

Apple Credit Card

On March twenty-fifth, Apple announced that it will be releasing a credit card this summer called Apple Card. This card is promised to offer daily cash back reward deposits, and no additional fees. The card is manufactured to be used with the iPhone app Apple Wallet, as well as the Apple Pay contactless payment system. Due to the fact that Apple Pay is not available at all locations, Apple will be making a physical card available as well.

Apple Card is backed by investment bank and financial services company Goldman Sachs, as well as financial services company Mastercard. There will be both an app and a physical card available. Users will be able to activate the physical card by tapping it to their iPhone when the correct Apple Pay “pop-up” screen is present. The card is expected to produce benefits for Apple in maintaining consumers and increasing loyalty through favorable features such as cash back incentives and rewards. Users will receive 2% cash back on purchases; however, only users of Apple Card with Apple Pay on iPhone will be able to enjoy this benefit. Holders of the physical, titanium Apple Card will receive 1% cash back. Users who make purchases directly with Apple will receive 3% cash back. Although the cash back amounts from Apple Card are not overly impressive in an increasingly competitive rewards market, the card’s security features are expected to further attract potential buyers.

Apple will not have the ability to retrieve information or data from credit transactions. Additionally, every purchase will be authorized using either Touch ID or the newer Face ID, along with a one-time security code; and transactions will be trackable by GPS, so the card’s holder will be able to see exactly where the Apple Card was used for any purchase. The Apple Card app’s software will have the ability to automatically sort its holders’ purchases by category,

with a couple of the anticipated categories being groceries and entertainment. This will allow users of Apple Card to not only see where they have been spending money; but also exactly how they have been spending their money, where they have been spending it, and on what they have been spending it. The physical card will not display a card number, security code, expiration date, or signature.

In Apple's press release, the corporation made sure to highlight a number of features to assist buyers in managing their finances from their mobile devices; including but not limited to automatic categorization of transactions, weekly and monthly spending summaries, and a slider which displays how varying payment amounts may affect interest charges sustained over time. As of January, 2019, Apple Pay is available in 65% of retail businesses in the United States.



Example of what the physical card is expected to look like. Source: inquirer.net.

