SURVEY RESULTS REVEAL: SCA MERCHANT READINESS
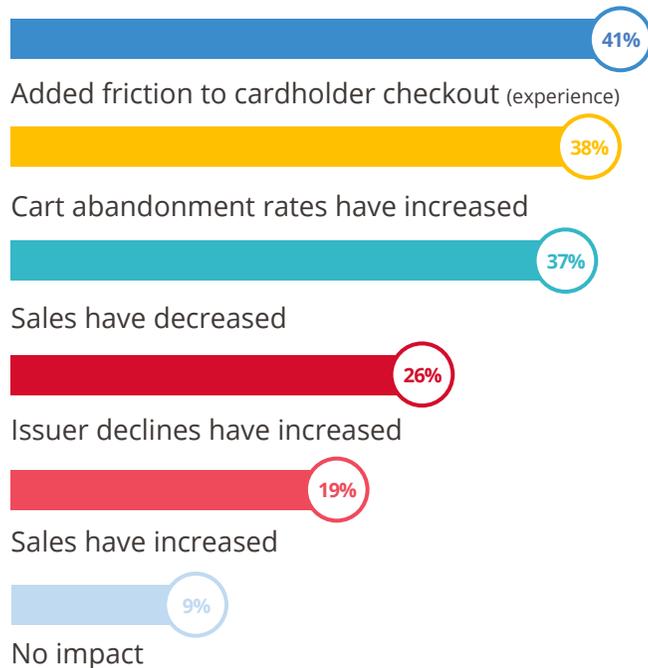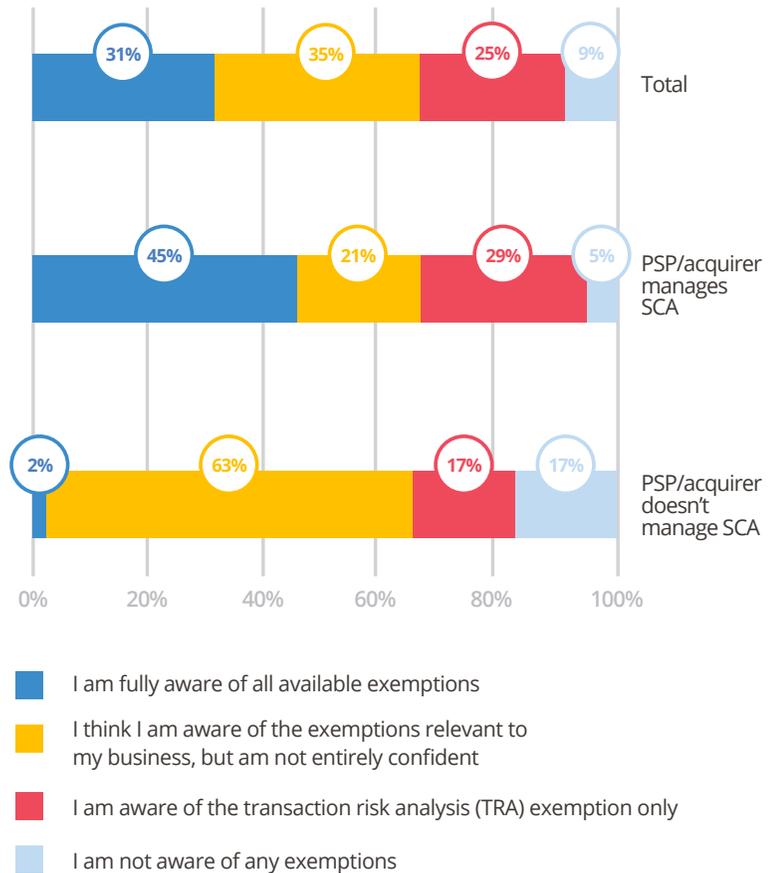
Impact of SCA Being Enforced within the EEA

- **41%** Added friction to cardholder checkout (experience)
- **38%** Cart abandonment rates have increased
- **37%** Sales have decreased
- **26%** Issuer declines have increased
- **19%** Sales have increased
- **9%** No impact

Merchant Strategy Concerns

- **59%** Cost & resource requirements to be SCA-complaint
- **38%** Regulation is unclear/confusing
- **36%** Increased cart abandonment
- **33%** Increased declines
- **31%** Lack of support from acquirer/PSP
- **29%** Fragmented timelines across EEA markets
- **2%** Other
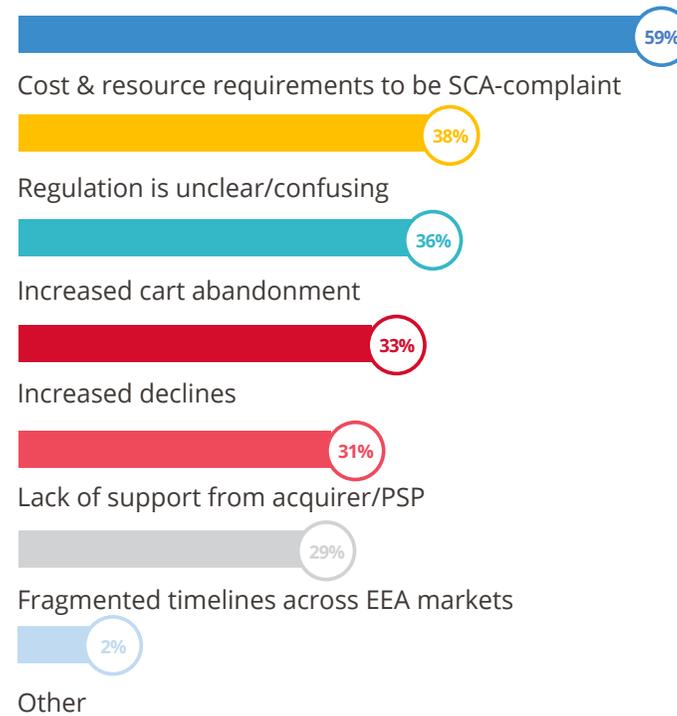
SCA REGULATION: Familiarity with Exemptions

Total	31%	35%	25%	9%
PSP/acquirer manages SCA	45%	21%	29%	5%
PSP/acquirer doesn't manage SCA	2%	63%	17%	17%

- ■ I am fully aware of all available exemptions
- ■ I think I am aware of the exemptions relevant to my business, but am not entirely confident
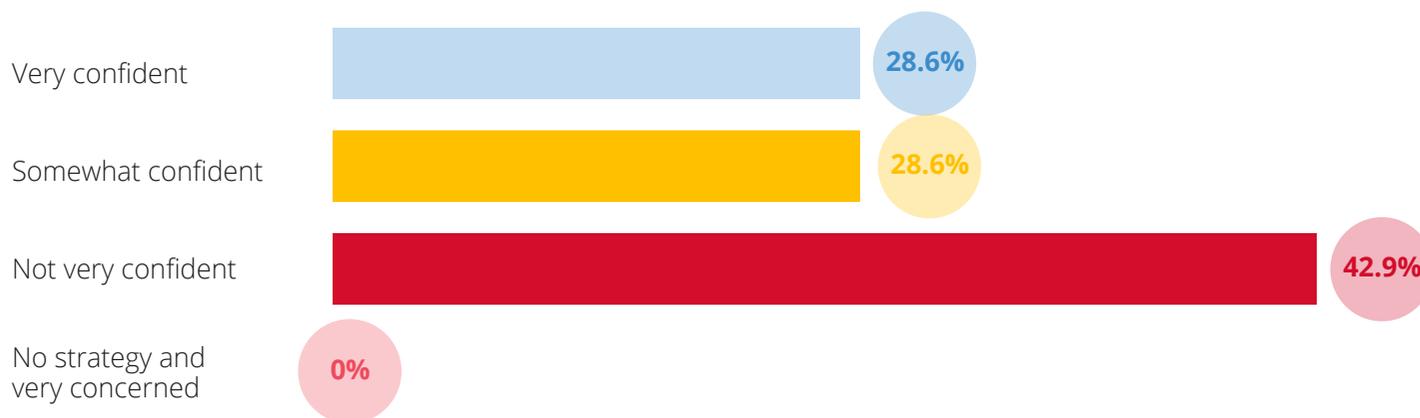- ■ I am aware of the transaction risk analysis (TRA) exemption only
- ■ I am not aware of any exemptions

SCA: Arizent Research survey conducted on behalf of Accertify in December 2020/January 2021 on the subject of SCA merchant readiness.

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HOW CONFIDENT ARE YOU THAT YOUR SCA STRATEGY WILL ALLOW YOU TO MAXIMISE BOTH EXEMPTIONS AND SCOPE CRITERIA, IN ORDER TO MINIMISE FRICTION AT CHECKOUT?

Very confident — **28.6%**

Somewhat confident — **28.6%**

Not very confident — **42.9%**

No strategy and very concerned — **0%**

Accertify can help merchants maximise their sales in the post-SCA landscape by providing:

Expert guidance on how to use our decision engine to support your SCA compliance effort.

Manage authentication by configuring Accertify rules engine for scope and exemption checks for minimal friction at checkout.

Machine learning fraud screening, applied pre-authentication, to minimise the submission of exemption requests which relate to bad transactions.

Integrated EMV 3DS 2.1 to ensure minimal challenge rates.

SUMMARY

The biggest concern regarding the enforcement of SCA is the cost and resource requirements to ensure compliance.

Two-thirds of merchants are relying on acquirer/PSP generic SCA policies which may not be tailored to their business needs.

Merchants who have their PSP/acquirer manage SCA have more concerns, such as cost and resource requirements, lack of support and fragmented timelines across EEA markets. They are more concerned about confusing regulation.

Only one-third of all respondents are fully aware of all available exemptions. This decreases to 2 percent among merchants who do not have their PSP/acquirer manage SCA.

Whilst a high percentage of merchants seek to balance customer experience with fraud losses, only 6-in-10 are effective at reducing both customer friction and fraud risk.

Merchants should look to partners that can improve customer experience without sacrificing fraud prevention practices, as merchants are widely experiencing negative effects of SCA being enforced, such as increased friction at checkout, higher cart abandonment rates and decreased sales.

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Results based on anonymized polls conducted during Accertify webinar. Information relevant at date of poll.