

How has implementing SCA protocols for PSD2 affected retailers?

Since the introduction of the Revised Payment Services Directive (PSD2), many retailers in Europe have implemented Strong Customer Authentication (SCA) protocols. What have retailers learned from this implementation, and what's next as regulations continue to evolve?

Mastercard Identity partnered with ecommerce industry publication Retail Systems to survey 100 retailers in the UK and European Union to collect a snapshot of what's top of mind for these retailers. We focused on fraud and risk roles to understand the impact PSD2 has had on fraud teams and trends. Here are some of our findings.

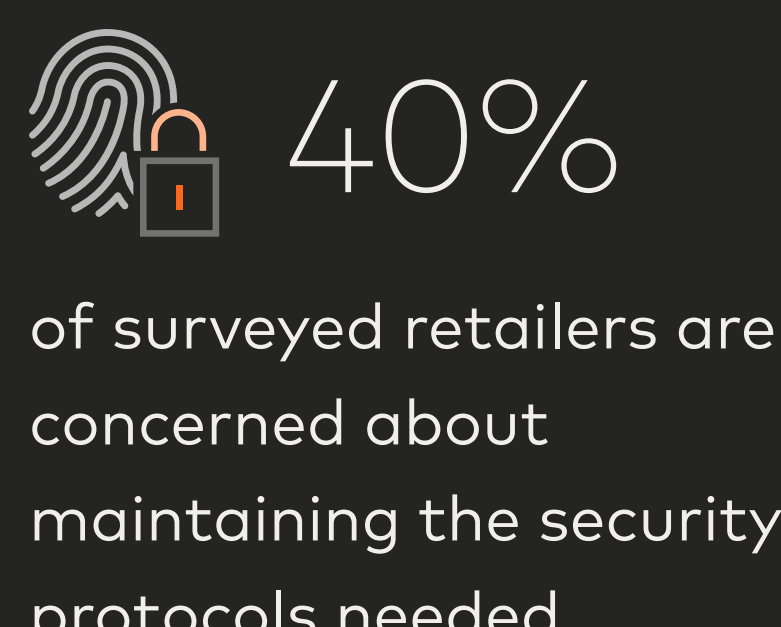
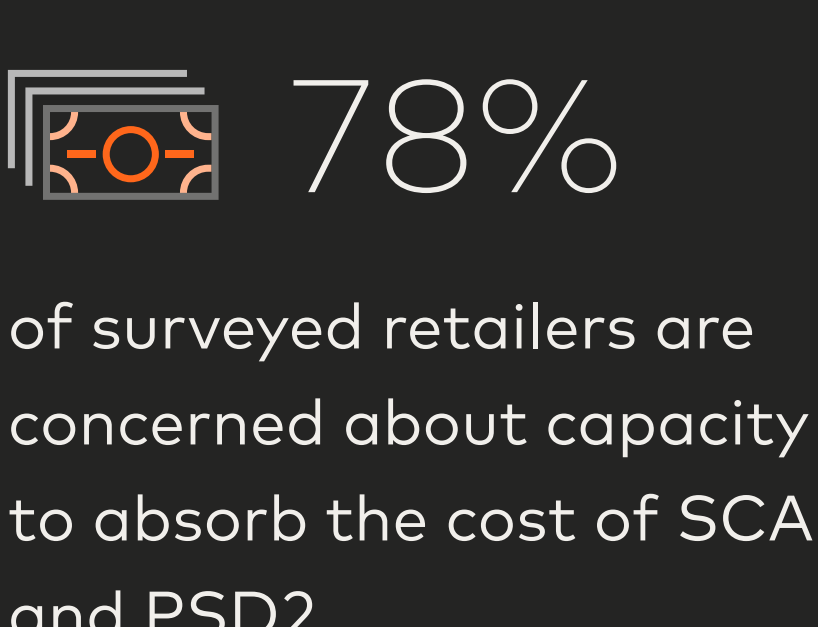


Impact of PSD2 implementation

Initiatives driven by PSD2 have helped improve fraud prevention and led to greater innovation:

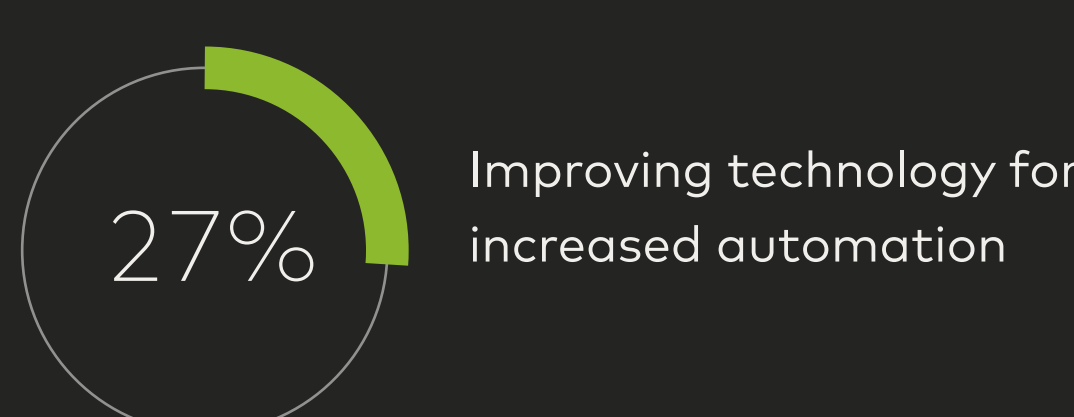
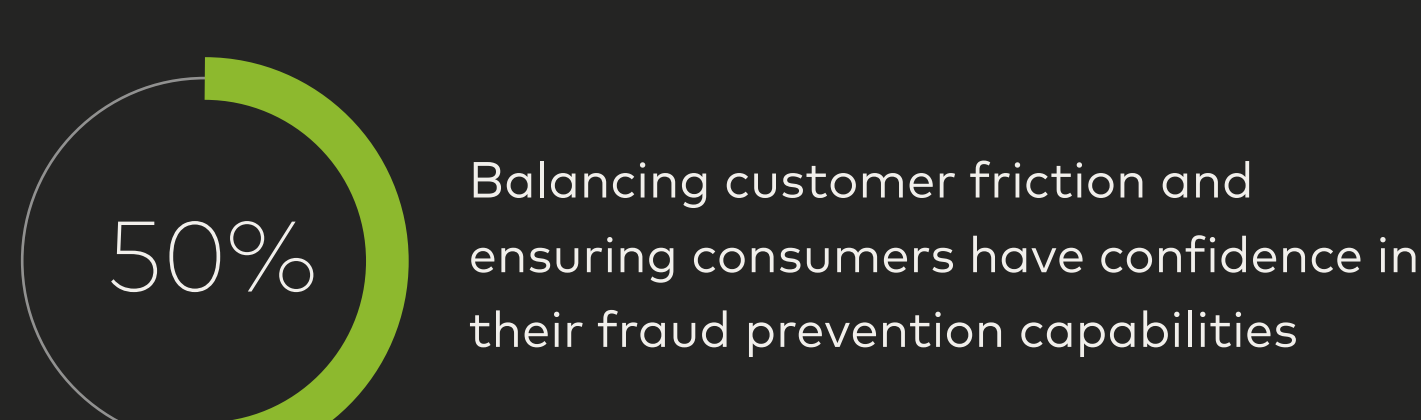


PSD2 poses some challenges:



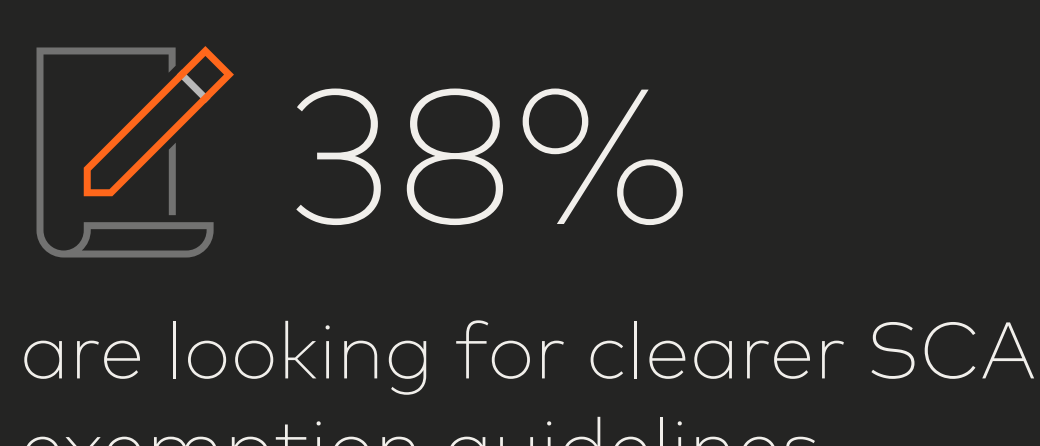
What is top of mind for retailers?

Since implementing SCA standards to meet PSD2 compliance, the retailers we surveyed are now focusing on:



What's next?

As retailers leverage SCA to finetune frictionless customer experiences while combating fraud, we asked what they want to see as PSD2 regulations evolve:



Last year, the European Commission [put forward new proposals](#) that address some of the specific concerns outlined in our survey findings as they revise and modernise the current PSD2 regulation. These proposals include clarifying the scope and definitions in PSD2 to provide clearer guidance. In addition, they aim to level the playing field among different types of payment service providers and provide more access to data, allowing for increased flexibility and control around how payments are secured in this ever-changing ecommerce environment.

How Mastercard can help

At Mastercard, we've been working alongside our customers and partners to provide solutions and strategies that help retailers meet PSD2 requirements and prepare them for the future. This includes:

- Mastercard Identity Check — a solution that meets SCA requirements with our EMV 3DS solution
- Mastercard Identity Verification solutions — enrichment data around identity and device that helps retailers identify which transactions to challenge and which qualify for an exemption

If you'd like to learn more about [Mastercard's Identity solutions](#), please [contact us](#).