

Mastercard® Identity Check™ : Optimize authentication to ensure simple and secure digital payments

SMART PAYMENTS DEMAND SMART SECURITY



Digital is the new norm—with high consumer expectations for a simple and secure experience—every time and on any device. Finding the right balance to deliver on these expectations while optimizing the user experience can be a challenge for issuers and merchants.

The growing digital payments landscape creates the need for better authentication

Digital commerce continues to grow—with a greater share via mobile. With this growth and the global migration to EMV chip in the physical world, card-not-present (CNP) continues to be the main area of card fraud. But consumers expect digital payments to be as simple and secure as in the physical world.

DIGITAL PAYMENTS HAVE LOWER APPROVAL RATES

97% physical approval rate¹
vs.

85% digital approval rate¹

DIGITAL PAYMENTS HAVE HIGHER FRAUD RATES

>10x higher is digital fraud vs. physical¹

THE MAJORITY OF FRAUD IS CARD NOT PRESENT

>75% of total card fraud is from CNP – and growing²

Current authentication tools and methods don't meet stakeholder needs



Consumers are being impacted by fraud and false declines



Merchants hesitate to adopt new technologies and lose revenue



Issuers are facing growing competition and new PDS2 regulation



mastercard. ID Check

Mastercard Identity Check is leveraging the updated EMV 3-D Secure protocol to help you reduce fraud and false declines of CNP transactions – while providing cardholders with a friction-free checkout experience, so that you can take full advantage of the fast growing e-commerce business.

Driving simple and secure payments—Identity Check and EMV 3-D Secure

With the power to exchange 10X more data between merchants and issuers, combined with new mobile and app capabilities—plus the elimination of static passwords, Identity Check and EMV 3-D Secure raise the bar on authentication.

Mastercard Identity check meets the need for simple and secure payments and helps everyone 'win' from EMV 3-D Secure and PSD2

- ✓ Mastercard Identity Check is a suite of technology solutions designed to enable greater security during online payments by leveraging consumer-friendly, real-time authentication methods (e.g. biometrics) without sacrificing the consumer experience.
- ✓ It helps **reduce fraud, false declines and unnecessary friction** - while meeting **Strong Customer Authentication** requirements under the PSD2 regulation.
- ✓ Mastercard Identity Check **builds on the enhanced EMV 3-D Secure 2 protocol** to address digital payment changes and challenges.

Migrating to EMV 3-D Secure and Identity Check offers clear benefits

Eliminates static passwords for **Strong Consumer Authentication (SCA)** - based on the use of two or more elements - across all devices in real-time

Supports new payment needs, like authorization via mobile devices or in-app payments

Delivers a **better online payment experience for consumers...**

...by **reducing cardholder verification needs**: risk-based authentication (RBA) allows most transactions to be approved directly and without cardholder interaction, only challenging higher-risk transactions to be validated using SCA

...by offering simple and intuitive options for **consumers to verify their identity if needed**, supporting biometrics, dynamic passwords, security questions, plus proprietary options

...by **driving frictionless alternatives**, like Credentials-On-File (COF) or Whitelisting, as a result of connecting issuers and merchants to drive data exchange

Can be **seamlessly integrated** into the merchant's checkout process

Offers the flexibility to address enhanced issuers needs, such as **securing banking applications, out-of-band authentication**, etc.



Seize the opportunities now

Analysis has shown that **authenticated transactions have higher approval rates of +10pp²**. Mastercard can help you capture the benefits from the new EMV 3-D Secure standards—while reducing complexity, effort, and time to market.

For more information, please contact your Mastercard account representative.