

Chicago Payments Symposium: Enabling Trusted Interoperability

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Critical Value of Interoperability

Defining Interoperability

- Directories
- Standards and Rules
- Integration / Networks
- Applications

Key Benefits from Driving Interoperability

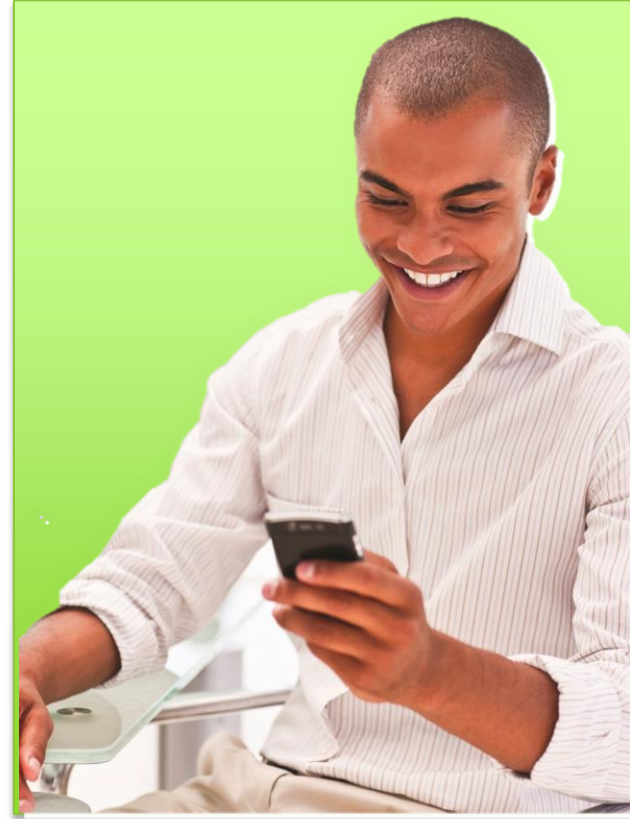
- Delivering service ubiquity and simplicity
- Reduced market investment
- Expanding value chain / bridging informational asymmetries
- Broad market harvesting of innovation

Challenges to Interoperability and Directory Management

- High value target / risk of unauthorized access
- Business mandates
- End user privacy / preferences / regulation
- Competitive implications / “race to the bottom”
- Defending market positions / market myopia

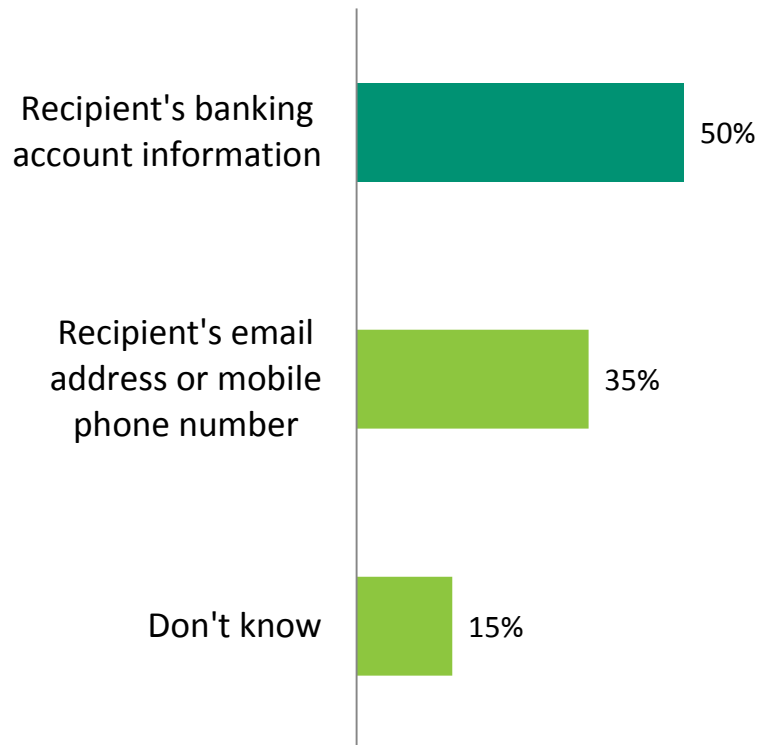
Tokenization mitigates some, but not all, challenges

Comparison: Cards vs. P2P

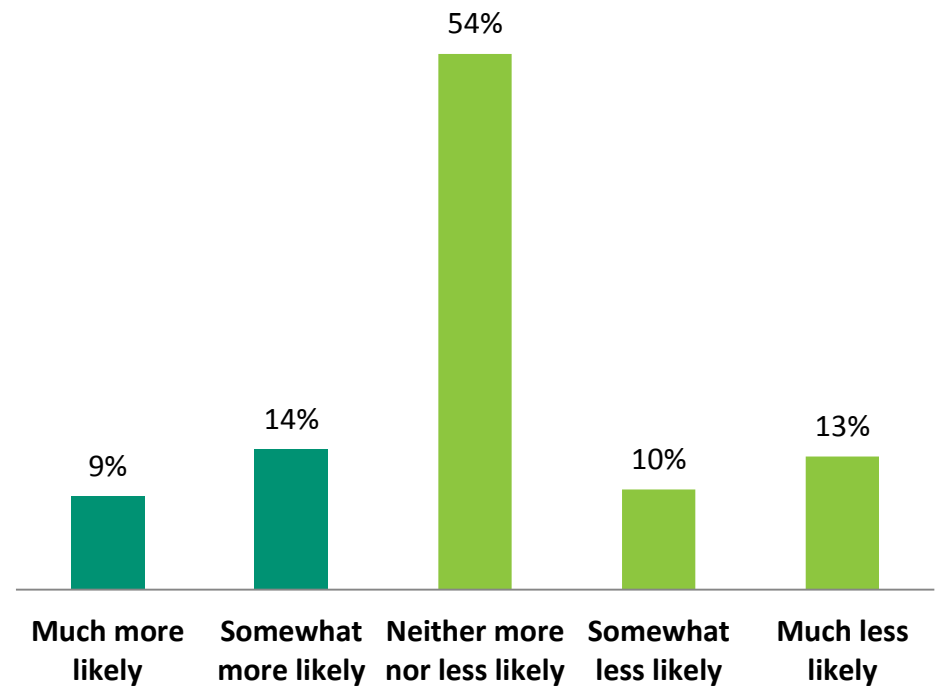


P2P: Sentiments on Payment Aliasing

Credential requirements for bank P2P today

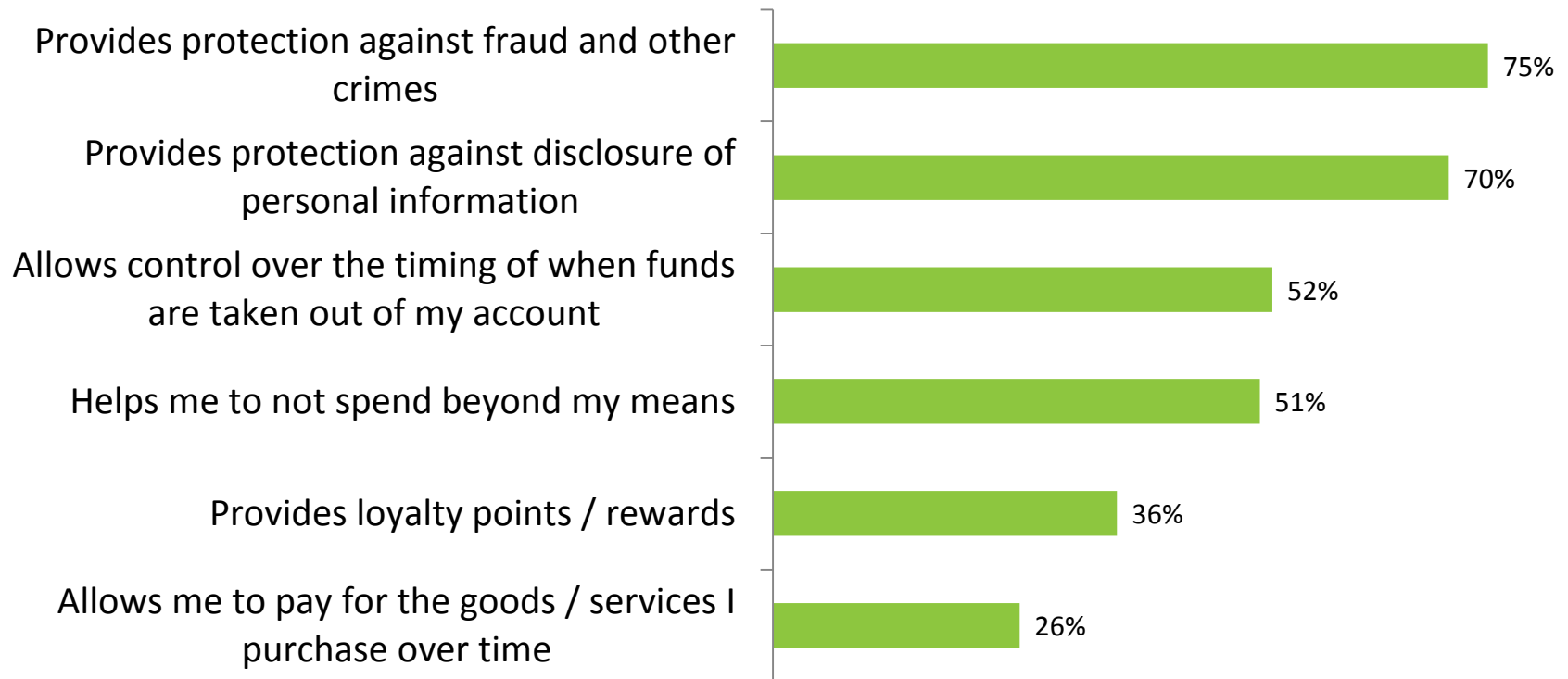


Effect of payment aliases upon likelihood of real-time payments use



Security is Key – across Channels and Services

Attributes Important to Consumers When Selecting Method of In-person Payments



Conclusions

- **Interoperability will be key element in expanding payment value chain and accelerating innovation**
- **Consider business and competitive implications from a macro perspective**
- **In addition to tokenization, distributed/virtualized directories, one-way / blind look up, and other elements can reduce challenges**
- **Consider opt in, set expectations, and avoid the “creepy” factor**
- **Security – both real and perceived – is critical**

Thank You

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