Three reasons to use a digital wallet

Paying with just a wave of your phone can actually be more secure than using a credit card.

If you have a smartphone, you can likely pay for things with a wave of your phone. It’s known as a digital or electronic wallet, or eWallet, and if you haven’t yet given it a try, you may want to. Not only is it easy to use, it can be faster and more secure than swiping a credit or debit card.

“The convenience of a digital wallet is something that would be useful for most people,” says Stefan Ross, vice president of credit card products at Fidelity. “You can quickly, safely and securely pay for purchases with the touch of a button or, in many cases, your fingertip.”

**How it works**

Most Android®, Apple®, and Samsung® smartphones, as well as an Apple Watch® or iPad®, have a digital wallet. Android Pay®, Apple Pay®, and Samsung Pay® apps make use of their devices’ near field communication (NFC)

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**Why use a digital wallet?**

- It is safer than you may think.
- It can be faster and easier than paying cash or swiping a card.
- You can use it with either a debit or a credit card.

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technology to make payments. NFC allows information to pass between your device and a retailer’s compatible payment terminal when they are “near” one another (usually within just a few centimeters). You just hold your device near, or tap it at the retailer’s check-out reader to pay. Of course, not every retailer may have NFC technology, but many major ones do.

Here are three important things to know about using your smartphone as a digital wallet.

1. It is safer than you may think.

Having a digital wallet on your phone is not an open door to your debit or credit card account. Retailers don’t have access to your card number because each transaction uses a unique, random transaction number—instead of your account or credit card number. In fact, your account number isn’t even stored on your phone.

Your account information is encrypted, and can only be accessed via password or, with some mobile devices, your fingerprint. And, if your card information is ever lost or stolen, banks can reissue a new one immediately to your phone, instead of having to wait days for a card to arrive in the mail.

Should you ever misplace or lose your phone, you can lock your digital wallet remotely. Additionally, there are no fees for using digital wallets, and zero fraud liability is available through most credit cards.

2. It can be faster and easier than paying cash or swiping a card.

With a digital wallet, you can truly zip through a payment. Many new smartphones, including ones from Apple and Samsung, have fingerprint scanners. Hold your phone near the payment reader while your fingertip is on the power button, and a subtle vibration and beep will confirm that your payment was registered. Many times, that’s it—there’s not even a need to open an app or awaken your phone’s display. A record of your transaction is saved in your digital wallet, which you can view by accessing your wallet app.

3. You can use it with either a debit or a credit card.

Most phones allow you to have more than one card in your wallet. So you are able to keep your card options flexible by adding all your favorite credit cards, including some store credit cards and debit cards.

Ready to try it?

If you don’t already have a digital wallet app on your smart device, download one from your online app store and follow the simple instructions for how to add your credit or debit card information. You should be able to start using your digital wallet in just a few minutes, although some card providers may require a phone call or other security step to confirm.
“All I really had to do was take a picture of my card with my phone and answer identification questions. I didn’t even need to ask my kids to show me how to do it,” says Jeffrey Walsh, a recent digital-wallet adopter. “One day, I ran into the grocery store to pick up something quickly and I didn’t have my wallet. I had my phone and used it for the first time. It was remarkably quick and simple.”

Learn more

- How to use Apple Pay with your Fidelity® Visa® Gold Check Card.
- How to make mobile payments with your Fidelity® Rewards Visa Signature® Card.

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