

MasterCard  
International



## Guarantee Your Online Payments with MasterCard's New E-Commerce Security Solution

**MasterCard's Universal Cardholder Authentication Field (UCAF™) makes it possible to authenticate online shoppers, guaranteeing payment for online merchants, reducing chargebacks, and giving consumers new confidence**

Security and cardholder authentication for remote channels are critical issues facing the merchant community today. Unlike the physical world, there is no signed sales receipt associated with today's e-commerce transactions. Without such evidence, it is difficult to dispute the cardholder's claim of not engaging in a given transaction. As a result, merchant expenses associated with chargeback processing for online transactions are increasing. In fact, chargebacks due to "cardholder non-authorization" or Reason Code 37 represent as much as 84% of all electronic commerce chargebacks.<sup>1</sup>

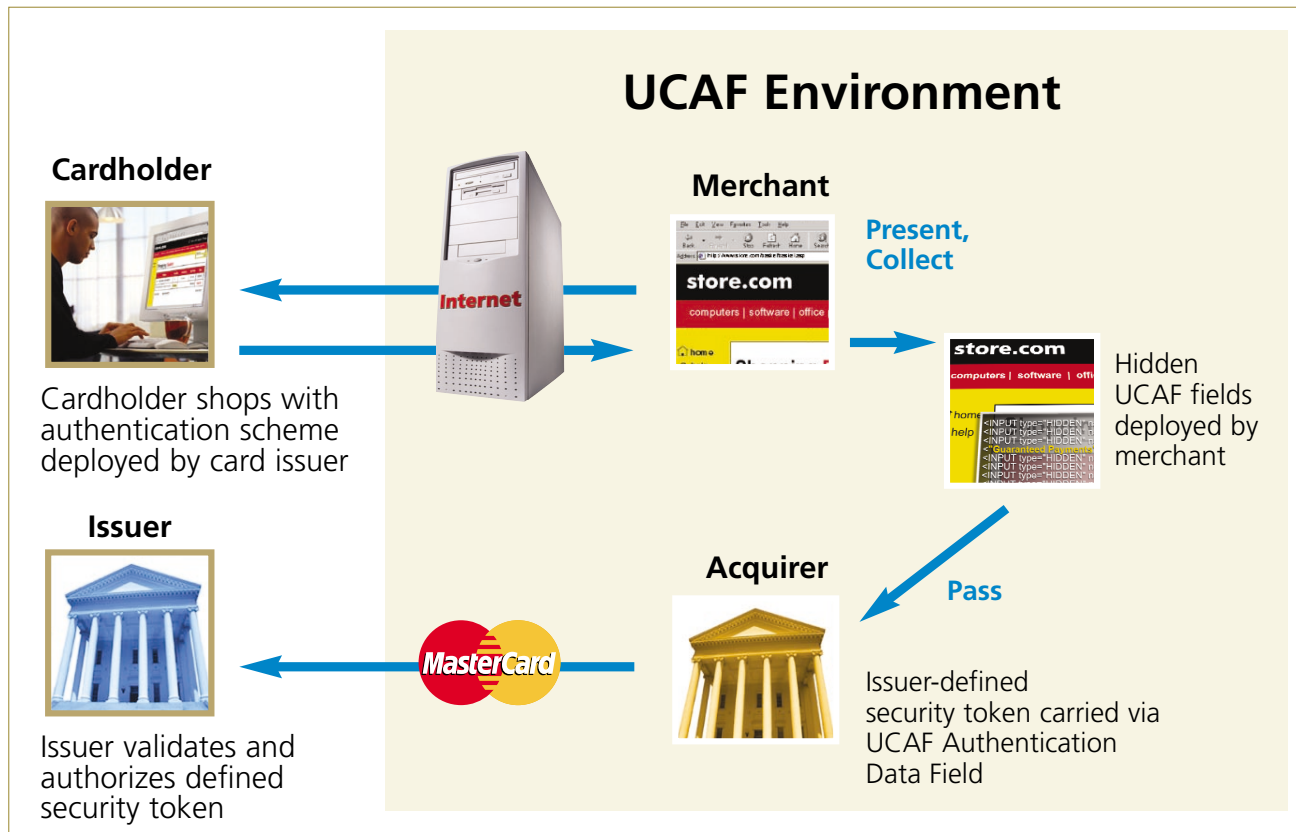
MasterCard® addresses these issues head-on with its implementation of the Universal Cardholder Authentication Field (UCAF), a standard, globally interoperable method of collecting cardholder authentication data at the point of interaction across all virtual channels, including the Internet and mobile devices. UCAF collects and passes cardholder authentication information to solve the main barriers to e-commerce growth: consumer concern about security and non-guaranteed payment to online merchants. For online merchants, UCAF allows them to receive a global payment guarantee similar to the one that they have enjoyed with physical point-of-sale transactions for the past 35 years.

By collecting and carrying explicit evidence of a cardholder's involvement in an online transaction, UCAF can help merchants significantly reduce fraud and chargeback costs. No longer will merchants be reluctant to fill orders to non-authenticated cardholders over the Internet or be limited to domestic transactions. With MasterCard's UCAF solution, merchants have a uniform method for transporting authentication data, regardless of the authentication scheme deployed by the card issuer, allowing them to confidently fulfill orders. In addition, because it fully supports MasterCard credit, debit and Maestro®, UCAF gives issuers a way of supporting debit transactions over the Internet, thus opening the door to more cross-border transactions with merchants in countries where debit is dominant.

In order to enjoy all the benefits of UCAF, merchants must implement a series of discrete, hidden fields that reside behind their checkout page. Once these hidden fields are in place, merchant requirements can be summed up in three words: **present**, **collect**, and **pass**. During the transaction, the merchant need only **present** the hidden fields, **collect** the authentication information, and **pass** this information to its transaction processor. It's that simple!



<sup>1</sup> INET Reports, fourth quarter 2000



**Key Benefits for Online Merchants**

MasterCard's UCAF solution is designed to provide a number of important benefits to online merchants:

- Carries authentication data that links the cardholder to the transaction for a specific e-commerce transaction, giving the merchant evidence of the cardholder's authorized purchase
- Provides the basis for a guaranteed online transaction. When merchants receive evidence of cardholder authentication data, issuers cannot charge back such a transaction
- Boosts consumer confidence in e-commerce by addressing today's fraud concerns
- Has minimal cost impacts on merchant and processor systems
- Supports both credit and debit transactions
- Provides online merchants with new cross-border transaction opportunities
- Standardizes the way cardholder authentication data is carried among the parties in a transaction, promoting deployment throughout the online merchant community
- Keeps costs relatively low when new technologies or upgrades are implemented by defining a standardized way of transporting authentication data
- Integrates into both new and existing platforms to support a broad spectrum of cardholder authentication schemes

**Getting Started**

To request a copy of the *Universal Cardholder Authentication Field Implementation Guide, A Primer for Online Merchants*, please contact your transaction processor or send us an e-mail at [e-Business@mastercard.com](mailto:e-Business@mastercard.com).

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