

Real-time data collaboration driving better ecommerce

Tackling card-not-present fraud and false declines head-on

Problem statement

Digital commerce keeps accelerating as consumers shift more of their everyday shopping online. But with that growth comes a significant challenge: card-not-present (CNP) fraud is rising fast – now occurring at more than 7x the rate of card-present fraud.¹

For merchants and acquirers, this isn't just a fraud problem – it's a revenue problem. As fraud attempts increase, issuers become more conservative, which leads to false declines: legitimate customers being turned away at checkout. Every false decline creates friction, drives cart abandonment, and erodes trust. False positives are legitimate card-not-present transactions that may be incorrectly declined. In fact, according to a 2023 JP Morgan case study, while actual fraud losses represent an estimated 7% of the total cost of fraud, false-positive losses account for 19% – nearly 3x higher.²

Solution

VISA INTELLIGENT DATA EXCHANGE

Visa Intelligent Data Exchange enables merchants to seamlessly share enhanced, high-quality data with issuers to help drive smarter authorization decisions and reduce fraud without adding checkout friction.



Three flexible ways to share enhanced data



All U.S. issuers ready to consume enhanced data today



Improves authorization outcomes with richer transaction intelligence



Enables access to advanced solutions like Compelling Evidence 3.0



Provides a frictionless user checkout experience



"As participation in Visa Intelligent Data Exchange is growing among issuers, so are our results. We're seeing significant improvements in both conversion and authorization across the ecosystem. The momentum and impact this program is having is exciting to see."





Steve Reis, Head of Financial Platform, Square

Results

Square, one of North America's largest payment processors, partnered with Visa to launch and scale enhanced data sharing. They are now **sending over 75% of Square's Card Not Present Traffic** with enhanced data. The results are compelling.

Overall Performance: Approval rates climbed by **200 basis points** with enhanced data compared to other CNP transactions. Overall fraud reduction with enhanced data for Square is **29% lower than other CNP**.

Performance by merchant category

	 Professional Services	 Restaurants	 Entertainment	 Retail
FRAUD REDUCTION	25%	26%	52%	12%
AUTHORIZATION IMPROVEMENT	+190 _{bps}	+140 _{bps}	+310 _{bps}	+260 _{bps}

By leveraging Visa Intelligent Data Exchange, clients may augment risk signals and more confidently separate legitimate transactions from fraudulent ones.

To learn more about how enhanced data can transform digital commerce, contact your Visa representative today.

1. U.S. Domestic fraud rates from Global Risk Dashboard Q3 CY2025

2. J.P. Morgan article "[When false positives spiked, company abandoned fraud prevention tools](https://www.jpmorgan.com/insights/payments/analytics-and-insights/cnp-fraud-prevention-combat-chargebacks)," <https://www.jpmorgan.com/insights/payments/analytics-and-insights/cnp-fraud-prevention-combat-chargebacks>