

# Reducing risk while enabling frictionless payments



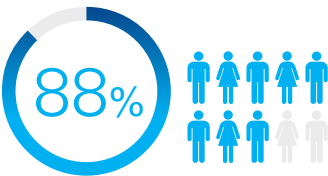
Asian consumers expect a seamless and smooth payment journey when making purchases online – with minimal barriers or delays – making transactions more convenient, quicker and their lives easier.

But it's important U.S. merchants do not sacrifice security when meeting these expectations as threat actors are lurking in the shadows to impact customers and reputation.

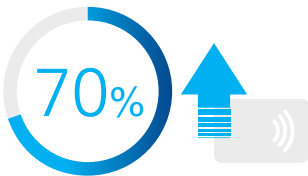
Finding the balance between **frictionless** and **fraud prevention** is crucial.



## FRICTIONLESS PAYMENTS AREN'T GOING OUT OF FASHION...



of consumers abandon payments with friction<sup>1</sup>



Over 70% of respondents in Thailand, Taiwan, Malaysia, and Indonesia indicate a strong willingness to increase online shopping spending<sup>2</sup>

## BUT IT'S A TARGET FOR FRAUDSTERS...



of Asia Pacific online shoppers cite fear of fraud as a barrier to cross-border shopping<sup>3</sup>

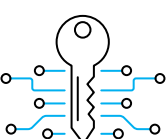


total amount of eCommerce losses globally to online payment fraud in 2023<sup>4</sup>



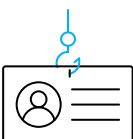
U.S. businesses face \$3 total cost for each dollar lost to fraud.<sup>5</sup>

## COMMON FRAUD RISKS DURING THE PAYMENT JOURNEY



### Data breach

Threat actors gain unauthorized access to your information.  
E.g. credit card details, personal data.



### Identity theft

Stealing your personal information to impersonate you.



### False declines

Legitimate transactions wrongly rejected causing a poor user experience and shopping cart abandonment.



### Account takeover (ATO)

Access to user accounts exploited for fraudulent transactions.

## SOLUTIONS THAT DON'T ADD EXCESSIVE FRICTION



### J/Secure

Merchants can adopt this method for better authentication and lower fraud rates.



### PCI DSS

Make sure you are compliant with state regulation and the latest Payment Card Industry Data Security Standard (PCI DSS) – a requirement for merchants who accept or process payments.



### Machine learning

Continuously analyze transaction patterns, identify outliers and adapt with minimal inconvenience.



### Biometric authentication

A secure way to verify user identity and provide robust protection.  
E.g. fingerprint or facial recognition.

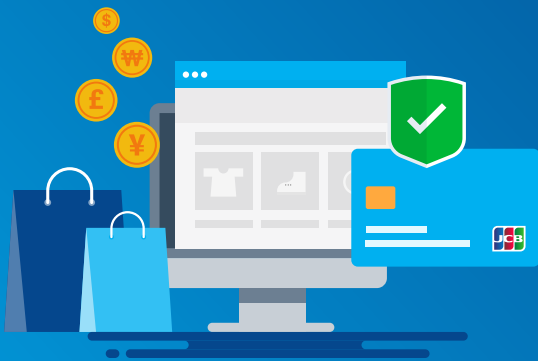


### Customer education

Being better informed about security best practices creates a safer digital payment environment and prevents avoidable risks.

As the payments space continues to evolve it is important to consider how this will impact risk across the frictionless payment journey.

## Things to keep on your radar in 2025...



### 01 More purchases on mobile

Smartphone transactions for ecommerce will reach \$2.52 trillion in 2024 - an increase of 16.3% from 2023.<sup>6</sup>

### 02 Updated regulation

"The United States' sectorial approach to digital payments and data protection means it is crucial to familiarize yourself with state regulations to remain compliant and protect against fraud and threats."

Yutaka Nakazawa,  
JCB International President and CEO

### 03 Rise of synthetic identities

"Synthetic fraud, which merges real data with fake information to evade identity checks, is increasingly prevalent. To combat this threat, it's vital to identify data with a short history or low integrity for early detection of such activities."

Kelly Harvin,  
Head of Enterprise Indirect Sales,  
Worldline



At JCB, we focus on enabling a **seamless payments journey** specifically for our cardmembers from Asia, while protecting the transactions with the highest standard of security.

JCB is a major global payment brand and a leading credit card issuer and acquirer in Japan. JCB launched its card business in Japan in 1961 and began expanding worldwide in 1981. Its acceptance network includes about 49 million merchants around the world. JCB Cards are now issued mainly in Asian countries and territories, with more than 158 million cardmembers.

As part of its international growth strategy, JCB has formed alliances with hundreds of leading banks and financial institutions globally to increase its merchant coverage and cardmember base. As a comprehensive payment solution provider, JCB commits to providing responsive and high-quality service and products to all customers worldwide.

For more information, please visit: [www.global.jcb/en/](http://www.global.jcb/en/)

#### Sources

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