

Chinese tourists are travelling everywhere in New Zealand and increasingly making their own decisions on where they stay and what and where they buy. UnionPay cards gives your business the opportunity to capitalise on this growth. Don't miss out on this tourist boom, be prepared by accepting the world's most issued card.

1. What is UnionPay?

UnionPay is a leading payment card brand, alongside more familiar brands like Visa, MasterCard and American Express. The UnionPay card is the preferred method of payment for Chinese abroad and is increasingly becoming one of the most important credit cards in Asia. UnionPay cards are accepted in 168 countries and regions, covering 41 million merchants and over 2 million ATMs.

2. What are the customer benefits of paying with a UnionPay card?

UnionPay cardholders benefit from high transaction spending limits and no foreign exchange/currency. When customers pay a New Zealand merchant, the transactional currency amount is converted directly into Chinese Yuan based on the transaction day's exchange rate and deducted from their UnionPay card. Conversion through an intermediary currency is not necessary and hence the customer is not charged a foreign currency conversion fee.

3. What are the merchant benefits of accepting UnionPay?

China is New Zealand's second largest visitor market and, for the last few years, the fastest growing. It is also the second most lucrative visitor market with Chinese travellers spending \$1.425 billion here in the year to September 2017.

The more choices for payment methods your customers have, the more likely they are to make spontaneous purchases. You could make more sales if UnionPay cardholders can access their accounts through your EFTPOS terminal.

There are more than 6.5 billion UnionPay cards out there. UnionPay cardholders come from 42 countries including Japan, Singapore, Hong Kong, Taiwan and South Korea.

Prominently displaying the UnionPay logo means shoppers can easily identify your support of their most comfortable payment method. This makes it more convenient for them to shop and spend with you. Shopping is a popular activity for Chinese visitors and they will seek out, shop and spend more at stores displaying the UnionPay logo.

4. Is UnionPay a secure method of payment?

Yes – The UnionPay card is a trusted form of payment and is now accepted and widely used in many countries around the world. UnionPay cards can only be accepted as a card present transaction through UnionPay Direct.

5. Are there payment limits for customers using a UnionPay card?

UnionPay debit cardholders are not subject to transaction limits. The value of the transactions that a UnionPay debit cardholder can carry out in any one or multiple purchases over any period of time is limited only by the balance of the account that is linked to the debit card. UnionPay Credit cardholders are only limited by the transaction limits set by the card issuer.

UnionPay branded card examples



6. What type of UnionPay cards can be accepted?

There are both UnionPay debit cards and UnionPay credit cards. Basically, there are several different looks as with all payment card products but the UnionPay logo will be prominently displayed on the card. All valid bank cards with the UnionPay logo can be accepted at the Smartpay EFTPOS terminal. UnionPay cards can be chip or magnetic stripe cards. The cards may be UnionPay branded or they may have dual branding with others such as Visa or MasterCard. All valid bank cards with the UnionPay logo can be accepted.

7. How do I get my business to accept UnionPay cards?

Contact the team at Smartpay to have UnionPay enabled. If your merchant bank offers UnionPay, it may be as simple as downloading new software to your current terminal. Or, Smartpay can install the UnionPay Direct application on either your current device, or another terminal. Call the team today on **0800 476 278** to get the best solution for your business.

8. What is the difference between UnionPay through my merchant bank?

Some UnionPay cards have another scheme brand on them such as Visa or Mastercard. When these are processed through the Paymark network, they will go to the other scheme first rather than UnionPay. However with UnionPay Direct they will be processed as a UnionPay transaction. Processing as UnionPay means your customer pays less fees and gives them access to their debit or credit funds.

When using a Smartpay terminal enabled for UnionPay Direct, cardholders also benefit from the same transaction experience as using their card in mainland China, meaning less confusion and more sales for merchants. As is standard in China, the terminal does not prompt for account selection, the EFTPOS receipt is UnionPay specific and transaction alerts to mobile phones are supported.

UnionPay dual branded card examples



FAQs about UnionPay Direct from Smartpay

1. What exchange rate is used for UnionPay settlements?

UnionPay retrieves exchange rates from multiple market sources such as Reuters, Bloomberg and Central Banks. The displayed rates are derived from buy and sell rates included in the UnionPay daily rate setting process and do not include any charges or mark-ups applied by the Issuer. These rates generally reflect either wholesale market rates or government mandated rates that are collected during the daily rate setting process.

Please note:

Due to charges or mark-ups that may be applied by the Issuer (and possible rounding differences), the displayed rates may not precisely reflect the actual rate applied to the transaction amount when converting to the cardholder billing amount.

The rate that is applied to a transaction is the exchange rate as of settlement date which may be different from the transaction date (settlement date refers to the day when UnionPay determines the settlement amount to be exchanged between the acquirer and the issuer; transaction Date refers to the day when a transaction is initiated).

If customers have further exchange rate inquiries, merchants can use the following link for more details: <http://bit.ly/2nBEi78>

2. Is the PIN necessary when using UnionPay card?

All UnionPay debit and most credit card transactions are authorised with a signature and a PIN, however there are some UnionPay credit cards that have a PIN exception. Signature is always required for all UnionPay card transactions.

Understanding the Most Frequent Response Codes	
15	No Such Issuer
40	Requested Function Not Supported
41	Lost Card - Merchant pick up the card
43	Stolen Card - Merchant pick up the card
51	Insufficient Funds
54	Expired Card
55	Incorrect PIN
61	Exceeds Withdraw Amount Limit
98	Switch Center couldn't get reply from Issuer

3. Sometimes when the terminal shows transaction declined, no receipt printed or transaction not complete the cardholder still receives a txt message alert from the card issuing bank. Why?

There are many communication links involved in a UnionPay transaction. Any one part of the transaction process where the communication link breaks down can cause the transaction to be unsuccessful.

Transactions should not be recognised as successful if the EFTPOS terminal shows the transaction decline code or if the transaction receipt has not been printed. If the UnionPay cardholder disagrees or has an issue, ask them call their bank or the UnionPay International Service Hotline **0800 450 831**.

4. How do I request and process a refund for UnionPay card transactions?

If the refund request happens at the time of the transaction the merchant can process a refund using the VOID function on the EFTPOS terminal. Refer to Refund operation on the user guide. The cardholder will need to present their original receipt and UnionPay card to the merchant to complete this operation.

5. Who is Dynamic Payment?

Dynamic Payment provides credit card and debit card settlement services for UnionPay transactions made through Smartpay's UnionPay Direct application.

Dynamic Payment has been a UnionPay card acquirer in New Zealand and Australia since 2005. Dynamic Payment is authorised by UnionPay International.

6. If the UnionPay cardholder disputes a transaction after the transaction date and the merchant agrees to refund, how do they request and process it?

If the refund is requested after the transaction date, the merchant will need to fill out a 'Refund Application Form' from Dynamic Payment NZ. The form should be completed, signed and returned with a copy of the original transaction receipt to the Dynamic payments office:

Email: dpnz@dynamicg.com

Fax: 09-368-7799

Mail: P.O. Box 155 266, Wellesley Street, Auckland

Dynamic Payments will manually refund the disputed transaction amount directly into the UnionPay cardholder's account. The refund process takes approximately 5 days from receipt of the completed form and there are no charges associated.

7. What is the UnionPay local service hotline number?

For the cardholder: 0800-450-831 or

International toll free: 00800-800-95516

For the merchant: 0508-888-168