

Chip N Pin Good or Bad

More and more we are becoming a cashless society. Almost every purchase we make now days is on the card whether that is a credit card or a debit card. To try to limit credit and debit card fraud, the powers that be introduced Chip n pin so that you no longer sign for your purchase, you just enter your secret pin number and away you go. Best keep it safe from prying eyes though there are both advantages and disadvantages to the use of Chip n pin and this article will explore some of them.

Advantages

The chip n pin prevents anyone from copying your signature. Before chip n pin, if you went into a restaurant, your card was often taken away from you and details entered out of your sight only to be returned for a signature. This did result in a number of frauds perpetrated on customers who paid their bill in this way. With the arrival of chip n pin, the card remains with the customer and there is no signature needed. It also makes it harder for a thief to use your card unless they have your personal pin number. Certainly, both credit and debit card fraud has been reduced since the introduction of chip and pin.

Disadvantages

While credit and debit card fraud has gone down with chip and pin, at the same time, cashpoint fraud has gone up. They use hidden cameras sometimes so that they can see which keys are pressed for the pin. They sometimes place an invisible strip where the card is entered and commit fraud that way. The advent of chip and pin has also generated a rise in phishing, this is where fraudsters get hold of your email address and send out emails claiming to be from a bank and asking for you to click and check your account details. Once a person clicks on the link, they are redirected to a fraudulent site, If they then give out their account details, they are in danger of having their bank account raided.

Conclusion

In some respects, the introduction of chip and pin does make life a bit less complicated and certain forms of credit and debit card fraud have decreased. On the other hand, this has encouraged fraudsters to become ever more creative in designing ways to illegally access other people's money. While we are constantly warned about keeping our details secret and safely disposing of letters from the bank and credit card statements, people are still being defrauded of their money. These days, if you don't have a bank account, a lot of doors are no longer open to you buying over the internet or having a mobile phone contract, for example. Chip and pin may not be a hundred percent secure, but if we take precautions in other areas, our money is probably safer than it was before the introduction of this way of using your cards.

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