

# Touch'n go essay sample

[Economics](#), [Money](#)



It is a prepaid smartcard that uses Mifare contactless technology. Mifare is the international de facto standard for contactless smartcard. Information contain in this card can be read and written via magnetic induction using specified radio frequency and smartcard software. Touch ' n Go card can be use as a mode of payment for highways, public transports, selected parking, retail and theme parks. Each time a user uses the Touch ' n Go card, the electronic card reader will deduct the exact fare from the value stored inside the card. User can top-up or reload the card with a pre-defined amount to continue using it. However, Touch ' n Go card can be purchase from our Touch ' n Go Hubs, Touch ' n Go SPOTs as selected petrol stations and Touch ' n Go Sales Counters located at highways such as PLUS, ELITE, Ampang KL Elevated Highway, Penang Bridge, Besraya, SILK, Linkedua, New Pantai Expressway, Metramac and Shapadu. You can also get a Touch ' n Go card from selected PETRONAS Stations, LRT Stations and third party agents.

There are benefit of touch and go :-

- \* One card for all – toll, parking, public transport, retail and theme park
- \* Dedicated toll lanes
- \* No need to prepare for exact change.
- \* No need to wait for attendant to give you the small change.
- \* No fumbling for cash at the gate/toll
- \* Fast and convenient

We can check the balance of my Touch ' n Go card used :-

- \* Check the LED screen when you use your card at the Touch ' n Go lane. \*

Check the LED screen on your SmartTAG.

- \* Call our Careline Centre at 03-27148888 (operational from 7: 30am to 9:

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30pm daily, including public holidays). \* Through e-statement in our website (please note that e-statement only provides transaction data that took place 48 hours ago.) \* Visit Touch ' n Go sales counter

Supporting device needed

Touch ' n Go has announced that it, together with Maxis and CIMB, are in collaboration to introduce a transaction service that will allow you to use your NFC-enabled smart phones like Touch n' Go cards. The service is expected to go on-line in two months' time.

In addition, Touch n' Go CEO, Abdul Karim Md Lassim said that the service will be made available to other operators six months after it is launched with Maxis. While this is not exactly new news – Maxis talked about the same collaboration in March of this year – it's certainly exciting to see how the service would actually work and if it will appeal to consumers. This is because contact less payment services are not actually new in Malaysia.

In addition to Touch n' Go, we have the Visa Wave and Master card Pay Pass services that use the same NFC technology. In fact, payment via NFC-enabled phone was pioneered by Maxis with its FasTap service that was introduced way back in 2009, but we can see that these services are not really gaining much traction here. We understand that through the service, CIMB account holders will be able to reload their devices using funds available in their bank account but beyond that not much detail has been revealed.

On the surface of it, when the service goes on-line, NFC-equipped smart phones will work much like Touch n' Go cards to day but when you look at it in more detail, there a number of questions that needs to be answered. Like which NFC smart phones would be compatible with this service? While you would think that all NFC smart phones have essentially the NFC capabilities built in them, they are in actual fact not created equal because when it comes to making transactions, you need a more secure type of NFC protocol and most of the devices in the market right now do not support this protocol. We don't know whether Touch n' Go, Maxis and CIMB have found a way to bypass this but chances are you might have to get a new phone to use the service.

In addition, to make this upcoming service popular, the three companies (Touch n Go especially) will have to make the Touch n Go NFC panels ubiquitous. This means the panels must be available in more places than just at toll booths, LRT stations, in busses and at parking entrances. The Touch n' Go panels should be everywhere to 1) create awareness to the consumer on the availability of the service and 2) to give subscribers to service value and convenience because they can use their NFC phone to make payments almost anywhere.

There's also the question of payment, does the service require a CIMB account or is it possible to top up the NFC phones just like you would your Touch n' Go cards at 7-Elevens and petrol stations? We don't know but we're pretty sure that the people at Touch n' Go, Maxis and CIMB have thought about all these things and how to solve them to make the upcoming service

as easy to adopt and as appealing to consumers as possible. Safety measures

Touch ' n Go Sdn Bhd to enable the entry of new shareholders who can help grow the company. Group chief executive officer Datuk Seri Nazir Razak said it was estimated that Touch ' n Go, the sole electronic toll collection operator for all highways in Peninsular Malaysia, would need to invest RM500 million over one-and-a-half years to upgrade its systems.

“ We could look to dilute. We could probably want to bring in new shareholders as part of the financing exercise,” Nazir said on the sidelines of the Invest Malaysia conference.

The investment would also go toward making highways multi-lane free flow (MLFF)-ready, a system that's said to allow cars to pass through toll plazas much faster than the current system as scanners would detect them much earlier. Boston Consulting, Accenture and Octopus from Hong Kong have been hired to help come up with a masterplan.

Touch ' n Go's other shareholders are MTD Capital Bhd with a 27. 78 per cent stake and UEM Group with 20 per cent. Touch ' n Go Sdn Bhd (TNGSB) said the capping is in line with the e-Money guidelines issued by Bank Negara Malaysia and applicable to all e-money issuers in the country. “ As one of the leading e-Money service providers in the country, Touch ' n Go is always mindful of its obligation to safeguard electronic money transactions and adhere to Bank Negara's guidelines. “ We believe it is timely to remind our customers about the capping limit of Touch ' n Go cards in light of the

increasing trend in electronic payment modes recently,” said TNGSB Chief Executive Officer, Abdul Karim Md. Lassim. 4 The e-money guideline issued by the central bank is aimed at ensuring the safety and soundness of e-money operations, as well as enhance customers’ confidence in the usage of e-money services. Touch ‘ n Go card is a form of electronic money governed by Bank Negara and must therefore, ensure that transactions performed by card users are protected. As an e-money service provider, Touch ‘ n Go is also required to accumulate funds gathered from all reload transactions into a trustee account under the supervision of Bank Negara.

The establishment of a trustee account is aimed at ensuring that customers’ money is efficiently and safely managed. Money under the trustee account, will then be distributed to the respective service providers that accept Touch ‘ n Go transactions, such as highways, public transportation, parking, retail outlets and others. Customers are also encouraged to register their cards as a safety measure – should the card be lost or stolen at [www. touchngo. com. my](http://www.touchngo.com.my) or visit the nearest Touch ‘ n Go Hubs, ‘ Touch ‘ n Go SPOTs’, and customer service counters along highways. Those entitled to the Government Frequent Traveller Programme toll rebate are also recommended to check their card balance before redeeming it. “ Customers must ensure that the balance does not reach RM1, 500 in value to avoid the cards being deactivated. Should their balance reach the limit, they are advised to utilise and reduce the balance before redeeming the rebate,” TNGSB said.—BERNAMA