

Pin4 Cardless Cash Payouts

Prepaid cards and paper checks are commonly used by consumer packaged goods (CPG) companies, white goods manufacturers,



telecom companies, and others to provide consumers with rebates, rewards, and incentives. However, up to 35% of those cards and checks go unredeemed. When they aren't used, the provider loses the opportunity to deepen loyalty with the recipient. That lost opportunity is also costly. Rebate, reward, and incentive providers must buy private label- or general purpose-type prepaid cards at a

2% to 3% discount to their face value. In addition, they incur costs for fulfillment including postage.

Pin4 believes that immediately providing cash to recipients is the way to deliver rebates, rewards, and incentives. It has licensed technology from HalCash, which works in Spain and Poland, to provide cash through ATMs using mobile phones. Pin4 is developing a U.S. distribution network beginning with off-premises ATM operators. The company plans to connect to over 120,000 ATMs by year-end, with emphasis on penetration in Los Angeles, New York, Miami, and Chicago.

Recipients receive a 4-digit PIN via text message from Pin4, which they add to a 4-digit PIN received from the rebate, reward, or incentive promotion via SMS,

email, or verbally. They input all 8 digits at the ATM to receive their cash. There is no need for a card or NFC-enabled phone.

Other uses for Pin4 Cardless Cash include person-to-person payments (including remittances), corporate and government disbursements, low-value loans, petty cash for truck drivers, and as emergency cash advances to upscale cardholders inconvenienced by a lost or stolen credit card.

Up to 35% of checks and cards for rewards/incentives go unredeemed.

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