WORLDLINE

Convenient payments with mobile devices

Digital Payments
for a Trusted World

How tokenization can help cards issuing banks to improve their cardholder's digital payment experience

Respond to growing demand

21%

of European card-present-transactions in Q1 2021 was done using mobile & wearable devices, compared to 13% in Q1 2020[1].

Increase security

-26%

reduction in fraud (payment volumes) on average for Visa token transactions compared to traditional online card transactions where the PAN is entered by cardholder[2].

### Improve authorization rate

+3,2%

average authorization approval rate lift at top merchants for token –based vs. PAN-based transactions[2].

Tokenization

Enabling seamless and convenient digital payments, while guaranteeing the security of the payment card credentials throughout the entire transaction flow, is made possible thanks to EMV tokenization.
A "token" is a unique set of digits which replaces the Primary Account Number (PAN) of a card and lowers the compromising risk. Each token is only valid in its own context and does not have any value outside of its specific use case. This exclusivity allows for flexible and independent management of tokens.

Token 1

Token 2
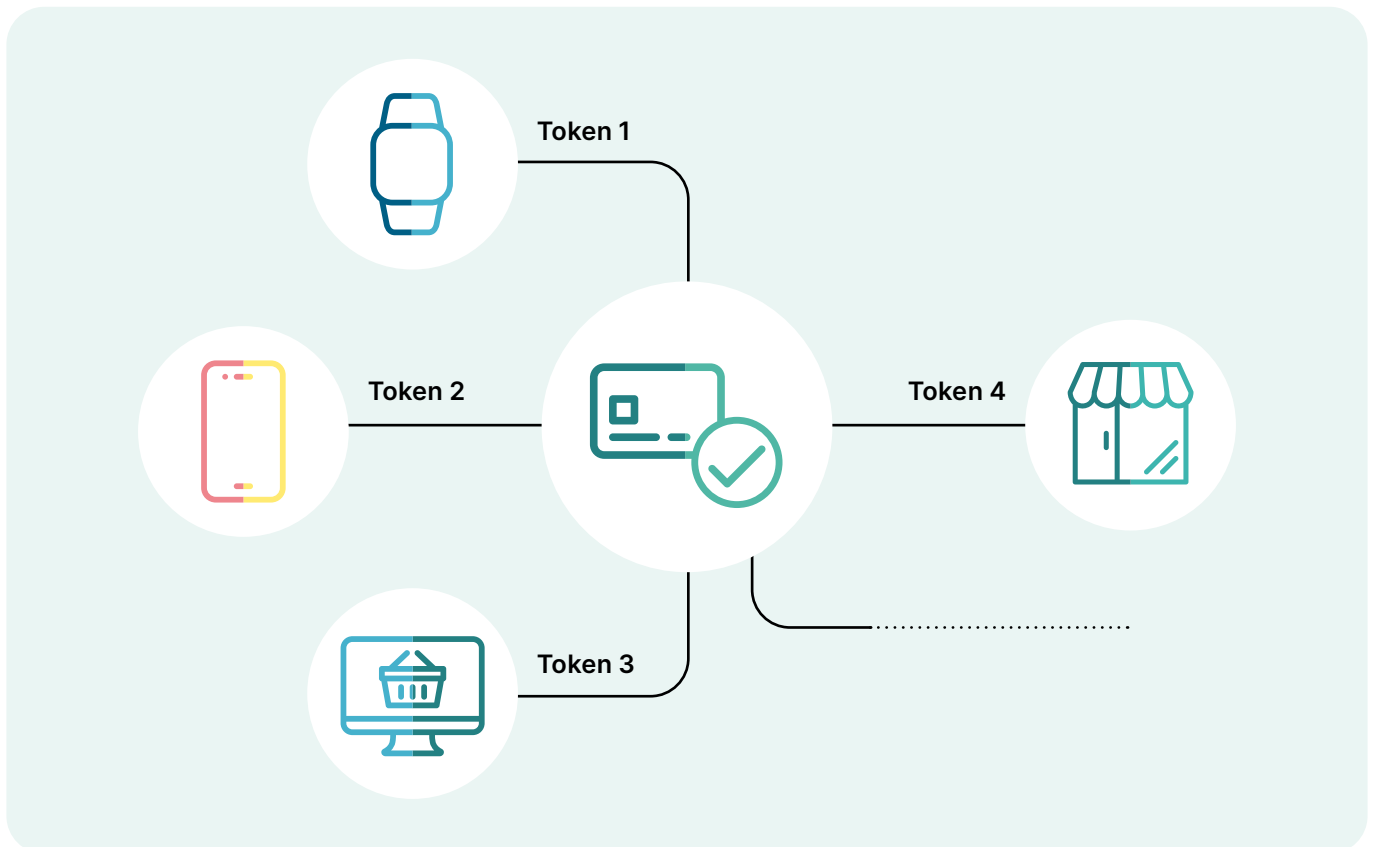
Token 3

Token 4

1 Mastercard
2 Visa-2020

Use cases

Mobile & wearable devices

Tokens of real cards can be shared with smart devices, including mobile phones, active wearables (e.g. smart watches) and passive wearables (e.g. Fitness trackers; NFC rings). Cardholders can pay solely using these devices and do not need their wallet/physical card present at the moment of the purchase.

E-commerce

Tokens can also be leveraged for E-commerce and "Card-On-File" transactions, such as recurring payments (merchant initiated) and one-click buying (cardholder initiated). Consequently, increased security can be achieved in a frictionless & convenient manner.

Benefits

Guaranteed payment continuity

When a tokenized payment card is lost, stolen or expired, its tokens on different channels/devices are updated: the cardholders do not have to enter the new details themselves. As a result, merchants face lower declines for their recurring payments.

Increased security

Token-based payments offer higher security and lower fraud risks compared to PAN-based payments, as they protect sensitive information from potential exposure. This enhanced security is especially beneficial in the e-commerce environment, where fraud rates are higher.

Differentiating solution for banks

Neo-banks and FinTechs are attracting customers by leveraging their innovative payment solution offerings. In order to compete with these players and to keep the tech-savvy cardholders satisfied, it is crucial for traditional banks to offer differentiating payments solutions aimed to improve the day-to-day payment experiences of the cardholders.

Cardholder convenience

Easy enrollment of a payment card in different channels/devices guarantees a smooth customer journey. Cardholders benefit from seamless payment experiences using only their smartphones and/or wearable devices. They do not need to consider carrying cash or their physical card, for instance while grabbing a smoothie after a run. Moreover, repeated insertion of card details for each online purchase can be avoided, as security concerns connected to storing card information on e-commerce websites become obsolete.
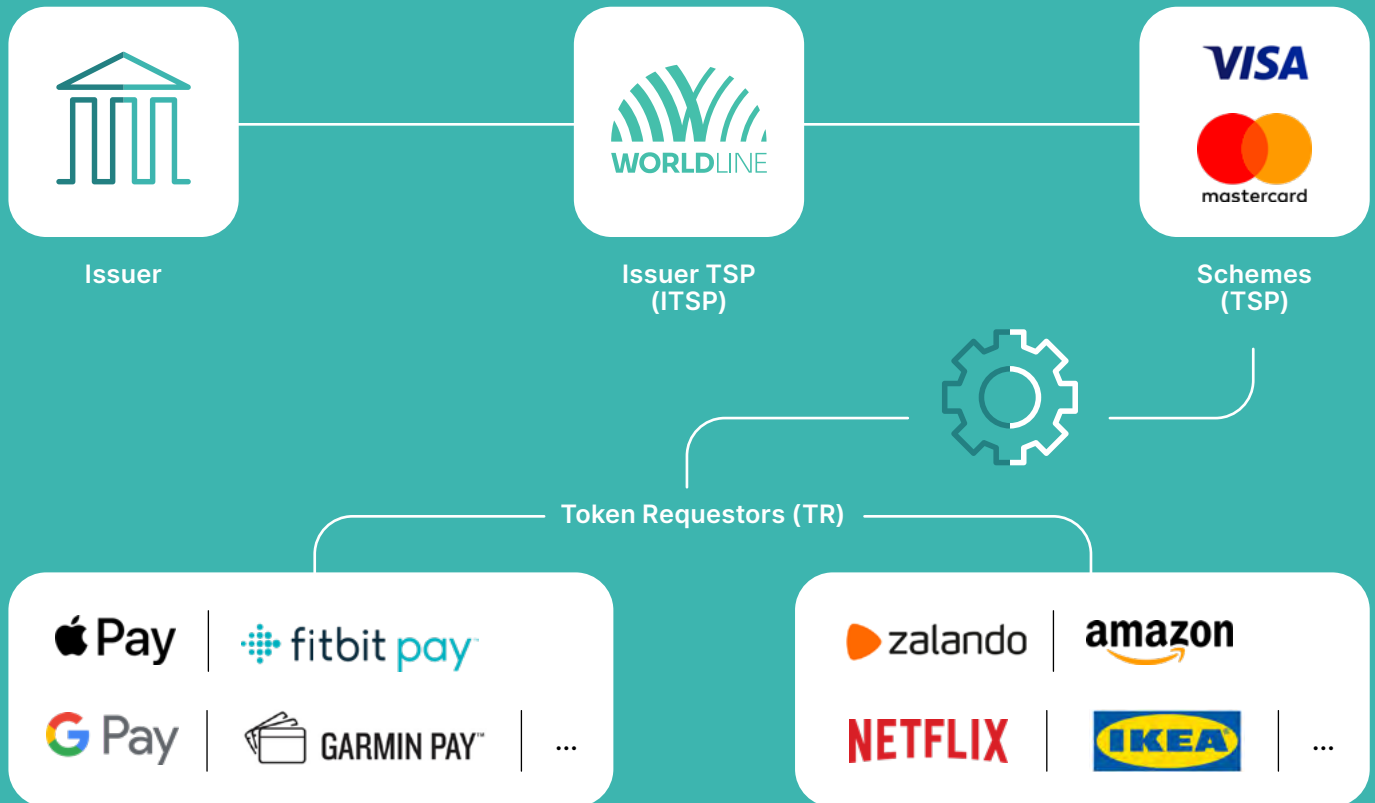
Improved authorization rate

Substituting the PAN with a token leads to higher authorization approval rates and lower false declines, as risky transaction elements impacting fraud-scoring are reduced and payments card details & their respective tokens are updated on a consistent basis.

WL Token Management

WL Token Management is a solution for issuing banks to act as an "Issuer Token Service Provider" and enable their cardholders to benefit from token-based payments in stores, in apps and on the web. As a token orchestrator service for ITSP, WL Token Management provides a wide range of offerings and options to meet the business needs of the banks.

Issuer

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Issuer TSP (ITSP)

VISA

mastercard

Schemes (TSP)

Token Requestors (TR)

 Pay | fitbit pay

G Pay | GARMIN PAY | ...

zalando | amazon

NETFLIX | IKEA | ...

Thorough and flexible solution

WL Token Management is a commercial offering tailored to meet the main needs of the issuers. These include connection to the card-schemes (Visa, Mastercard) , X-Pay (e.g. Apple Pay, Google Pay) with various provisioning methods, cardholder authentication, notifications, and mandatory reporting. Moreover, additional options can be offered: surrogate-specific services for non-PCIDSS banking applications, mobile SDKs, multi-country/languages features, specific test or sandbox environment etc.

Commercial flexibility

Our solution is available both as a "stand-alone" connected to existing Card Management System or a "bundle mode" sold with other issuing bricks.

Readiness

WL Token Management is already compatible with the main card schemes (Mastercard MDES and Visa VTS) in a secure and compliant manner (PCI). The most frequently used digital wallets on both mobile and wearable devices, including Apple Pay, Google Pay, Samsung Pay, Garmin Pay, Swatch Pay, Fitbit Pay and others are also supported.

Expertise

As the 1st payment processor in Europe, with more than 45 years of experience in the payments business, Worldline delivers robust, secure and compliant solutions to our clients.

About Worldline

Worldline [Euronext: WLN] is the European leader in the payments and transactional services industry and #4 player worldwide. With its global reach and its commitment to innovation, Worldline is the technology partner of choice for merchants, banks and third-party acquirers as well as public transport operators, government agencies and industrial companies in all sectors. Powered by over 20,000 employees in more than 50 countries, Worldline provides its clients with sustainable, trusted and secure solutions across the payment value chain, fostering their business growth wherever they are. Services offered by Worldline in the areas of Merchant Services; Terminals, Solutions & Services; Financial Services and Mobility & e-Transactional Services include domestic and cross-border commercial acquiring, both in-store and online, highly-secure payment transaction processing, a broad portfolio of payment terminals as well as e-ticketing and digital services in the industrial environment. In 2020 Worldline generated a proforma revenue of 4.8 billion euros.

worldline.com

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