PSD2
eCommerce Checklist

BlueSnap®

☑ KNOW THE TERMS

To meet the regulation's requirements, you need to understand what everyone is talking about. Here are a few terms you should know:

PSD2

The Payment Service Directive 2, or PSD2, is a new set of regulations pertaining to the European market. It was created to improve the existing EU rules for electronic payments and better integrate payment services across the European Union. Part of that involves increasing the level of protection for consumers when they make electronic payments that go through the European Economic Area (EEA) in any capacity.

SCA

Strong Customer Authentication, or SCA, is part of PSD2 and requires those selling online to verify the customer's identity with two of the following three characteristics:

- Something only the customer is (e.g., fingerprint or facial recognition)

- Something the customer knows (e.g., a PIN or password)

- Something only the customer has (e.g., a credit card or mobile device)

3-D Secure

3-D Secure is an advanced authentication solution implemented to reduce eCommerce fraud by verifying a cardholder's identity in real time. Each of the major card brands has a 3-D Secure offering. This additional layer of security helps prevent unauthorized use of cards and protects eCommerce merchants and issuers from exposure to fraud.

ASSESS IF THE REGULATIONS APPLY TO YOU

You need to determine whether PSD2 and SCA regulations will apply to your business.

PSD2 and SCA can apply when electronic payments go through the EEA in some way. These countries/regions include: Austria, Belgium, Bulgaria, Croatia, Republic of Cypress, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the United Kingdom.

DEFINE A SUCCESSFUL PSD2 PAYMENTS STRATEGY

A big part of PSD2 is about providing additional security for consumers, but it also helps to guard your business against fraudulent transactions. Make sure your entire payment strategy is set up to support and benefit from PSD2.

Local languages and currencies

PSD2 creates a streamlined experience for the EEA. If you take this opportunity to begin selling across borders, that can be a great way to expand your potential market. However, keep the user experience in mind. Shoppers will want to see prices and other pertinent information in their own language and currencies. They will also want to see that you accept the popular payment types they are used to.

Local payment processing

If you decide to broaden your reach to sell into regions other than your own, you could be opening yourself up to additional FX and other cross-border fees. To make cross-border selling as profitable as it can be for your business, you will want to find a way to process any cross-border payments as if you were processing them locally, leveraging local banks and currencies.

SCA & Compliance

As you grow your eCommerce business, especially to new geographies, be sure SCA and other compliance regulations are being met. Not doing so can result in declined payments, fines and more.

IDENTIFY THE RIGHT PAYMENT SERVICE PROVIDER TO HELP

Be sure you are using a payment service provider (PSP) that has implemented 3-D Secure. 3-D Secure's advanced authentication will keep you in SCA and PSD2 compliance.

Additionally, be sure you are using a PSP that makes all regulatory issues a priority so that you don't have to.

BlueSnap's All-in-One Payment Platform is built for growth. In addition to built-in solutions for regulation and tax compliance, our single integration provides

everything you need to sell across the globe, including:

- **A network of global banks to help increase sales and reduce costs**

- **Intelligent Payment Routing to optimize authorization and cost**

- **100+ shopper currencies, global payment types and 17 settlement currencies**

- **World-class integrated fraud and chargeback management**

- **Consolidated reporting to increase visibility and simplify reconciliation**

Looking for help ensuring PSD2 compliance? Visit www.bluesnap.com