

Navigating through Digital Payments

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AUSTRIACARD 



PARADIGM CHANGE

YESTERDAY

- providing payment card products and card-related services either separately or in combination
- puzzling whether a card will survive
- rushing through a wallets jungle

TODAY

- **integrated** solutions for paying over multiple channels in all everyday use cases
- let the consumer to **choose a** payment **instrument** or a **device** to use
- enriching the proposition through **added-value services**

THE QUESTION WE MUST KEEP IN MIND

what value does our product proposition
bring to a consumer?

CREATING A VALUE THROUGH A DIGITAL PROPOSITION

establishing a **consumer-centric** hub to a variety of financial services

facilitating payments from a consumer's card account over a variety of payment channels and across numerous use cases



WHAT I WOULD WISH?

Turning into a consumer role

Multi-channel
capabilities

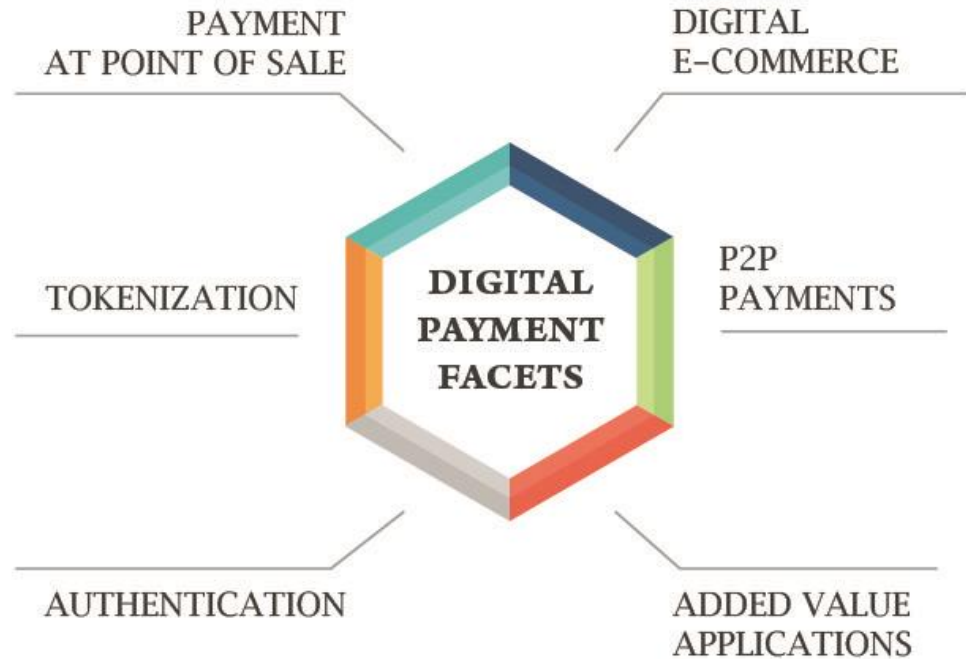
Security confidence
and experience

Full control and
transparency

Choice of methods
fitting payment use
cases

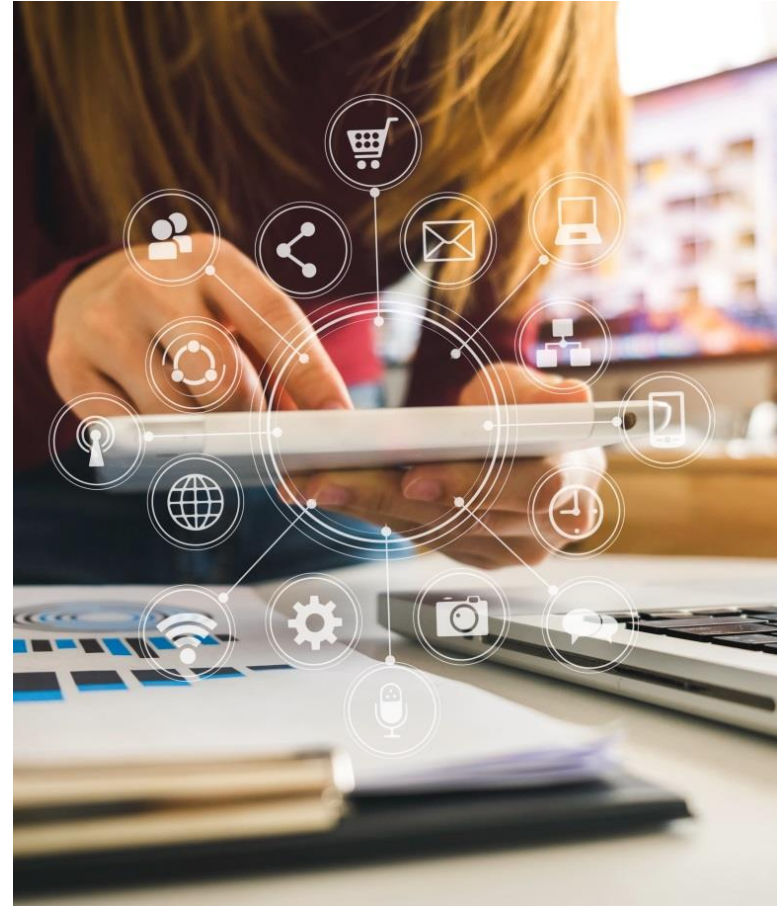
DIGITAL PAYMENT FACETS

seamless multi-channel payment experience under a harmonized 'look-and-feel' irrespective of a payment use case and channel



SECURE REMOTE COMMERCE (SRC)

- payment industry upcoming framework for access to online checkout services
- is specified by EMVCo
- defines global and interoperable systems for delivery of cardholder's payment data to online merchant at checkout, but not only that...



WHAT DOES SRC PROVIDE TO...

Consumers

a 'hassle-free',
constant checkout
experience
choice and control
of **payment card
tokens** and other
data provided to a
merchant

Merchants

**improved customer
buying experience**
ease of integration
with checkout service
providers
full benefits of EMV
tokenization

Ecosystem

new roles for
providing checkout
services, requesting
and managing
cardholders' payment
tokens

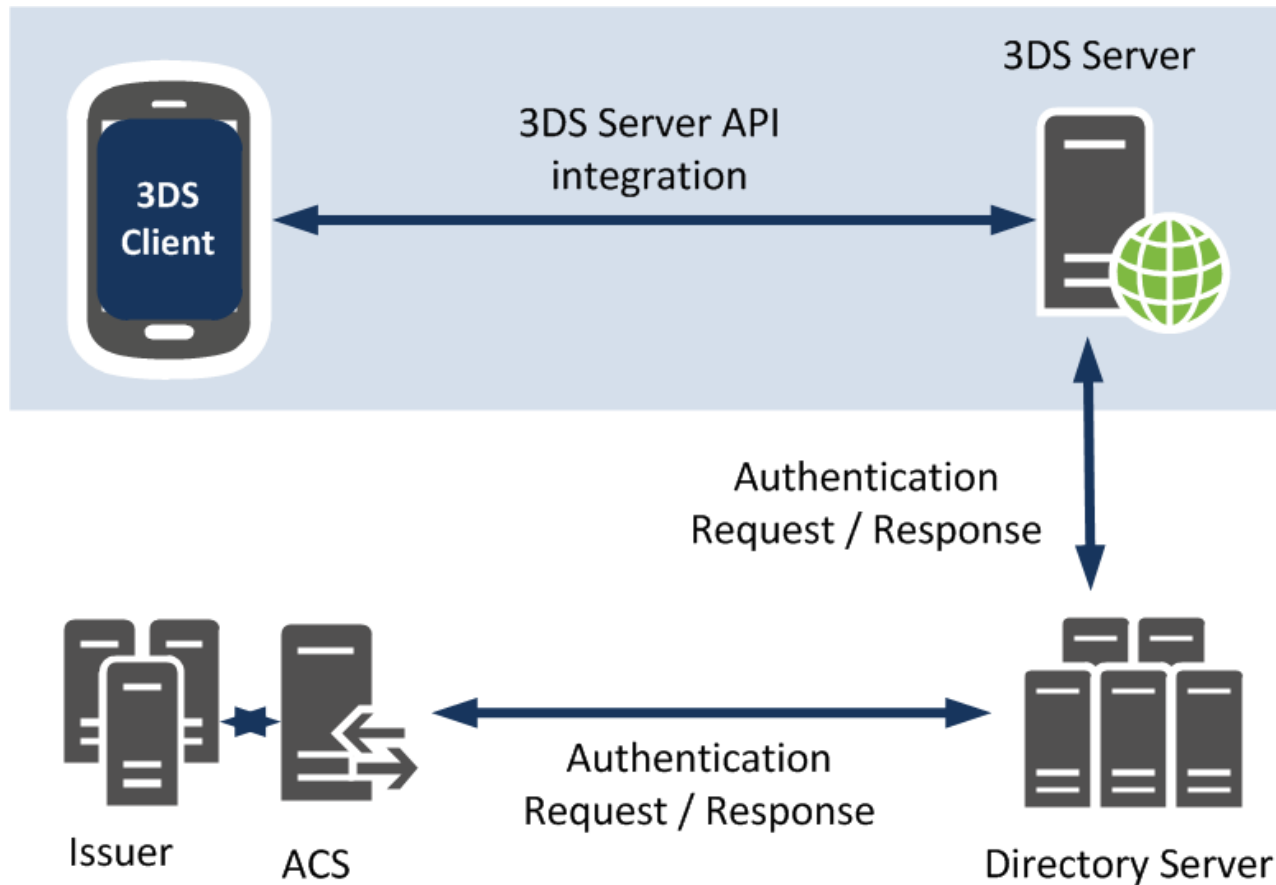
AUTHENTICATION WITH EMV 3-D SECURE 2.0

- new generation authentication framework for payment and non-payment use
- flexible payment channel and device support
- support of various customer authentication technologies
- support of ‘frictionless’ authentication flows



FRICITIONLESS AUTHENTICATION

EMV 3DS 2.0



TRANSACTION RISK ASSESSMENT

Significantly more data available in EMV 3DS 2.0

Cardholder data

- Cardholder Account Information
- Cardholder shipping address, e-mail, phone numbers
- EMV Payment Token Indicator
- Account type
- Card expiry date
-

Merchant & transaction data

- Merchant Risk Indicator
- Device Channel and Device Information
- Merchant name, country code, category code
- IP address
- Purchase amount, date and time
- ...

RISK BASED AUTHENTICATION

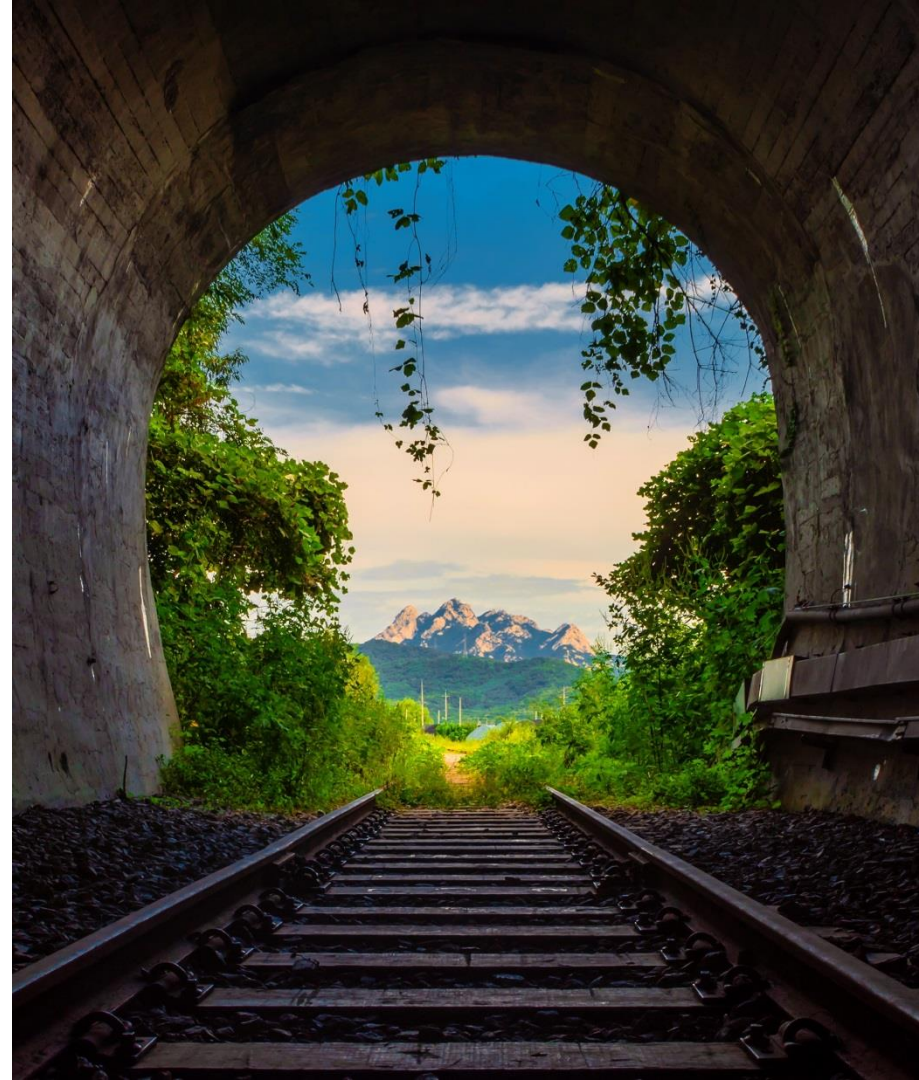
Challenges

- It will be difficult for traditional rule-based systems to provide a desired coverage of real-life risk cases, as
 - the number of factors to assess and relations is huge
 - it is not feasible to ‘hard-code’ all possible risk scenarios
 - many risk scenarios will not be known
 - difficult to handle customer-specific risk profiles
- Risk Based Authentication can be effectively supported by deploying AI machine learning techniques

CONCLUSION

Launching today solutions that shall be future-proof is one of the biggest challenges

We must be ready to cope with increasing dynamics of emerging technologies adoption



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