

worldpay
from FIS

PSD2 SECTOR GUIDE: CRYPTOCURRENCY

Act now, get ahead



HOW WILL PSD2 IMPACT HOW PEOPLE BUY CRYPTOCURRENCY?

Since it became law in January 2018, PSD2 has had a significant impact on payment service providers, and the world of cryptocurrency is no exception.

From the way customers pay online, to the information they see when making a payment, the new legislation represents a challenge – and an opportunity.

What to focus on?

From September 14, 2021 in the UK and December 31, 2020 in the European Economic Area (EEA), Strong Customer Authentication (SCA) will be required for all electronic transactions using fiat currencies (crypto-to-crypto transactions are exempt).

Two-factor authentication means consumers will have to input extra security information to buy cryptocurrency – or anything else online – in Europe.

A boost in consumer confidence

SCA should help to lower fraud and increase security for customers buying cryptocurrency with their card. And it could also have a beneficial effect on the challenging authorization rates we sometimes see in the crypto industry as fully authenticated transactions give issuers greater confidence.

But bear in mind

It's worth remembering that the more information you ask a customer to provide during payment, the more friction you add to the payment process, and the higher the chance of a dropout.

HOW 3DS WORKS

Secure and seamless transactions

The main method for performing SCA on card transactions will be 3D Secure (3DS), which will become a requirement for every online merchant. The release of an upgraded version, 3DS2, is set to make this the most seamless authentication experience possible.

If an issuer challenges a cardholder to authenticate themselves with 3DS2, (which should happen less than 20 percent of the time), there are lots of new ways to complete the authentication, including using biometrics, one-time passwords or the cardholder's mobile banking app.

HOW CAN YOU GET AHEAD?

Offer alternative payment methods

Added friction may mean alternative payment methods, like eWallets, will become more popular. Many of them are already compliant and delivering a frictionless experience.

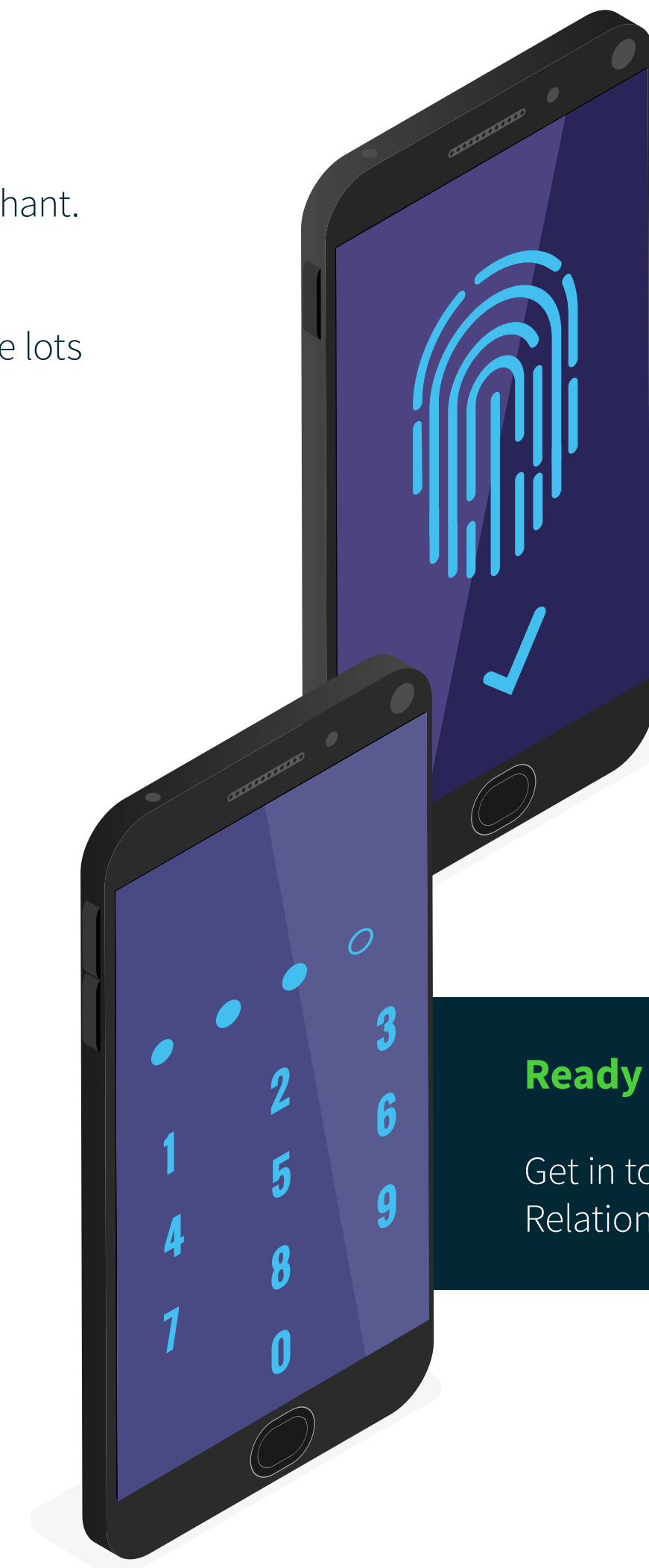
Offering a selection of payment methods can help you to gain customers and strengthen your position.

Implement 3DS2

If you're only offering card payments, we strongly recommend implementing 3DS2 (3DS Flex) into your payment flow.

Get the right products

Our suite of products make it easy to manage SCA. They include our 3DS2 Merchant Plug In (MPI), which performs SCA whenever it's required; our industry-leading fraud tools, and a new card-to-crypto service that can dramatically enhance your customer experience.



Ready to make PSD2 pay?

Get in touch with your Worldpay Relationship Manager to find out more.

About Worldpay from FIS

Worldpay from FIS (NYSE:FIS) is a leading payments technology company that powers global commerce for merchants, banks, and capital markets. Processing 75 billion transactions topping \$9T for 20,000+ clients annually, Worldpay lifts economies and communities by advancing the way the world pays, banks, and invests.

We create secure and scalable innovations that connect commerce across all geographies and sales channels. The company's integrated technology platform offers a unified and comprehensive solution set to help clients run, grow, and achieve more for their business.

With a 50+ year history in financial services, we remain ahead of the curve to outpace today's competitive economic landscape. By delivering simple, streamlined, and secure experiences for all of our clients and their customers, we embody commitment to every aspect of the financial services industry.

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