

For  
Immediate release

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## Consumers turn to contactless as usage surges

Spending on contactless cards more than trebled over the last year to reach a record £2.32 billion in 2014, according to data published today [06.02.2015] by The UK Cards Association.

The new figures reveal a year of major growth in contactless usage, with the total spend in 2014 more than double that of all the previous six years combined.<sup>1</sup> Year-on-year, annual spending rose by 255 per cent from £653.4 million in 2013.

UK consumers used their contactless cards 319.2 million times last year, with 10 contactless transactions taking place every second. The total number of contactless transactions jumped from 100.4 million in 2013.

Consumers can use a contactless card to pay for purchases up to £20 simply by touching their card against the contactless reader in shops, bars and restaurants, and also for travel in some areas.

Responding to the latest data, **Richard Koch, Head of Policy at The UK Cards Association**, said:

*"Contactless has now firmly stepped into the mainstream. With usage soaring every month last year, we've seen people flocking to contactless payments as they switch away from cash. For retailers, contactless means quicker queues at the tills and greater convenience for their customers."*

The annual contactless figures for 2014 also show that:

- There are 58.0 million contactless cards in circulation in the UK, a 52.2 per cent rise compared

to December 2013. This is split between 36.9 million debit cards and 21.2 million credit or charge cards.

- The average contactless transaction is now for £8.26, as at December 2014.

Overall, debit and credit cards now make up a 75.8 per cent share of total retail sales, up from 51.6 per cent in 2004.<sup>2</sup>

In September 2014, Transport for London launched contactless payments across the transport network in the capital. Since the launch, 41 million journeys have been made so far using contactless, with around 415,000 journeys now made every day.

Shashi Verma, TfL's Director of Customer Experience, said:

"It is fantastic to see the popularity of contactless continuing to grow across the UK. We have seen over 41 million journeys made across London using contactless within just five months. Using contactless payments to travel can save our customers time, they don't need to stop to top-up an Oyster card, or buy a ticket and can benefit from daily and Monday to Sunday capping."

Contactless cards use the same secure encryption technology as Chip & PIN, so consumers can be fully confident in the security of the technology. Payments can only take place where the card is placed within a few centimetres of the card reader.

To make sure cardholders pay using the right card, it's always a good idea to take the contactless card out of a wallet to touch the reader. For added protection from fraud, from time to time, cardholders will be asked to enter their PIN to verify a transaction.

Instances of fraud on contactless cards are extremely rare, with the latest figures showing that contactless fraud totalled £51,000 over the first six months of 2014 - just 0.007 per cent of contactless card spending. However, if a card is lost or stolen, consumers are protected against fraud loss - they will not be liable for any fraudulent use and should report it to their card issuer as soon as possible.

## **ENDS**

For further information contact the press office on 020 3217 8436 or [Press@ukcards.org.uk](mailto:Press@ukcards.org.uk)

## **Notes to editors:**

1. Total contactless spending January to December 2014: £2.324 billion. Total contactless spending April 2008 (first data recorded) to December 2013: £857.2 million.

2. Data from The UK Cards Association Card Expenditure Statistics November 2014.

## About The UK Cards Association

The UK Cards Association is the trade body for the card payments industry in the UK, representing financial institutions which act as card issuers and acquirers. Members of the Association account for the vast majority of debit and credit cards issued in the UK - issuing in excess of 56 million credit cards and 95 million debit cards - and cover the whole of the payment card acquiring market.

The Association promotes co-operation between industry participants in order to progress non-competitive matters of mutual interest; informs and engages with stakeholders to shape legal and regulatory developments; develops industry best practice; safeguards the integrity of the card payments industry by tackling card fraud; develops industry standards; and co-ordinates other industry-wide initiatives such as those aiming to deliver innovation. As an Association we are committed to delivering a card payments industry that is constantly focused on improved outcomes for the customer. [www.theukcardsassociation.org.uk](http://www.theukcardsassociation.org.uk)

