Annual Update 2022

Visa Token Service momentum

Visa Token Service is a security technology that replaces 16-digit Visa account numbers with a token that only Visa can unlock, protecting the underlying account information.

Tokenization helps combat fraud for both card-not-present digital transactions and card present physical transactions through tap and pay and QR. In addition to enhancing security, tokenization can reduce friction in the payment process by enabling financial institutions to update expired or compromised payment credentials without any manual updates being made by the customer in the event that their Visa card is lost, stolen or expired.

By the numbers

4B+
Tokens issued[1]

8,500
Issuers enabled for tokenization[2]

3%
Card authorization rate lift[3]

189
Markets enabled by tokenization[2]

28%
Fraud reduction ($PV) Visa Token transactions vs PAN-based online[4]

1.2M+
eCommerce Merchants transacting with Visa Tokens[5]

1 VisaNet Data, Oct 2014-July 2022
2 VisaNet Data, July 2022, global
3 VisaNet, Jan–Mar 2022. Visa credit and debit global card-not-present transactions for tokenized vs. non-tokenized credentials. Auth rate defined as approved count of unique transaction authorizations divided by total unique authorization attempts, based on first auth attempt only (global average)
4 Visa, Inc, Q4 2021 Earnings Call
5 Global VisaNet and NSPK Data (Russia); Global Merchants, Jan 2020-Dec 2020 VisaNet, TC05, UC01, Brand: Visa, Excludes Processing Error Declines. Declines calculated as percent of total authorizations (payment volume). Select Token participating Merchants (PAN and Token) with digital wallet TRs Issuer region US, July–Sept 2018, Potentially addressable by Token. Note: For purposes of these metrics, Super Regionals" include the top quartile of issuers by Visa PV, Regionals include the second quartile and Community banks include all remaining issuers

VISA

Additional solutions and services are offered by Visa to enhance the Visa Token Service portfolio

Visa Cloud Token Framework
Designed to increase payment authorization rates by enhancing security and issuer confidence across customer devices. Multiple authentication factors and device intelligence are used to link the payment credential to both the customer and their trusted devices, minimizing account takeover fraud.

Visa Card Enrolment Hub
Provides a simple way to enroll customers directly into their favorite subscriptions, retailers and more. By pushing Visa tokens directly to card-on-file merchants, wallets and Click to Pay, VCEH is a uniquely powerful way to onboard consumers and generate recurring payments.

Payment Account Reference
Links a PAN and its associated token transactions together to give a complete picture of cardholder spending. PAR Inquiry ensures payment processing and value-added services like loyalty and couponing can be delivered seamlessly across payment instruments and channels.

Card on File Data API
Gives issuers visibility into which merchants and service providers may have stored a cardholder's payment credentials. With this insight, issuers can offer enhanced customer experiences, enabling customers to add, view and manage their Visa cards.

Visa Card Enrichment Service
Updates card expiry during token provisioning (for card-on-file or eCommerce tokens) which can help reduce costs associated with lifecycle management and minimize false declines to process more transactions.

Partner experience

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"Network tokens are the future of e-commerce and by enabling frictionless, secure digital payments, network tokens have vastly improved authorization rates. Our recent focus at Adyen has been on enabling automated token utilization across our merchant base, continued focus on improving token performance, and addressing ecosystem adoption via incremental use cases such as 3DS and 3DS 2.x interoperability."

Kamran Zaki, Chief Operating Officer, Adyen

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"Tokenization is the lynch pin to enabling exceptional digital experiences that address rising consumer expectations for unified commerce. That is a consumer expectation to be recognized consistently in every channel in which they interact. An integrated tokenization strategy is key to unifying channels and delivering a compelling consumer experience."

Andre Machicao, Senior Vice President, Head of Product, Cybersource

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"Beyond the conversion rates for card-on-file use cases, initial results from the PayPal wallet indicate that issuer decline rates have reduced by approximately 100 bps, which leads to better conversion for merchants."

Jim Magats, Senior Vice President, Omni-Payments, PayPal

Learn more
To learn more visit our
Visa Token Service website

VISA