

COMPUTER GURU

By Don Benjamin

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Mobile Payments

Last month's Guru article described the security and financial liability features built into credit card accounts that let you safely buy stuff¹ online. This month, I explain how you can buy stuff from physical stores by using the "wallet" feature of your smart phone. Specifically, I'm talking about Apple Pay for iPhones, Google Pay for Android phones, and Samsung Pay for its own line of smart phones. You've probably seen their logos in stores that accept electronic payments. All three use a technology called "near-field communications," which provides a highly secure method for making in-person purchases—far better than using your physical credit card. Newer iPhones already provide a Wallet app; you download the Google Pay app from the Google Play Store; Samsung Pay is already included on most of its phones.



Logos for Apple Pay, Samsung Pay, and Google Pay.

To set up your smart phone's "wallet," you must first enter your credit card information. The card must be issued by a bank that supports mobile payments. PNC, Wells Fargo, Chase, and Bank of America are among the thousands of banks that support the feature. The credit card number won't be stored on your phone—only an encrypted version, called a "token," is stored.

In my case, I simply added the credit card (from PNC Bank) that's already on file with my Apple App Store account.

Near-field communications makes it work. Near-field communications securely transmits your credit card information from your smart phone to the point-of-sale terminal². The devices must be really close—only a few inches—so there's no way someone else can intercept the transaction information. And even if they did, they would only receive the encrypted card number, which is useless without your mobile phone because you have to authenticate each transaction with your phone's passcode or your fingerprint. Newer phones can also use facial recognition. This also means that no one else can use your phone's wallet if you lose your phone.



A random person using his smart phone to buy stuff. Note his nonchalance.

If this all sounds too "out there," please realize that the U.S. is already late to the game. When I used the Underground in London last Spring, I simply held my iPhone next to the turnstile, used my fingerprint to authorize entry to the platform, and did the same at the destination. No tickets, no metro cards. And a receipt shows up on my iPhone. In fact, just about every place I went in the U.K. accepts Apple Pay—restaurants, stores, you name it. Even a little rural diner in the middle of nowhere accepted Apple Pay. Very convenient. New York City's MTA began accepting Apple and Google Pay last May. I use it at Wegman's all the time.

If you need help setting up your phone's electronic wallet, just stop by the PSRC Tech Lab on Tuesdays from 10:00 a.m. to 4:00 p.m., Wednesdays from 1:00 to 4:00 p.m., or Fridays from 10:00 a.m. to 1:00 p.m.

1 "Stuff" includes everything you own, used to own, or plan to own, and is usually what you store in your rooms, cabinets, garage, and basement. Some people keep stuff in their attic, too. When you run out of space for your stuff, you may need to get a bigger house or apartment to keep your stuff. You can also sell your stuff, but folks don't pay a lot for used stuff.

"Stuff" does NOT include people or pets, even if you have an uncle who lives in your attic.

2 The credit card doo-hickey next to the cashier.