



## December 2018

## Luxury Goods Industry

The statistics in this report relate to the impact of authentication in the luxury goods industry, internationally. With 3DS, merchants experienced higher CNP authorization rates, as well as lower fraud rates.

## Average bps Average $\frac{1}{2}$ Fraud Rate Authorization For all CNP transactions, the average fraud rate incurred by luxury goods Rate merchants. The graph displays the industry's yearly fraud trends by month and can serve as a point of comparison. For all CNP transactions, the average authorization rate for luxury goods merchants; this number tends to be lower than for that of Monthly Trend Line in Basis Points (bps) 75 Card-Present transactions. 70 64 57 53 Authentication leads to higher 54 45 authorization rates 48 42 37 38 Authorization Lift % With 3-D Secure 282 31 Measures the difference between the authorization rates of 3DS and Non-3DS transactions. 20 Jul Sep Mar Nov Jan May Fraud-to-Sales Ratio With 3-D Secure, Cardinal can help to remove fraud from the ecosystem. **Snapshot of Key Industry Statistics** That's 53 30 bps Basis Point in removed Average Order Value fraud 23 Basis Point Authenticated Fraudulent **\$** ] \$249 Average Order Value Average Order Value Not Authenticated Authenticated with 3-D Secure with 3-D Secure The number of basis points of approved transactions that resulted in chargebacks, due to fraud.

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This data represents only Visa transactions and includes settlement files and disputed issuer fraud that was reported into Visa Net. The data in this report was aggregated from a sample of merchants in the luxury goods industry who use 3-D Secure and, therefore, can be used to provide industry benchmarks.