

EQUENS PERSPECTIVE

Biometrics answers call for fast, simple checkout

Biometric authentication is increasingly being used to improve security and control access in both the government and private sector. Outside of Japan, take up in the retail banking and payments sector is still very limited. The *Bulletin* has spoken to Dave Rietveld, General Manger New Business Services at payment processor Equens, to get his perspective on the potential of biometrics in the retail payments sector.

Bulletin (B): Why do you believe take up of biometrics in the retail banking and payments sector has been limited to date?

Dave Rietveld (DR): Banks are still relying on previously implemented security measures such as magstripe and EMV, and until recently, the banking sector has had limited experience regarding biometrics. However, in the retail payments area there has been increased demand for technologies that provide faster speed at checkout, as examples and applications in other sectors (such as contactless payments and interfaces in public transport) have come to the industry's attention.

B: Last year Equens announced that it would pilot biometric 'finger-tip' payments with several large retailers. What is the status of these pilots and some of the key findings?

DR: A pilot of Tip2Pay fingerprint payment was conducted with Dutch supermarket chain Albert Heijn. The main purpose was to understand the user experience. We wanted to gather user feedback and gain experience with the technology. The pilot demonstrated that biometrics could provide a highly convenient service, with 20-60% less cash used in

stores (depending on location), and high transaction speeds equating to 10% less time spent at the till.

B: Why did you choose fingerprinting rather than another type of biometric technology?

DR: Fingerprint technology at this point in time provides an easily adoptable means of consumer identification requiring limited user education (intuitive usage). In parallel with fingerprinting, we are investigating other biometric technologies to be used within payments and are ready to deploy a method consisting of fingerprinting combined with passcode. Evidently, security remains key in every form of payment.

B: How do you see the future potential of the technology within the retail payments sector and what are some of the main obstacles standing in the way of more widespread uptake?

DR: The primary obstacle to larger scale adoption of biometrics lies in the fact that the potential and added value of this technology is still insufficiently recognised by the stakeholders. Thanks to our experience, we can (co)educate the sector and provide evidence that biometric authentication provides a convenient, fast and cost-effective method of payment.

Another obstacle will be the application of guaranteed payments, such as with a debit card. Here we are depending on the cooperation of banks to open up their authorisation systems. There is a good business case for the banks to do so as it delivers significant numbers of additional electronic transactions, which reduces cash handling requirements and costs. ■



The primary obstacle to adoption lies in the fact that the potential and added value of biometrics is still insufficiently recognised

