ARCOT DELEGATED AUTHENTICATION

Increase approval rates and reduce friction through the Arcot Delegated Authentication Program.

Arcot Delegated Authentication (ADA) is a program that empowers a merchant or acquirer to authenticate the consumer on behalf of the issuer. ADA provides a simple, scheme-agnostic, and compliant alternative to the Delegated Authentication programs offered by the card schemes.

THE CHALLENGE

While challenging the consumer helps reduce fraud losses, if the added friction causes transactions to be abandoned, it results in a poor consumer experience and lost revenue for merchants, acquirers and issuers. In addition, though the EMV 3DS protocol enables Delegated Authentication, the programs available through the card schemes have disparate rules and policies that make implementation and ongoing management more complicated for issuers and merchants.

THE SOLUTION

Arcot Delegated Authentication (ADA) provides a simple way for merchants, acquirers and issuers to improve the shopping experience for cardholders across all card schemes. Our program enables the merchant to control their checkout experience in return for accepting the liability for fraud. ADA is a single, scheme-agnostic program that provides the legal and technical framework for merchants to perform challenges on behalf of the issuer and is fully-compliant with PSD2.

KEY BENEFITS

Arcot Delegated Authentication drives higher approval rates, lower fraud rates, and better overall customer experience.

Merchant Benefits

- Greater control over the shopper experience
- Higher issuer trust and approval rates
- Fewer "direct to auth" transactions and associated soft declines
- Faster challenge completion times for shoppers
- One program for all major card schemes
- Visibility into issuers participating in the program

Issuer Benefits

- Improved cardholder experience during shopping
- Fewer false declines and abandoned transactions
- More data provided by the merchant to improve fraud detection
- Reduced liability for potential fraud - liability shifts to the merchant
- One program for all major card schemes
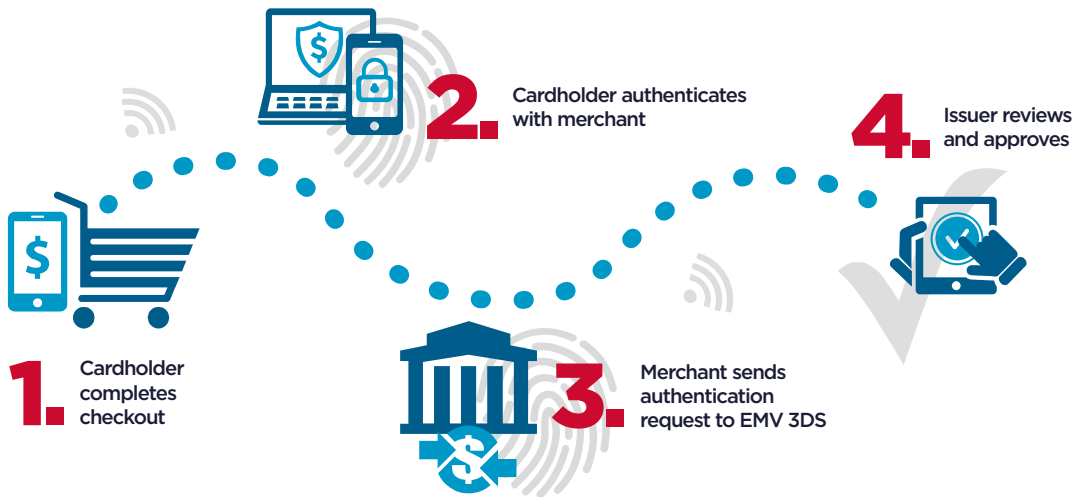- Visibility into merchants participating in the program

How Does It Work?

Arcot Delegated Authentication requires a simple enrollment and implementation process:
1. Issuers sign the one-page Arcot Delegated Authentication contract addendum
2. Merchants/Acquirers sign the one-page Arcot Delegated Authentication contract addendum
3. Arcot collaborates with the merchant/acquirer to enhance their EMV 3DS messaging so that transactions are securely marked as participating in ADA.
4. Arcot collaborates with the issuer to configure their risk policy to approve ADA transactions.

Merchant

Merchant signs one page contract addendum with Arcot

Merchant updates transactions with ADA tags and data fields

Sends transactions to enrolled issuers using ADA

Issuer

Issuer signs one page contract addendum with Arcot

Issuer updates rules and policies for ADA merchants

Receives and processes transactions from merchants using ADA

Arcot Delegated Authentication Transaction Flow

2. Cardholder authenticates with merchant

4. Issuer reviews and approves

1. Cardholder completes checkout

3. Merchant sends authentication request to EMV 3DS

LEARN MORE

Contact your Customer Success Manager to learn more about Arcot Delegated Authentication.

Contact us today at sales.arcot@broadcom.com

About Broadcom Software

Broadcom Software is a world leader in business critical software that modernizes, optimizes, and protects the world's most complex hybrid environments. With its engineering-centered culture, Broadcom Software has an extensive portfolio of industry-leading infrastructure and security software, including AIOps, Cybersecurity, Value Stream Management, DevOps, Mainframe, and Payment Security. Our software portfolio enables scalability, agility, and security for the largest global companies in the world.

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