NFC has many applications, including [key fobs for access control systems](#), ID verification and wireless device pairing.

NFC is easy to use. Accepting NFC mobile payments is a lot like using a traditional credit card with a magnetic stripe. In fact, many card readers are enabled to accept NFC payments. The difference with NFC is that a transaction is initiated not by reading a magnetic stripe on a card, but by having an NFC reader send a signal that’s picked up by an NFC antenna on an NFC-enabled device.

Key Takeaway



NFC technology is excellent for payment processing. By using NFC-enabled devices to communicate across a short distance, businesses can process payments without staff handling customers' cash, checks or credit cards.

How do NFC mobile payments work?

NFC payments use an NFC-enabled reader. When this reader is initiated through a point-of-sale (POS) system, it sends out a signal that searches for an NFC-enabled payment device. When the reader detects the antenna of an NFC-enabled device, such as a phone or NFC-enabled credit card, the payment device communicates the payment info to the reader, and the payment is processed.

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