OUR MISSION

The MAG’s mission is “driving positive change and innovation in the payments industry that serves the merchants’ interest through collaboration, education and advocacy.” This has been a unique year, and despite the many challenges the pandemic presented, MAG had several accomplishments in 2020 that directly supported our mission.

HERE ARE SOME HIGHLIGHTS

Collaboration: With all of the change that 2020 has brought, the MAG remained committed to sharing important and relevant topics. As a result of those conversations, the MAG:

- helped the merchant community receive a reprieve in all announced price changes until April 2021 with the exception of a price decrease for the grocery channel.
- led the discussion with the networks that resulted in delaying liability shift for EMV at the fuel dispensers until April 2021.
- engaged the networks in productive conversations about the evolution of cross-channel rules and practices, including chargebacks, third-party gift card liability, Secure Remote Commerce (SRC or Click to Pay), and debit routing, among other topics.

Collaborating on these topics is critical as we all navigate the new environment and shifting consumer behaviors. The MAG continues to prioritize discussions with networks and payments system stakeholders to bring about positive change.

Advocacy: The MAG and its members met with the Federal Trade Commission (FTC) and the Federal Reserve (Fed) to discuss the significant increase in Card Not Present (CNP) debit transactions in recent years, especially in this COVID-19 environment. MAG members and staff talked with officials about:

- the implications the shift to CNP has on merchants’ routing choice between unaffiliated networks which is mandated as part of the Dodd-Frank Wall Street Reform and Consumer Protection law.
- the Fed’s ability to adjust covered issuers’ regulated rate for debit transactions and encouraged them to consider a reasonable and proportional regulated rate based on their recent survey data.

The MAG membership includes many of the top merchant companies** today!

- 10 of top 10 are members
- 19 of top 20 are members
- 60 of top 100 are members

**NRF “Stores” Top Retailers 2019

MAG membership now includes 167 merchant companies, an increase of 2% over 2019. MAG’s member retention rate is 96%.

MAG Member Verticals

- 18% – Petroleum/Convenience Stores
- 42% – Mass Merchant/Dept. Store/Retail/Grocery
- 14% – Small Ticket/Restaurants
- 26% – e-Commerce (Airlines, Hotels)

*Stats as of November 2020

MAG sponsor companies represent 67 of the leading service providers in the payments industry.
**Education:** The MAG released three best practice guides and two merchant readiness publications this year. The guides are available for merchant members on our new MAG Learning Center, an exciting new platform that will enhance members’ ability to virtually access MAG’s educational resources and cover the following topics:

- best practice guides: COVID-19 Reopening, Debit Routing Optimization and Petro Fraud Prevention
- merchant readiness publications: 8-Digit BIN Expansion and Card-on-File.

In addition to the best practice guides and merchant readiness publications, the MAG hosted 19 webinars on topics such as PINless debit, open banking, connected commerce during COVID-19 challenges, Network Brand Releases, and the liability shift for Petro AFD to name a few.

**Engagement:** COVID-19 has not only led to the rapid digitization of payments, but also conferences! The MAG hosted its first ever virtual Tech Forum and Annual Conference in October. Tech Forum registrations increased by over 100% percent in this new virtual format, and the Annual Conference and Tech Forum virtual experience offered:

- dynamic speakers and engaging content
- opportunities for merchant members and sponsors to connect through the virtual exhibit hall, networking lounge, and networking events.

**John Drechny**

*CEO, Merchant Advisory Group*

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The Merchant Advisory Group (MAG) was founded in 2008 by a small visionary group of merchants in the payments field dedicated to driving positive change in payments through multi-stakeholder collaboration. The MAG represents 165 of the largest U.S. merchants which account for over $4.8 Trillion in annual sales at over 580,000 locations across the U.S. and online. Roughly $3.5 Trillion of those sales and over 100 Billion card payments are electronic which represents approximately 62%* of total U.S. card volume. MAG members employ over 14 million associates.

*Source of Total U.S. card volumes: Federal Reserve Payments Study 2019

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MAG had record-setting conference attendance for 2020. Mid Year Conference attendance increased by 27%.

The MAG hosted 19 educational and FINTech webinars in 2020 complimentary to MAG members.

- 4.25/5.0 average satisfaction rating
- Average of 85 attendees per webinar

The MAG conducted three educational sessions that focused on: Contactless: What, Why and How; Debit Routing: Think You’re Optimal? Think Again; Tokens: To Buy, To Build, or To Borrow… that is the question.

The MAG launched a new website featuring the newsletter in a new blog format. Subscribe to MAG Insights to receive timely MAG and payments industry information.