

Top-20 U.S. bank reduces fraud losses by 70% with Entersekt and Mastercard

The challenge

Like many financial institutions in the U.S., this top-20 bank faced significant challenges combating card-not-present (CNP) fraud in the e-commerce space. The bank's 3-D Secure (3DS) solution at the time lacked the flexibility and insights required to reduce friction and make smarter authentication decisions. As a result, the process was less efficient, impacting both customer satisfaction and fraud prevention.

With over \$200 billion in assets and 1,000+ branches to protect, it became a strategic priority to find a solution that could:

- Reduce fraud losses
- Increase authentication rates
- Improve risk scoring and fraud detection
- Enhance data visibility for smarter decision-making
- Add one-time password (OTP) verification

The solution

The bank chose Mastercard's 3DS solution, powered by Entersekt, which combined:

- OTPs
- Device signals
- Dynamic risk scoring

This multi-faceted approach allowed the bank to tailor payment authentication to the specific risk level of each transaction, minimizing friction for low-risk transactions while applying stronger authentication to transactions that appeared to be high-risk.

Results

By optimizing the authentication process for both security and user experience, the bank achieved:

- A 70% reduction in fraud loss dollars
- A 62% increase in authentication rates, driving down operational costs
- A 66% challenge success rate, resulting in a better customer experience

“Entersekt has transformed our approach to authentication. Their implementation adapted seamlessly to our technical requirements.”

— VP Fraud Risk Strategy Manager, Card Fraud