

# Review: Apple Pay is great, at stores that accept it

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When Apple Pay launched Monday, my editors decided I needed to go shopping.

I didn't have to be asked twice. In fact, I felt like a teenager set loose in a mall with a parent's credit card. Now I just needed to find some places that took my peculiar form of payment. But once I was done, and after some initial glitches, I really liked Apple Pay and wish it was available at a lot more retailers.

Before I headed out, I had to set up it up. The first step was downloading iOS 8.1, the latest version of Apple's mobile operating system, which the company released Monday. Then I had to go into Passbook, the app that stores electronic tickets, loyalty cards and now payment cards.

If you have an iTunes account, Passbook will ask whether you want to use the card on file there for Apple Pay. If you do, the only other thing you have to do is to verify with your bank that you want to use it with Apple's new payment service. In some cases, you simply have to plug in a code sent by your bank over email or SMS; in others, you may have to talk with a customer service person at your bank and answer some security questions.

In addition to the card I use with iTunes, I added my debit card and another credit card. But immediately, my plans for a company-funded shopping spree were thwarted. Apple isn't allowing consumers to use corporate credit cards with Apple Pay, so I couldn't link my company

American Express card to it.

That's when I ran in to the next problem: Few retailers accept Apple Pay - or any other mobile payment.

Apple Pay is what's known in the payment industry as a "contactless" payment system. Such systems allow users to buy things with credit or debit cards that are stored on their phones or in the cloud. Instead of swiping a credit card at a payment terminal, you tap your phone onto a special receiver. What's called a "near-field communications" radio in your phone transfers data from your device to the terminal to verify the payment.

Contactless payment systems have several advantages: They are more secure than credit cards and less hassle than a wallet full of Visas, MasterCard and debit cards.

With the launch of Apple's new service, there are now three primary contactless payments systems in the U.S.: Apple Pay, Google Wallet and Softcard. Your choice of service generally depends on your phone.

Apple Pay is available only on the iPhone 6 and 6 Plus. Google Wallet is available only on certain Android phones. Softcard is available on some Android phones and older iPhones with an add-on accessory.

You can use Apple Pay at any retailer or restaurant that accepts contactless payments. Apple estimates there are about 220,000 such establishments nationwide, which sounds like a lot until you realize there are about 3.7 million retailers, according to the National Retail Federation. As I took my ad hoc shopping spree down, I was met with more than a few blank stares when I asked if I could use Apple Pay.

Still, I soldiered on. Using a list from Apple as a guide, I headed to

Walgreens, where I bought some pens; to Whole Foods, where I bought a sandwich; and RadioShack, where I bought a phone jack, all with Apple Pay. I was also able to use it to buy a coffee at Peet's, a smoothie at McDonald's and some pumpkin carving supplies at CVS.

At each stop, I typically bought something with Google Wallet also. I tried to use Softcard but could not get it to work with my Moto X phone.

I much preferred Apple Pay over Google Wallet. Apple Pay does a much better job showing you the progress of a transaction. With Google Wallet I found myself having to repeatedly tap my phone on a retailer's sensor because I didn't know if my phone and the terminal were connecting.

Apple Pay is also more streamlined. To pay with Google Wallet, you have to have your screen unlocked and the Wallet app running and unlocked before you can tap your phone to make a payment. With Apple Pay, you simply tap your phone on a terminal with your finger on the phone's TouchID fingerprint sensor. That's it.

For now, though, contactless payments feel like a novelty. Among the retailers I visited that wouldn't take Apple Pay were Best Buy, Walmart, the local Ace Hardware store, Dollar Tree, the U.S. Post Office, Safeway, An-Jan pet store, O'Reilly Auto Parts and Taco Bell.

So, even if you have an iPhone 6 or a Google Wallet-compatible Android phone, don't ditch your billfold just yet. As cool as Apple Pay and contactless payments may be, you can't go on much of a shopping spree with them just yet.

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APPLE PAY

Apple launched its new mobile payments service Monday.

-What it does: Allows users to pay for items at retail stores and restaurants by tapping their devices to receivers usually attached to credit card payment terminals.

-How it works: Users' credit card numbers are stored in the Passbook app on their phones. When users tap their phones, a code verifying a payment is sent over the near-field communications radio in their device to the retailer's receiver. Retailers treat the transaction the same way they do a purchase made by swiping a [credit card](#); users will typically have to confirm a transaction on the retailer's terminal, sometimes by signing their name.

-Which phones can you use: Apple's iPhone 6 and 6 Plus

-Where can you use it? At any of the approximately 220,000 retail establishments that accept contactless payments. Among them are Whole Foods, Walgreens and McDonald's.

-What are its limitations? Apple Pay doesn't yet work with corporate cards. And fewer than one in 16 retail establishments accept contactless payments.

-What if you don't have an iPhone? Some Android [phone](#) owners can use Google Wallet or Softcard to make [contactless payments](#). Some Windows Phone device users can use Microsoft's Wallet app.

-Source: Staff research

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