OPEN-LOOP FOR TRANSIT KEY FACTS

The newest and greatest in transit payment solutions can be complex. This document is designed to help you navigate the transit fare payment space and understand the best options for your organization. Many misconceptions about open-loop payments exist today and we want to alleviate this so you can choose the best supplier for your needs.

Are Open-loop Systems are expensive for smaller agencies?

Contactless open-loop payment systems, which allow passengers to use bank cards or mobile wallets directly for transit payments, are not as costly to implement as they might seem.

OpenFare integrates easily with existing infrastructure, reducing complexity and expenses. Unlike traditional Automated Fare Collection (AFC) systems, which are closed-loop and require significant capital and operational investment, open-loop EMV standard validators are more affordable and efficient.

Deploy today and improve ease-of-use for travelers and allows for reduction of cash collection and transaction costs for your agency.

Is deployment for open-loop is complex and difficult?

Contactless open-loop payment systems is cost-effective and efficient. Our existing partnership with payment processor Elavon, PCI DSS certifications, and our status as a Visa Ready partner allows STraffic to quickly deploy solutions and rely on existing transit expertise.

Our software is open source with an API-driven design. The platform caters to the modern transit agency who need payments to be flexible and future-proof. This allows existing and new systems to integrate with OpenFare. Our platform is equipped with tools that can help you generate reports from the back office while saving transactions costs and improving the traveler experience.

How do Open-loop systems serve the underbanked?

Reloadable EMV cards and mobile wallets can make transportation more affordable and accessible for disadvantaged riders by enabling easy, subsidized travel for low-income individuals.

Reloadable EMV Cards

What it is: EMV (Europay, MasterCard, and Visa) cards are secure, chip-based payment cards that use encryption to protect transactions. "Reloadable" means that the card can be refilled with funds, either online or at participating locations.

How it helps:

Affordable & Secure: Reloadable EMV cards can be issued to disadvantaged riders with a focus on security, allowing them to store travel credits and funds safely. These cards can be loaded with subsidies or credits from public transportation programs, government aid, or nonprofits.

Cashless Travel: They eliminate the need for cash, which can be an obstacle for people without bank accounts or access to digital payment methods. This makes it easier for riders to access public transit without worrying about physical money.

Integration with Subsidy Programs: Government or nonprofit organizations could load these cards with subsidized funds, making it easier for individuals to access transportation services. The cards could be pre-loaded with credits for a certain number of rides or a discount on fares.

Benefits

Improved Access to Jobs & Services: By providing subsidized fares via reloadable cards or mobile wallets, low-income individuals can access job opportunities, healthcare, education, and essential services more easily.

Financial Inclusion: Both EMV cards and mobile wallets provide financial inclusion by offering an easy way to participate in the digital economy, which can be particularly helpful for people without traditional bank accounts.

Convenience: Users don't have to worry about carrying cash or waiting in line for tickets. Simply tapping a card or using a mobile wallet can make the transit experience smoother and more efficient.

Cost-Effectiveness: Subsidizing travel through reloadable payment methods can be a cost-effective way to ensure that transportation systems are accessible to everyone, especially those who are economically disadvantaged.