Risk Management Trends in the Global Payment Ecosystem
- From Protection to Authentication

Chackan Lai

Product and Innovation Risk
Visa, Inc.
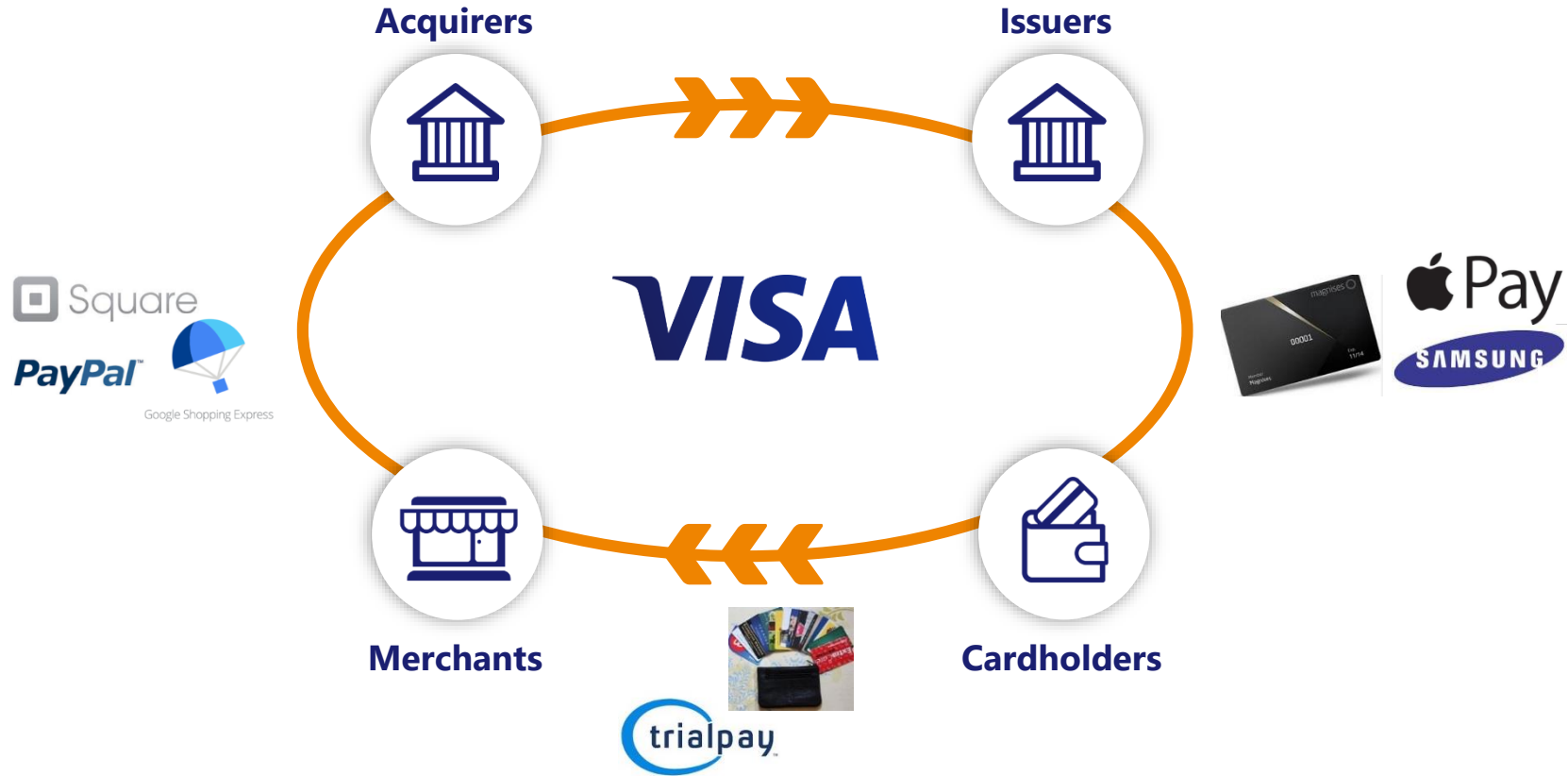
Disclaimer

The information or recommendations contained herein are provided "AS IS" and intended for informational purposes only and should not be relied upon for operational, marketing, legal, technical, tax, financial or other advice. When implementing any new strategy or practice, you should consult with your legal counsel to determine what laws and regulations may apply to your specific circumstances. The actual costs, savings and benefits of any recommendations or programs may vary based upon your specific business needs and program requirements. By their nature, recommendations are not guarantees of future performance or results and are subject to risks, uncertainties and assumptions that are difficult to predict or quantify. Assumptions were made by us in light of our experience and our perceptions of historical trends, current conditions and expected future developments and other factors that we believe are appropriate under the circumstance. Recommendations are subject to risks and uncertainties, which may cause actual and future results and trends to differ materially from the assumptions or recommendations. Visa is not responsible for your use of the information contained herein (including errors, omissions, inaccuracy or non-timeliness of any kind) or any assumptions or conclusions you might draw from its use. Visa makes no warranty, express or implied, and explicitly disclaims the warranties of merchantability and fitness for a particular purpose, any warranty of non-infringement of any third party's intellectual property rights, any warranty that the information will meet the requirements of a client, or any warranty that the information is updated and will be error free. To the extent permitted by applicable law, Visa shall not be liable to a client or any third party for any damages under any theory of law, including, without limitation, any special, consequential, incidental or punitive damages, nor any damages for loss of business profits, business interruption, loss of business information, or other monetary loss, even if advised of the possibility of such damages.

Visa Public

VISA

More Players in the Payment Ecosystem

Acquirers

Issuers

VISA

Merchants

Cardholders

Square

PayPal™

Google Shopping Express

trialpay

Pay

SAMSUNG

Visa Public

VISA

Converging onto Mobile

The one device to rule them all

Visa Public

The landscape is continues to evolve…

Toward payments that are consumer centric, device agnostic

Face-to-face

Mobile

eCommerce

Payment channels

Digital wallet

Rewards and offers

Payment methods traditional and virtual

Rewards currency

Payment methods

Visa Public

VISA

From Physical to Digital

Provisioning

Tokenization

Risk Management

Lifecycle Management

Remote Commerce

Face-to-Face Commerce

eCommerce

mCommerce

Buy
It

Buy Buttons

Near-Field Communication (NFC)

Quick Response (QR)

Future (BLE)

Wearables

Visa Public

VISA

From Static to Dynamic to Tokenized

`4 0 0 0 1 2 3 4 5 6 7 ^ J O H N D O E ^ 0 1 2 0 1 2 ^ 1 0 1 ^ 2 1 7 ^ ...`

Card number | Name | Expiry | Service code | CVV **(STATIC)**

`4 0 0 0 1 2 3 4 5 6 7 ^ J O H N D O E ^ 0 1 2 0 1 2 ^ 2 0 1 ^ 3 8 6 ^ 3 0 9 8 8 2 2 8 ^ ...`

Card number | Name | Expiry | Service code | iCVV | Cryptogram **(DYNAMIC)**

`4 6 3 0 1 5 0 4 2 0 7 ^ J O H N D O E ^ 0 1 2 0 1 2 ^ 2 0 1 ^ 3 8 6 ^ 5 8 3 6 8 1 2 7 ^ ...`

Token number | Name | Expiry | Service code | iCVV | Cryptogram **(DYNAMIC)**

`4 0 7 0 3 2 1 6 4 5 0 ^ J O H N D O E ^ 0 1 2 0 1 2 ^ 2 0 1 ^ 3 8 6 ^ 7 3 2 5 6 0 0 3 ^ ...`

Token number | Name | Expiry | Service code | iCVV | Cryptogram **(DYNAMIC)**

Visa Public

VISA

What can go wrong? - Mind Reading

https://www.youtube.com/watch?v=F7pYHN9iC9I

Visa Public

VISA

Fraudsters Are Evolving

Card Database Compromise

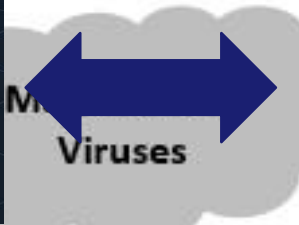**Malware and Viruses**

PII Database Compromise

Visa Public

VISA

Getting more Targeted and Specific

Compromised Card Data

Viruses

Compromised PII

Phishing → Spear-Phishing

Call Scamming → Social Media Scams

VISA

Data will be Key

Protect Data

Safeguard payment data

Harness Data

Stop fraud before it occurs

Devalue Data

Render data useless

Empower Consumers

Engage cardholders in payment security

Visa Public

VISA

Upcoming Events & Resources

Upcoming Events – Training page on www.visa.com/cisp
- Visa Payment Security Symposium – August 22 and 23
  - Hyatt Regency SFO Airport in Burlingame, California

Visa Data Security Website – www.visa.com/cisp
- "What To Do If Compromised" Guide
- Security Alerts, Bulletins
- Best Practices, White Papers
- Webinars

PCI Security Standards Council Website – www.pcissc.org
- Data Security Standards – PCI DSS, PA-DSS, PTS
- Programs – ASV, ISA, PA-QSA, PFI, PTS, QSA, QIR, PCIP, and P2PE
- Fact Sheets – ATM Security, Mobile Payments Acceptance, Tokenization, Cloud Computing, and many more...

VISA

Questions?