



# Card Account Updater Optimization and Non-Standard Uses

Sally Baptiste, Co-Founder Payment Operations Group

# Key Takeaways

1. Use the Service to its Fullest
2. Inside the Response
3. Leveraging the Optics

# Use the Service to the Fullest

Various Continuity Billing programs exist. Most subscription, recurring, and card-on-file merchants take advantage of these services. Many, however, use these processes as a bolt-on, not a primary service.

Let's change that mindset...

# Many Brands – Many Methods

- Available from Multiple Brands...
  - Mastercard Automatic Billing Updater
  - Visa Account Updater
  - Discover Network Account Updater
  - American Express Account Updater
- Worldwide, some Brands do not offer this service.



The logo for VISA, featuring the word "VISA" in a bold, blue, italicized sans-serif font.



# US Support Expanded

- In October 2016, Visa made Issuer participation mandatory in the U.S.
- Mastercard has also made Issuer participation mandatory in the U.S.
- Rollout has been gentle over time and not all banks have activated the service.

~~Consumers have an 'Opt Out' choice. Most banks not actively broadcasting this~~

## Visa® Account Updater | VyStar Credit Union

<https://vystarcu.org/Products-Services/Cards-Services/Visa@-Account-Updater> ▼

VAU only applies to recurring Visa debit and **credit card** payments, and updates are only sent to qualified participating merchants. VAU is designed to help prevent interruption of your recurring payments and possible service disruptions when your **card** information changes.

## Visa Account Updater (VAU) › Mid American Credit Union

<https://www.midamerican.coop/vau> ▼

Visa **Account Updater** (VAU) VAU is a new service from Visa that automatically updates your debit or **credit card** information at participating merchants when a **card** is replaced because it expired or was lost or compromised. VAU is now active for Mid American debit cards, with **credit** cards coming at a later date.

## Visa Account Updater - NuVision Federal Credit Union

<https://nuvisionfederal.com/credit-cards/visa-account-updater> ▼

Starting on Oct. 1, 2017, when you utilize your NuVision Visa® **Credit** and your NuVision Visa® Debit card for things like bill payments and online purchases, Visa will automatically update your card information through their Visa **Account Updater** (VAU) service whenever your card information changes. All Visa **credit** and ...

## Visa Account Updater - Unitus Community Credit Union

<https://www.unitusccu.com/faq-category/visa-account-updater/> ▼

Contact us by email. Please note that when you're sending us an email, do not include personal information such as your **account** number or social security number. Email Us ...

## Visa Account Updater (VAU) | Valley Federal Credit Union | Billings ...

<https://www.vallevfcu.com/accounts/visa-account-updater.html> ▼

# Remember CAU is Globally Available

- In October 2016, Visa introduced fees in the EU for Issuers that do not provide up to date information for expired cards.
- Participation (from Visa's perspective) is regulated by fines only – Account Updater is not explicitly mandated, only financially encouraged.
- But there are legislated mandates for Account Updater participation in the UK, Greece, Italy, and Ireland.
- High Issuer participation in Canada and Australia
- LATAM, especially Brazil, also has Account Updater participation

# Wise Use Means Greater Success

- Split EU and NA Files
- Timing – Forever vs. A Few Months
- Manage your Triggers to Optimize your Expenses
  - On a calendar
  - Tied to your renewal cadence
  - Upon decline
- 3-6 day's gap
- Two processors for certain relationships

*Data is not available forever!  
Be prepared!*

# There Are Other Tricks You Can Try

## Cross Banks and Cross Borders

- Many Banks have a Global Presence so be sure to take advantage of this fact.

## Cross Brands

- Don't hesitate to 'cross the line' as banks shift issuance.

\*Tokenization/Encryption doesn't preclude use of service.

# Inside the Response

# What is Said

<https://developer.visa.com/guide/s/request-response-codes#merchant-response-code>



Service Identifier/ Merchant Response Code	Description	API Request Must Include	Notes on API Response	Recommended Action on API Response
A	Account Change	New Account Number and Expiration date	Merchant data would be returned if both account number and expiration date matched.	Display merchant name, or sub-merchant name (if TPA indicator = 'Y') and inquiry date. Indicate new account number and expiration date shared with merchant.
E	Expiry Date Change	Expiry Date Change	New Account Number and Expiration date	Merchant data would be returned if both account number and expiration date matched. Display merchant name, or sub-merchant name (if TPA indicator = 'Y') and inquiry date. Indicate new expiration date shared with merchant.
V	Validation - No change in account information	New Account Number and Expiration date	Merchant data would be returned if both account number and expiration date matched.	Display merchant name, or sub-merchant name (if TPA indicator = 'Y') and inquiry date. Indicate no updates provided to merchant.
C	Closed Account	Old Account Number Only	Merchant data would be returned based on old account match. Expiration date provided in the API Request would be ignored.	Display merchant name, or sub-merchant name (if TPA indicator = 'Y') and inquiry date. Indicate no updates provided to merchant, and cardholder should contact merchant to provide card information.
Q	Contact Cardholder	Old Account Number Only	Merchant data would be returned based on old account match. Expiration date provided in the API Request would be ignored.	Display merchant name, or sub-merchant name (if TPA indicator = 'Y') and inquiry date. Indicate no updates provided to merchant. Cardholder should contact merchant to provide card information.
B (sent to acquirer as 'N')	Blocked Merchant	Old Account Number Only	Merchant data would be returned based on old account match. Expiration date provided in the API Request would be ignored.	Display merchant name, or sub-merchant name (if TPA indicator = 'Y') and inquiry date. Indicate no updates provided to merchant. Cardholder should contact merchant to provide card information.

# Inside the Response-Read Deeper

Great – now you've got a code. That and \$1.95....

Actually, the views are:

**Useful or Not Useful**

**OR**

**Fresh Information or Status Quo**

Every response tells you something, even if it isn't a new PAN.

# Inside the Response-Action the Response

Response	Category	Implications	Actions	Inquiries
New Data Provided (PAN or Expiry or both)	Data Change	Card replacement but not due to theft or breach.	Update Records	Upgrade in Card Type? Update on cycle?
Card is Active	Validation	Customer not impacted by any recent breach news.	Confirm records	Is there any news which could have future impacts on the card?
Account Closed	Validation	Voluntary closure. Customer no longer needs the credit card or banks elsewhere.	Update Records	Is there any recent news about the bank that could have caused a shift in allegiance? Any bank closures or mergers?
Contact Cardholder	Data Change	Card Lost/Stolen, Chargeback due to fraud, or Breach	Update Records	Any news about major breaches? Any geography impacts? Any odd account behaviors??

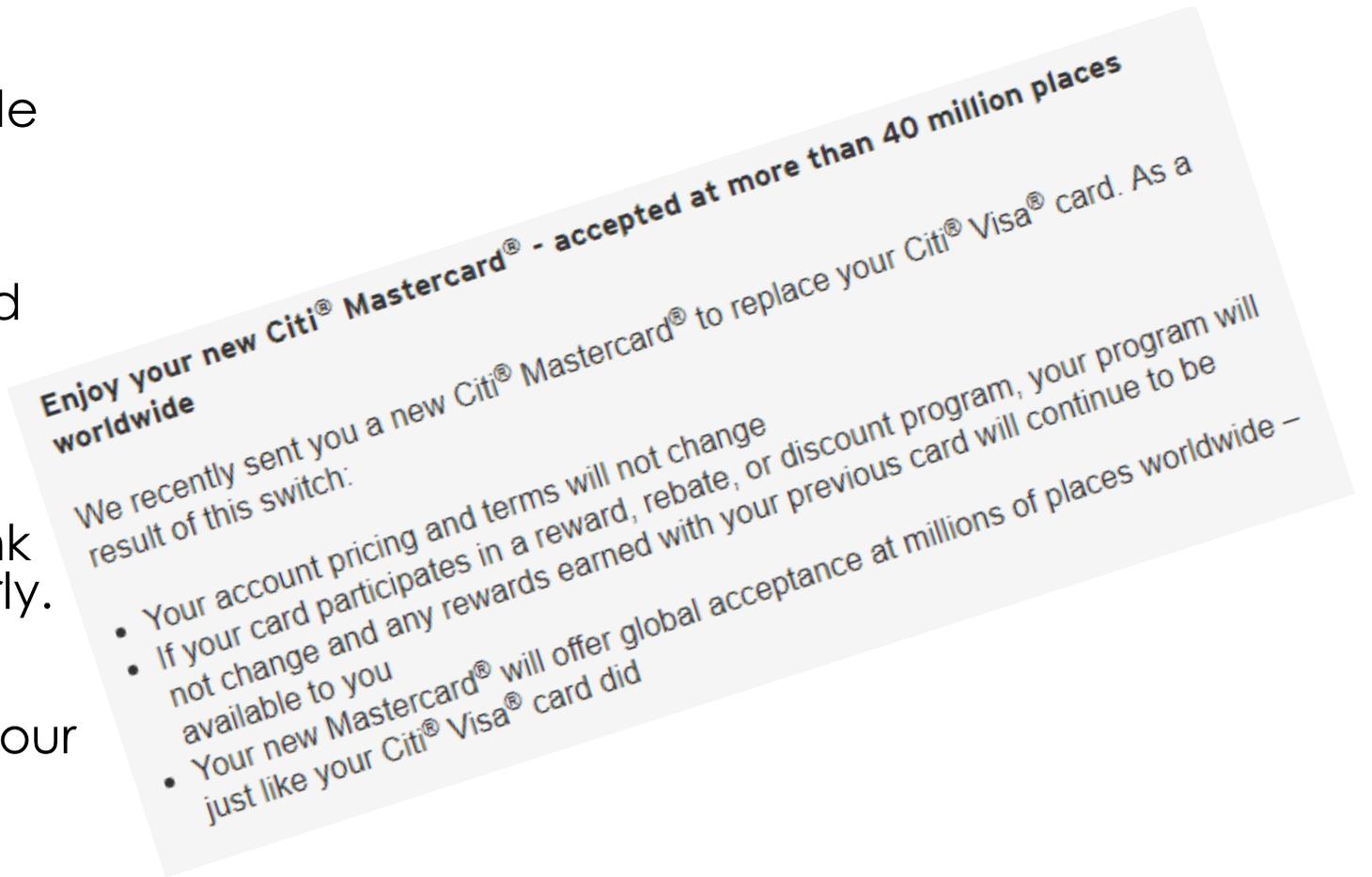
# Inside the Response-Predictions

Look out for potential changes before your Account Updater file starts filling up.

Keep statistics by bank type and keep up to date on bank news to predict shifts.

Keep testing by region and bank to prepare large inquiry files early.

Of course, keeping an eye on your declines will serve as a second



# Leveraging the Optics

Don't just read your Card Account Updater Responses, read into them! Use some of the suggestions from this session to communicate with your systems and customers in a more insightful manner. We'll be looking at:

Non-Traditional Actions

Campaigns

Communication

# Infer from the Optics

## You got a bad response....

*A closed card is NOT always a lost customer!*

- Read and prepare for BIN updates –
  - Bank changes, purchases, or shifts
  - Start sending emails before it becomes a renewal issue
- User guide to managing their recurring payments
- Great time to remind clients that they can shift billing date and frequency.
- Free for a month – ‘Since you’ve got so much to do removing the closed card from your lifestyle...’

# Using the Optics-Campaigns

## Bring them back...

- Watch card statements
  - 'This is what we look like'
- Remind them of the benefits of your service
- Coupons for updating cards?
- Let customers know they can Opt Out

*Big Breaches or Brand shifts mean a large number of changes – Some **MUST** come from your customer.*

# Action the Optics-Communication

- Send a checklist
- Activate the card
- Links to credit reporting
- Switch to new card benefits
- Teach kids what to do
- Save the bank's phone numbers off the back of your cards
- CAU in T&C

**Put yourself in their shoes.  
How can you help?**

# Update the Entire Relationship Set

Not all relationships are created equal. In some cases, following up on a customer is less for 'Lifetime Value' and more a 'Watchful Eye'.

Use CAU updates to:

Update Friendly Fraud Blacklists

Update Cards on Cancelled Accounts – Refunds!

Consolidate Duplicate Accounts

Watch for Account Takeover

Enhance Fraud Reviews

# Summary & Key Takeaways

Using CAU fully means doing more than just updating a card or expiry. Start thinking of the service as a crystal ball into the life of your customer. Use it to communicate more effectively, update your systems more thoroughly, and increase the lifetime value of your clients.

1. Create a full program, not just casual usage of Account Updater.
2. Craft a plan for every response received, not just data updates.
3. Be inside the situation and help others – good will reap rewards.

# Thank You!

Don't forget to submit your session evaluation...

Sally Baptiste, Co-Founder of Payment Operations Group

[Sally@PaymentOperationsGroup.com](mailto:Sally@PaymentOperationsGroup.com)

[www.PaymentOperationsGroup.com](http://www.PaymentOperationsGroup.com)