

MAG Mid-Year Conference 2022

Payment Tech SIG Notes

Confidential

MAG
MERCHANT ADVISORY GROUP®



SIG Leaders

- Merchant Leader (Customer Experience) Scott Waite – ExxonMobil
- Merchant Leader (Security) Scott Ethington – ExxonMobil
- Report provided by Itai Sela – B2 Payments USA

Action Items

1. Consider setting up a group to share fraud vectors of attack merchants are seeing for the benefit of other merchants.

Notes – Day 1 (February 16)

Welcome & Introductions

1. Welcome to new attendees
2. Reminder that attendees are bound by the antitrust statement read in the general session

Discussion Topics

1. BNPL
 - What options should be allowed and how does it affect the customer experience.
 - How to make a good omnichannel experience, customers should be able to use BNPL everywhere they shop.
 - Inconsistent customer experience across providers means multiple implementations may be necessary
 - Value in new sales; need to ensure it doesn't cannibalize PLCC or other payment methods with lower interchange
 - Fees and interchange rates still unclear – what is covered by customers vs merchants
2. Credential Stuffing and Account Takeover
 - Multi Factor Authentication (MFA) – how do you find a balance between frictionless checkout and security.
 - What MFA should be used? How secure is SMS (when SIM swapping may happen). If you use email can you count on the email provider account verification? How can we get to Automated MFA.
 - CX may be influenced by ticket size. For large-ticket transactions customers expect multi-factor whereas for small-ticket it may be too much friction.
3. Multiple attacks experienced by group

- Card testing – how to tackle this issue? Discuss with your fraud prevention provider to see if they can limit the number of accounts being opened by the same user.
- Loyalty programs – MFA and strong controls required to prevent compromise of re-used passwords.
- Coupon / promotion abuse – fraud implications need to be carefully considered when designing new promotions
 - Threat intelligence providers can help with identification of program vulnerabilities. Some luck searching Facebook for discussions on how to get free stuff.

4. PCI DSS 4.0

- How will v4 affect scoping?
- Payment options for reducing PCI scope for e-commerce merchants. What options are available for merchants who manage their own card data? Migration to a third-party processing gateway or other options to get out of PCI scope?