

SHOPPING ONLINE



THE INTERNET IS A GREAT PLACE TO DO BUSINESS. BUT ONLY IF IT'S SAFE...

DID YOU KNOW THAT...

- More than 26 million people made an online purchase last year.
- The Office of Fair Trading (OFT) estimates that the online shopping market is now worth around £21.4 billion a year.
- The OFT also estimates that 3.4 million internet users avoid purchasing goods and services online because of a general 'lack of trust' or 'fears about personal security'.

HAVE YOU HEARD ABOUT VERIFIED BY VISA AND MASTERCARD SECURECODE?

MasterCard SecureCode and **Verified by Visa** are secure authentication services that make shopping online safer. These services have been developed by Visa and MasterCard to add extra protection, making the online shopping experience better for everyone – retailers and consumers alike.

HOW DO THEY WORK?

Verified by Visa and **MasterCard SecureCode** work in exactly the same way. Cardholders register for the services and create a password for use when shopping online at a participating retailer. They can then prove they are the genuine cardholder by keying in their password during checkout.

BENEFITS TO RETAILERS

- **Fraud reduction and guaranteed payment** – implementing these services changes the transaction liability rules. Security similar to that offered by chip and PIN in a face-to-face environment guarantees payment for the most common types of cardholder dispute – whether or not the cardholder is registered.
- **Reduced costs and less hassle** – chargebacks and dispute processing waste your time and cost you money. **MasterCard SecureCode** and **Verified by Visa** reduce disputed transactions, avoiding hassle and delivering real savings straight to your bottom line.
- **Opportunities for increased sales** – according to Visa Europe research in Germany, Spain and the UK, the added security offered by **Verified by Visa** would encourage 84% of people who do not shop online to do so, and 71% of those who do shop online to do so more often.

HOW DO CUSTOMERS USE IT?

When a customer enters their card details during checkout, the retailers system automatically checks to see if the card is registered for **Verified by Visa** or **MasterCard SecureCode**. If so, they are taken to their card issuer's website where they enter their password. The payment is then taken as normal, and the cardholder is delivered back to the merchant's confirmation page. This is all done without the consumer knowing that they are leaving your site. If the card is not registered, the transaction simply continues as normal, without the **MasterCard SecureCode** or **Verified by Visa** check. The service integrates seamlessly into the checkout process and adds just a few seconds.

HOW DO I IMPLEMENT THESE SERVICES?

The high-level approach for implementing these solutions is shown below.



The first phase focuses on investigating the different types of solutions available and developing the business case. Your existing vendor and acquirer should act as a good source of information.

Once you have identified the high-level solution, the second phase is all about developing the system. Detailed requirements are gathered and the build for the solution is progressed.

Having developed the end-to-end solution, the next phase covers the testing. This will ensure that the systems are robust and fit-for-purpose.

The final stage is implementation and go-live. Before 'switching-on' you will need to obtain an approval letter from your acquirer and ensure all impacted areas of your business are ready for the introduction of these services.

WHAT DO I DO NEXT?

The following two links provide access to further detail on these services, including guidance on implementation. Since both services are based on the 3D Secure protocol, therefore installing either one, together with a merchant plug-in, enables you to support both.

www.visaeurope.com/documents/vbv/verifiedbyvisa_3dsecure.pdf

www.mastercard.com/uk/wce/PDF/smi-manual.pdf

FOR FURTHER INFORMATION

Approach your acquirer for further information or refer to the card scheme websites for contact details:

www.mastercard.com/uk/merchant/en/security/
Click on the link about MasterCard SecureCode on the right hand side.

www.visaeurope.com/merchant/
Click on "Handling Visa Payments" for further info about card-not-present payments.

READER COMPETITION

Let us know your views on **Verified by Visa** and **MasterCard SecureCode** and you will be entered into a free prize draw for **leisure vouchers to the value of £100**.

Simply answer the following questions and return your answers to us by using the pre-paid reply card.

Closing date for entries: **31 December 2007**.

Name:

Address:

E-mail:

Has your business implemented **MasterCard SecureCode** and **Verified by Visa**?

Yes No In the process of implementing

If yes, what has your experience been of implementing and using these services?

If no, what is the main reason preventing you from implementing these services?

If you do not already receive one, would you like to be added to the mailing list to receive your very own copy of *Counter Attack*?

By post By email No thanks