

contactless open-loop payments, it's creating new commerce possibilities that not only benefit ridership and relieve urban congestion, but also promise greater financial inclusion.

A [study](#) from the Visa Economic Empowerment Institute (VEEI) titled "Reimagining Ridership: Open-loop Payments and the Future of Urban Mobility," based on surveys of 75 transit agencies and 3,000 transit riders, reveals that the ability to use tap-and-ride open-loop systems increased ridership by one-third, giving relief to beset transit system largely unused in 2020 and 2021, which in the U.S. required tens of billions in federal funds infusions to keep them running.

In helping these systems recover — and the cities they serve with them — [Visa](#) Head of Urban Mobility [Nick Mackie](#) told PYMNTS, "When you make it easier to get on board with public transport, people take to it. It resonates with people when you make it as easy to get on board public transport as buying a coffee."

He pointed to one stat from the VEEI study noting that 45% of those surveyed said they would take public transit more often if payments were seamless, requiring only the contactless card or mobile

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From 33% increase ...

p. 22 of the 'study'

the system, they opt to take more transit trips. As outlined in Table 5, small and medium-sized agencies with less than two years of open-loop experience showed an aggregate growth in ridership of 4 percent, compared with 12 percent total growth for agencies of the same size with more than two years of experience. Large agencies also showed benefits growing over time, with a 6 percent total ridership increase in the first two years growing to 10 percent for more advanced agencies.

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p. 18 of the 'study'

By addressing rider concerns about convenience and hygiene, contactless, open-loop payments go a long way in promoting ridership. Nearly one third of transit riders surveyed reported that they started using public transport more often because of the ability to use open-loop payments,

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to 1,000 respondents answers