**Media Questions & Answers**

1. **What and who is Semble?**Semble is a collaboration between Paymark, 2degrees, Spark and Vodafone. The company has created a mobile wallet for New Zealand which will provide access initially to ASB and BNZ credit and debit payment cards, with other services added in the future, all via an app on your smartphone. There has been a great deal of interest from organisations interested in having their services also included in *Semble*, including popular retail chains, loyalty providers, airlines and public transport companies. The days of the overstuffed wallet are drawing to a close.
2. **Who are Semble’s major partners?**

Banking partners ASB and BNZ will offer a range of eligible credit and debit cards in *Semble*. Credit cards available in the *Semble* mobile wallet alsoinclude a number of Air New ZealandAirpoints earning GlobalPlus cards.Plus of course the three Mobile Network Operators 2degrees, Spark and Vodafone, who between them look after 100% of New Zealand’s mobile phone customers.

1. **Why are you starting with payment?**

Kiwis use payment cards prolifically and often have a relationship with more than one bank. Offering access to those cards via a single app makes sense for us locally. New Zealand has a payments network infrastructure structure that is ready to accept paymentsfrom an NFC phone. Payment is a great starting place for New Zealand.

1. **When will additional services be available in *Semble*?**

We’ve had a huge amount of interest from a really exciting mix of Kiwi businesses and look forward to the potential this offers Kiwis in the future. Ultimately we want to replace the contents of your physical wallet with *Semble* and we’ll be working really hard to achieve that by offering a compelling range of services in addition to payments.

1. **Is New Zealand ready for the mobile wallet and mobile payment?**

We definitely believe so. New Zealand has a great mix of the right behaviours and an established local environment.

* Smartphone penetration has almost doubled in the last two years in New Zealand and migration to smartphones is much quicker here than even in the United States or Japan\*.
* Over 65% of New Zealanders have smartphones and an estimated 39% of Kiwi households have tablets\*.
* The increasing penetration of smartphones and tablets is predicted to accelerate an increase in mobile centric behaviour.
  + Over 53%\* of New Zealanders with a smartphone noted that they access the internet via their smartphone daily.
  + 30%\*\* of consumers would rather give up their TV than their smartphone \*\*.
  + 82% of smartphone users said they would never leave home without their smartphones
* Kiwis have over 750,000 NFC enabled android smartphones, a figure expected to rise to close to one million devices by Christmas.
* Contactless transactions continue to experience rapid growth locally. Kiwis had made over 20 million contactless transactions worth an estimated $735 millionby August this year.

1. **How many NZ EFTPOS terminals accept contactless payment today?**

Over 16,000 terminals in New Zealand accept contactless payment today. With customer appetite for contactless payment increasing exponentially and continued endorsement of NFC as a mature global payment technology, we expect this number to increase significantly over the coming months.

1. **When will *Semble* launch?**

*Semble* will pilot with 250 people in November. Thesenumbers will gradually expand and we are planning to launch *Semble* to the wider public early in the New Year.

1. **What technology will you use to keep customers’ information secure?**

*Semble* will store personal information encrypted on a “secure element” contained within the SIM card, just like the chip embedded in credit cards. There will also be additional layers of security available via a security code for the app and the pin code or biometric security on the phone.

1. **Why did you choose this technology?**

The secure element in the SIM is a globally recognised mature technology for applications that require a high degree of security. Trust is really important with any new technology and especially for payments. Keeping customer details secure is a critical part of that. We believe this is the right choice for *Semble*today particularly given that we are starting with mobile payment.

1. **What makes *Semble* different to other mobile wallet concepts?**

What is really unique to *Semble* is the ecosystem that is building around our mobile wallet. Ultimately this keeps things simple for a customer. One app, available on any mobile and terminal network in New Zealand, with a mix of services on offer. Our vision for *Semble* goes well beyond payment. Offers, loyalty cards, transport, ticketing. All via one app. We’re not talking about multiple stand-alone wallets. *Semble* will be a one stop shop, made for Kiwis, by Kiwis.

1. **How does it rate on the global stage?**

In an international context, it is unique for major banks to work with mobile and terminal network providers to create a great ubiquitous local solution. Ultimately this makes it easier for businesses wanting to provide a service in *Semble* and simple for the customer using *Semble*. We’re getting a lot of international interest in what we’re doing in New Zealand with *Semble*.

1. **What is *Semble’s* vision for the future?**

To lead the evolution of mobile interaction in New Zealand and be loved by Kiwis for keeping it simple. One app, many services, offered to as many Kiwis as possible. Our local one stop shop where your wallet is completely replaced by your phone.

1. **Will *Semble* work on any smartphone?**

When *Semble* commercially launches, it will work on selected NFC-enabled Android smartphones. NFC is a short-range wireless technology that enables communication between two electronic devices. *Semble* will use the NFC antenna inside your phone to send your encrypted data securely to the payment terminal.

1. **Why will it initially only work on some Android phones?**

NFC technology isn’t available on 100% of Android phones today but there are still a significant number in the market. The number and types of phoneswith NFC is however increasing significantly month on month in New Zealand.

You’ll be able to use *Semble* on a large proportion of these phones straight away. We are testing different models of NFC-enabled smartphones all the time and will be regularly announcing more *Semble*-ready devices.

1. **How many NFC enabled Android phones are currently being used in New Zealand?**

As at the end of August, there are over 700,000 NFC enabled Android phones in New Zealand across the three mobile networks (2degrees, Spark and Vodafone). This number is forecast to reach close to one million by Christmas.

1. **Will *Semble*be available on iPhone?**

The iPhone 6, released in New Zealand two weeks ago, is the first Apple device ever to have NFC capability included. This is exciting because it represents an important further endorsement of NFC as a contactless technology. Given how recently Apple has announced their new developments it is still too early to know what the potential opportunities are for *Semble*, but we are excited by Apple’s announcements. We are committed to offering *Semble* to as many Kiwi customers as possible.

1. **What do you think about HCE as a technology?**HCE is a compelling and exciting new technology. Our focus is always on the end customer’s experience and so we look at technology as an enabler to delivering the best possible customer experience. As a company that is ultimately agnostic to the technology that we use, we see HCE as a technology we will adopt and are now actively assessing it.

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