

Enhancing digital payments security with Cloud Token

Latin America & Caribbean consumers are turning to eCommerce during the COVID-19 outbreak due to the fact that social distancing measures and shelter-in-place orders have made online shopping more convenient or in some cases, the only way to get the goods they need.



According to **Americas Market Intelligence**, "In Latin America & Caribbean, the online purchase of essential goods (supermarket, pharmacy and household supplies) will grow **47%** in **2020** over **2019**".¹

Providing digital payment experiences while protecting consumers' sensitive information from fraud is crucial in this context. As more consumers are shopping through different mobile devices, **Visa Token Service replaces sensitive account information**, such as the 16-digit primary account number, with a unique digital identifier called a token.



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The token allows payments to be processed without exposing actual account details.

Cloud Token provides an extra layer of security to mitigate online fraud

The **Cloud Token framework** includes new capabilities to better serve the evolving opportunities in digital commerce. It allows consumer verification via device binding and provides more visibility into who is making the purchase. This framework, provides a Consumer Device Cardholder Verification method (CDCVM) with every transaction and a Trust Device experience which can help improve consumer authentication, authorization rates, lifecycle management and frictionless experiences.



SOURCE:

1. Americas Market Intelligence, April 2020.

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7 things you need to know about Cloud Token

- 1 Creates an extra layer of security** with stronger consumer authentication to determine if the online purchase was legitimately submitted by the cardholder.
- 2 Token requestors will perform a process called device binding**, which will link (or bind) a trust device. During this process issuers will be able to authenticate the consumer that is adding the credential seeking to ensure it is the rightful owner.
- 3 Issuers can additionally verify the cardholder during subsequent transactions in a Trust Device** with the help of device data & Consumer Device Cardholder Verification Method (CDCVM) which can increase the chance of the transaction getting approved.
- 4 Token requestors will benefit by establishing streamline future e-commerce transactions**, enabling customer authentication providing increased security, minimizing cardholder friction and improving CNP authorization rates.
- 5 Once consumer get authenticated in a trust device the friction will be reduce significant for subsentence transactions.**
- 6 The new features announced with Cloud Token framework** are targeted for the October 2020 Business Enhancements Release.
- 7 Existing Token requestors and issuers participating in Visa Token Service** today will need to implement incremental changes in order to support Cloud Token framework.

Tokenization is more than just security

In addition to protecting your business, tokenization helps you launch new mobile and digital experiences, improve the efficiency of your payment operations and get better visibility into customer behavior.



Real-time card updates and improved authorization rates when issuers update the data



360 view of the customer experience across channels



Payment data secured in Visa data centers



A single integration to access the benefits of network tokens



Card re-issuance costs, due to data breaches, will be reduced for issuers

Visa is here to help you

Contact your Visa account executive to understand why Cloud Token framework can help you protect against fraud and increase your authorization and conversion rates.

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