



Visa small ticket transaction service

QUESTIONS AND ANSWERS

Q. What is the Visa small ticket transaction service?

The Visa small ticket transaction service makes low value card acceptance even faster and easier for customers and sales staff by eliminating the need for cardholders to sign or enter a PIN when making a qualified transaction of A\$35 or less.

Q. Which merchant categories are eligible to participate in this program?

Currently, 18 merchant categories are eligible for the program in Australia. They are:

MCC	Merchant Category Code Description
4111	Local Commuter Transport
4121	Taxicabs & Limousines
4131	Bus Lines
4784	Tolls & Bridges
5331	Variety Stores
5499	Misc. Food Stores (Convenience)
5812	Restaurants
5814	Fast Food Restaurants
5912	Drug Stores
5993	Cigar Stores/Stands
5994	Newsstands
7211	Laundries
7216	Dry Cleaners
7338	Quick Copy Services
7523	Parking Lots & Garages
7542	Car Washes
7832	Motion Picture Theatres
7841	Video Tape Rental Stores

Q. Can small ticket transactions be made with any Visa card?

Yes, cardholders can make small ticket transactions with any Visa credit, debit or prepaid card issued by any financial institution.

Q. Can cardholders choose not to use it for purchases below A\$35?

No, if a merchant has implemented the service, a small ticket transaction will not prompt the customer for a PIN or signature.

Q. Will cardholders lose their normal Visa card protection and be exposed to bigger risk?

No. Visa small ticket transactions have the same security. Each transaction is authorised online, hence subject to checking as in the case of a normal Visa card transaction.

The service is available at merchants where the goods and services sold generally have little to nil resale value which makes fraud less likely.



Data following the rollout in the U.S. has confirmed that there has been no incremental increase in fraud or chargebacks for small ticket transactions.

Q. What if a cardholder loses his/her Visa card and somebody else uses it?

Visa small ticket transactions are for low value purchases at merchants where the goods and services sold generally have little to nil resale value which makes fraud less unlikely.

To protect their own interests, every cardholder should take good care of their Visa cards. If customers lose their Visa card, they are advised to report it to their card issuer immediately. By doing so, they will be entitled to all Visa card protection as stipulated in the agreement with the card issuing financial institution.

Q. How successful is this program overseas?

Visa first launched this service in 2003. Since that time, Visa has successfully implemented the service in the U.S. and parts of Asia Pacific, including Japan, Korea, Singapore, Thailand and Hong Kong. In each of the countries in which the service has been introduced, it has been well received by cardholders and merchants.

Q. What are the benefits for issuers and acquirers?

Purchases that are A\$35 or less represent a large share of consumer transactions in Australia (source RBA study), with a significant portion of the volume being cash purchases.

Such research also indicates that customers value speed and convenience when choosing a payment method at point of sale. Therefore, Visa Australia is trialing the small ticket transaction service anticipating that this increased speed and convenience at the point of sale will encourage customers to convert cash payments to Visa transactions to facilitate continued growth for Visa and its clients through increased issuance, acceptance and innovation.

Q. What are the benefits for Visa cardholders?

The Visa small ticket transaction service makes low value card purchases even faster and easier for customers by eliminating the need to sign or enter a PIN when making a transaction of A\$35 or less at selected merchants.

Certainly in today's time-strapped society, consumers are looking for ways to streamline their lives. Visa research indicates that consumers are drawn to cards for several reasons, including convenience and speed.

Q. What are the benefits to merchants?

Merchants participating in the small ticket transaction service can enjoy the following benefits:

Faster Transactions – small ticket transactions make the Visa payment process faster and easier for both merchants and customers. This is especially beneficial to high volume merchants such as quick service restaurants and convenience stores, since it allows them to serve more customers and reduces customer time spent in line (queuing).

Customer Satisfaction – As small ticket transactions provide customers with a faster and easier payment process, this results in an optimal purchasing experience whilst increasing their payment options.



Reduced Receipt–Associated Costs – Merchants do not need to provide a transaction receipt unless requested by the cardholder and the receipt may contain significantly less data, reducing merchant paper costs and increasing transactions speeds.

Greater Chargeback Protection – Merchants are protected against specific chargeback reason codes on qualifying transactions resulting in reduced dispute handling costs. However, existing fraud chargebacks resulting from EMV chip and liability shifts remain unchanged.

No New Equipment – Although modifications may be required to point of sale systems, small ticket transactions do not require any new equipment making it easier for merchants to incorporate the service.

Q. Will the merchant need to provide a receipt?

In these environments, the merchant will only need to provide the receipt upon a customer’s request, which again will increase the transaction speed and enhance the customer’s experience. If a transaction receipt is provided, the following minimum data elements are required:

- Merchant name
- Total purchase amount
- Date
- Confirmation that Visa was the method of payment

Q. Are these small ticket transactions secure?

Yes. Small ticket transactions are associated with minimal fraud because of their low value, the face-to-face environment in which they are conducted and the requirement for issuer authorisation.

Data following the rollout in the U.S. has confirmed that there has been no incremental increase in fraud or chargebacks for small ticket transactions.

Q. Do merchants receive special chargeback protections?

A small ticket transaction is accompanied by restricted dispute rights. Acquirers may fulfill a copy request or representment, listing only the data elements required for a small ticket transaction receipt to correct a chargeback or retrieval request on a transaction that qualifies as a small ticket transaction.

Chargeback Reason Code 81 (Fraud – Card Not Present) is invalid for any transaction that qualifies as a small ticket transaction. However, existing fraud chargebacks resulting from EMV chip and liability shifts remain unchanged.

Q. Does the chargeback protection apply to transactions that are only less than A\$35 or do they apply to a portion of a larger transaction in the impacted merchant segments?

The chargeback protection applies only to small ticket transactions.

A small ticket transaction must have the following characteristics:

- Total transaction value is less than or equal to A\$35 including tips and taxes
- Conducted in the face to face environment
- Card account data is captured electronically with POS entry modes 05, 07, 90 or 91
- Authorised
- Conducted in the qualifying Merchant Category Codes



A transaction will not qualify as a small ticket transaction if either:

- The transaction is attempted using a chip card and the chip reading device is unable to read the chip (as in the case of a chip fallback transaction)
- Dynamic Currency Conversion was performed
- Cardholder requests cash out at point of purchase

Q. What is the difference between Visa payWave and the Visa small ticket transaction service?

As Visa continues to roll out Visa payWave cards and acceptance devices, there continues to be a large portion of low value transactions that can be captured on existing Visa cards that do not yet carry Visa payWave functionality.

The small ticket transaction service in Australia has been specifically designed to complement Visa payWave and is designed to offer a range of payment choices and benefits to merchants, issuers and consumers.

Visa payWave is contactless technology that delivers benefits of speed and convenience whereby consumers don't have to swipe/dip their card or hand it over to a cashier, for purchases up to the higher value of A\$100.

The Visa small ticket transaction service offers the convenience and the speed of not having to provide a signature or PIN for transactions A\$35 or less, regardless of technology.