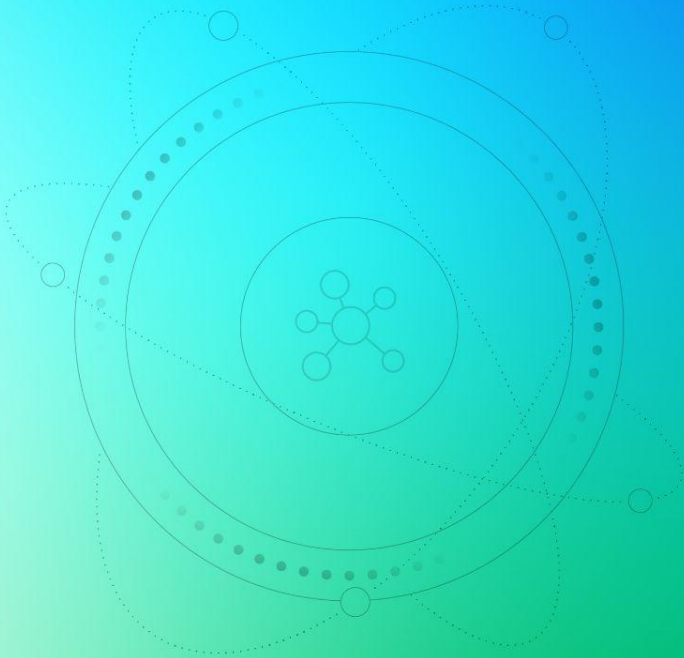
sift

mpe MERCHANT PAYMENTS ECOSYSTEM

Fighting the rise in chargeback fraud



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Newland

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Square

FACEBOOK

Google

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Rise in e-commerce

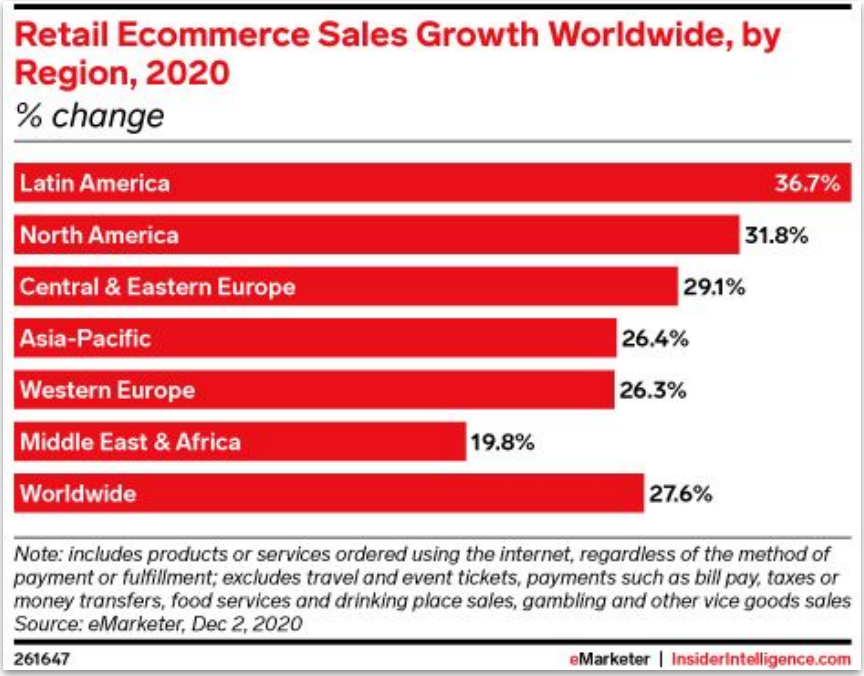
Legacy Fraud Prevention Tooling

What Can We Do?

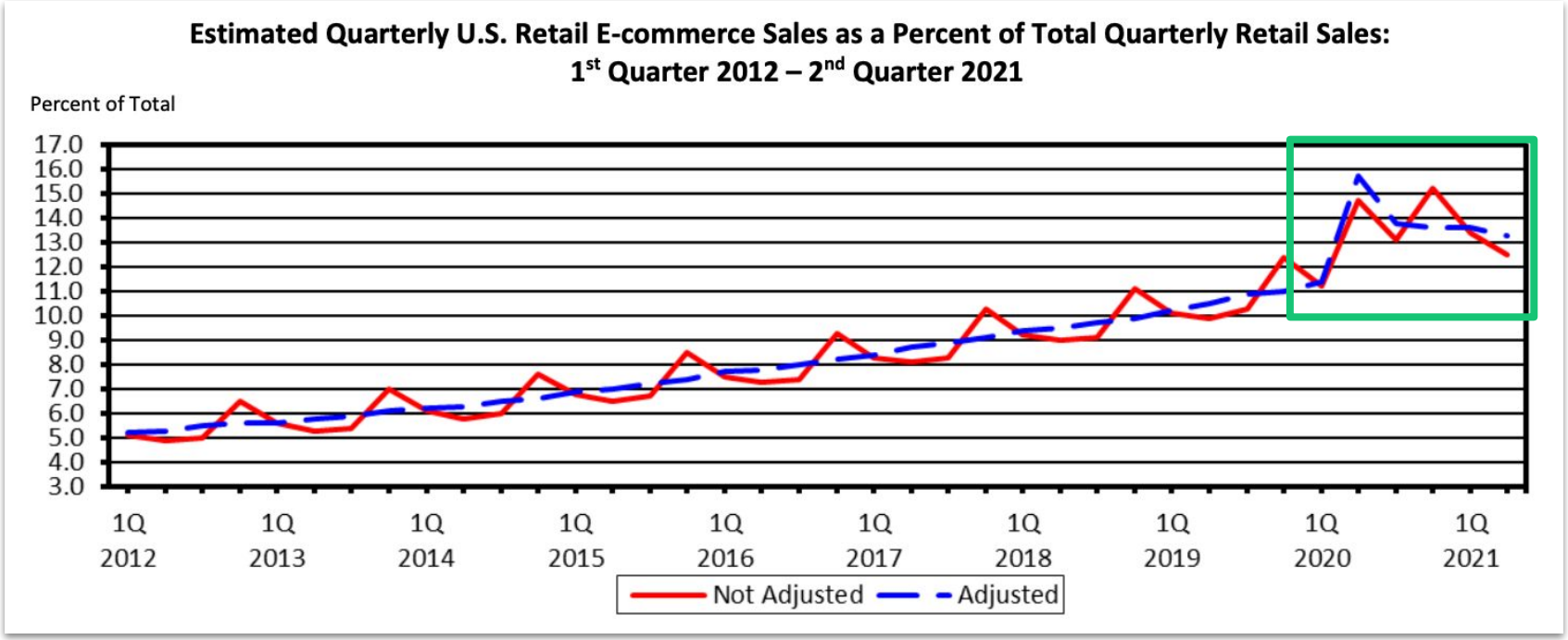
Rise in e-commerce

European e-commerce continuing growth

- Online purchases approached $591 billion (in USD) across Europe last year
- Push and pull of reopenings and shutdowns will affect 2021 outcomes



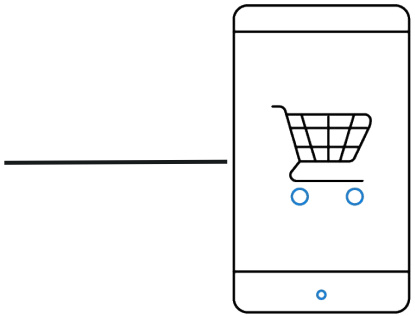
E-commerce acceleration



Source: US Department of Commerce, Aug 2021

Legacy Fraud Prevention Tooling

Lillehammer'94 ©®



ORDER PLACED

> €500

Country is “Sri Lanka”

Number of users per device > 2

Email domain is “yopmail.com”

User on negative list

IP address is “178.171.8.242”

. . .

BLOCK USER

Not without utility

Experience fraud, put in defense. “Don’t have to worry about that again.” However...

Problem: fraudsters are testing rules

Future problem: when fraudsters find their way around rules

Unfortunately the fraud loss is only half the problem.

Consider what you're declining as well.

How well do your rule sets apply to your high fraud and low fraud areas?

ADOBE DIGITAL INSIGHTS 2021

UK Online Retail Spend | Digital Economy Index (Jan - July)
Source: Adobe Analytics

But remember that increase in e-commerce...

In an environment where online spending is increasing, you need to have an understanding of how your tooling is affection fraud and growth

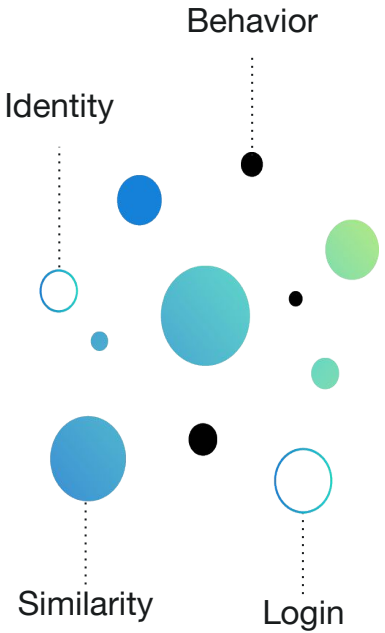
What Can We Do?

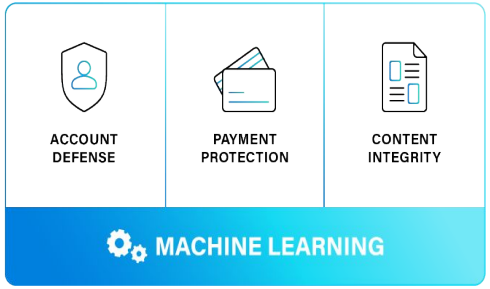
You need to match the speed and scale that fraudsters are attacking you with.

Consider:

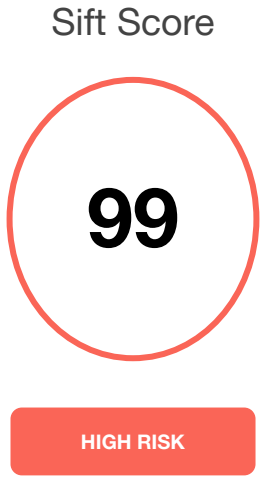
- The amounts of success fraudsters are having
- Maintenance of rule sets (once, in future)
- The amount of data to parse through
- Limits of human review/coverage

WHAT CAN WE DO?





Same insights as rule sets… but we want to **learn from them**



Tailor Experiences Based on Assessment

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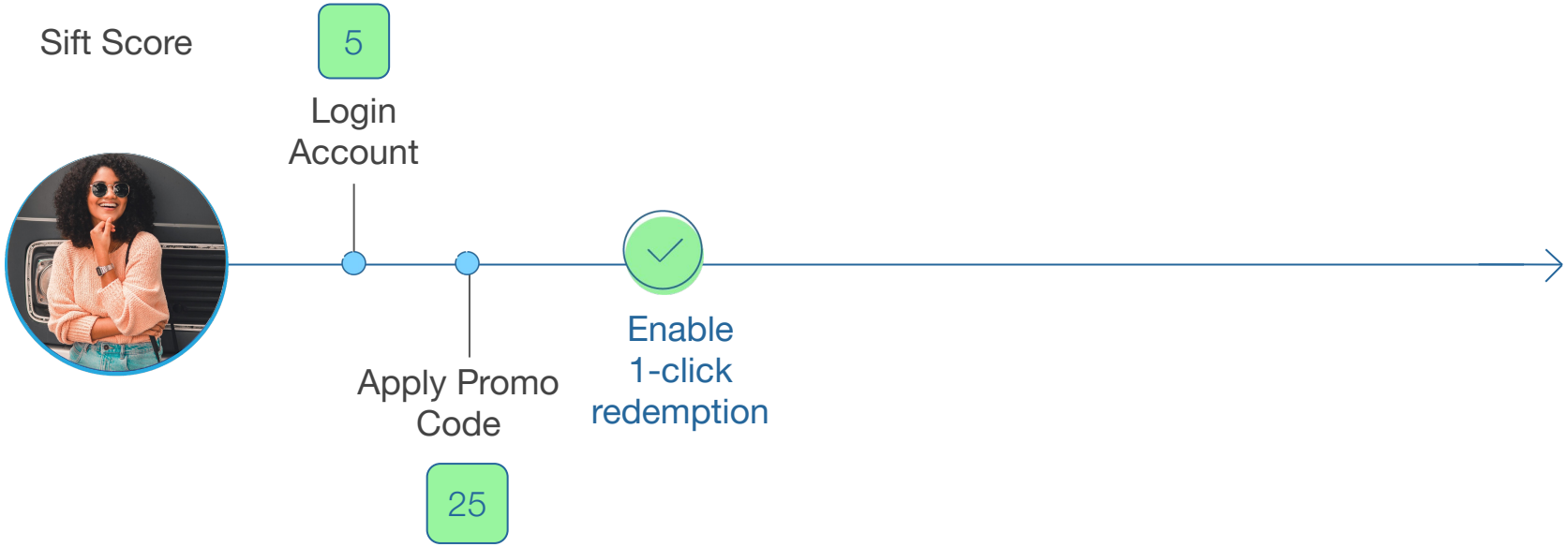

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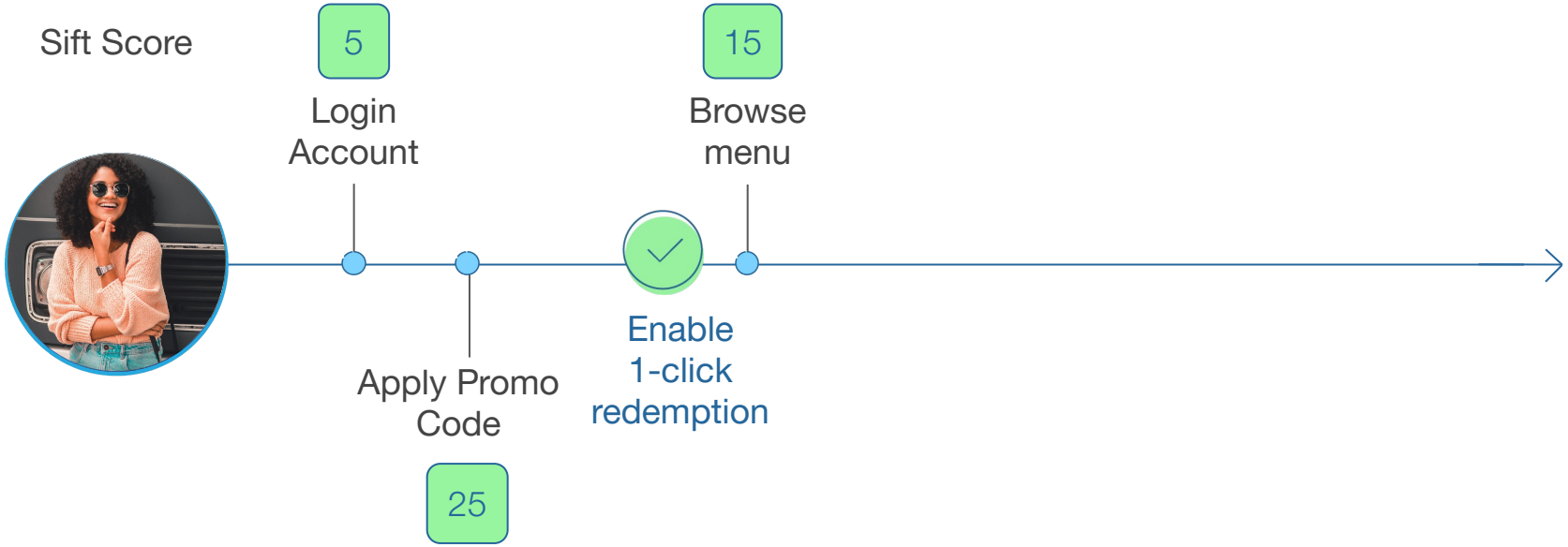

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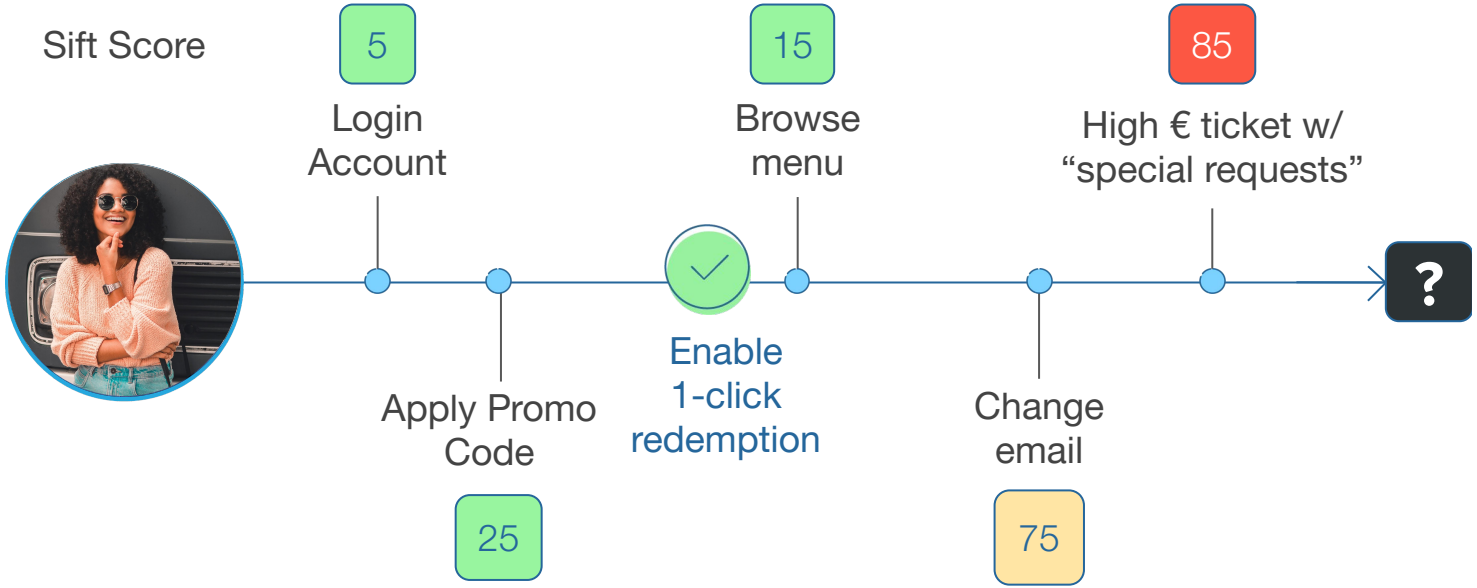

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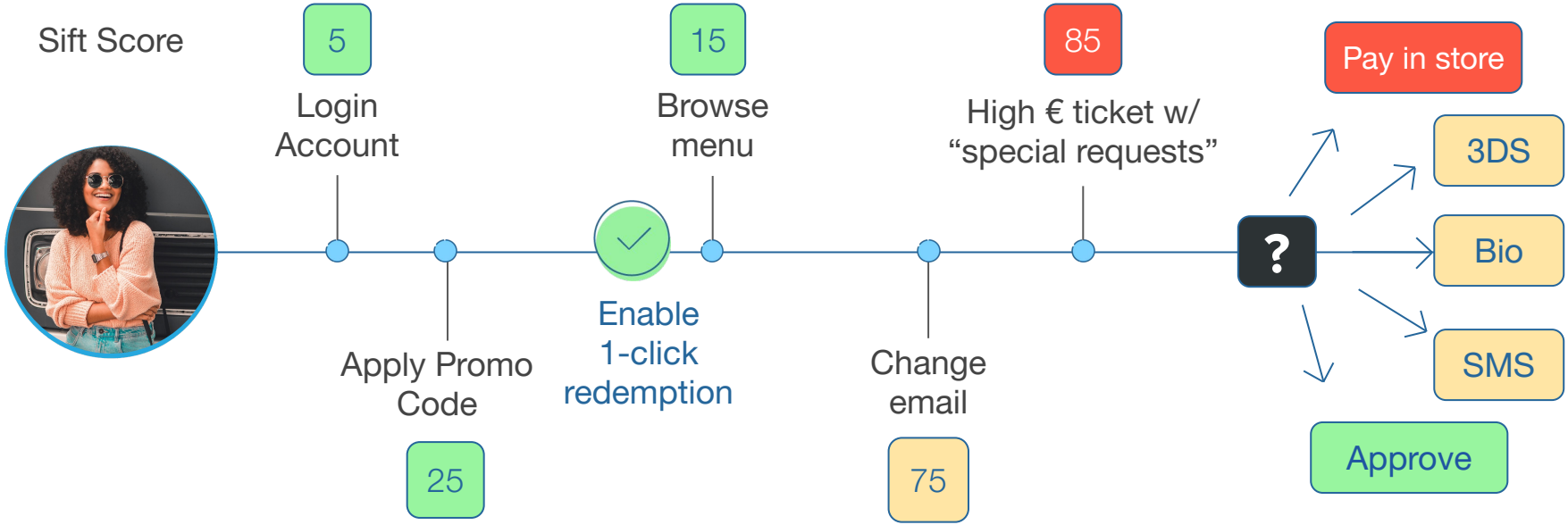

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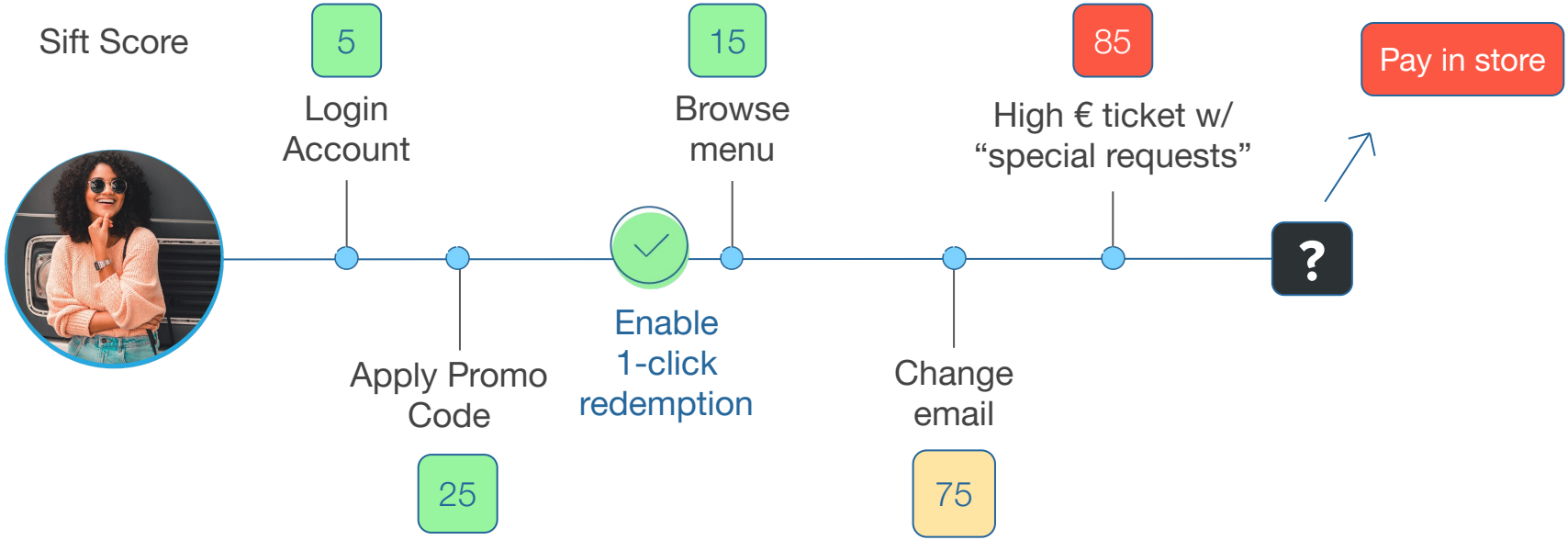

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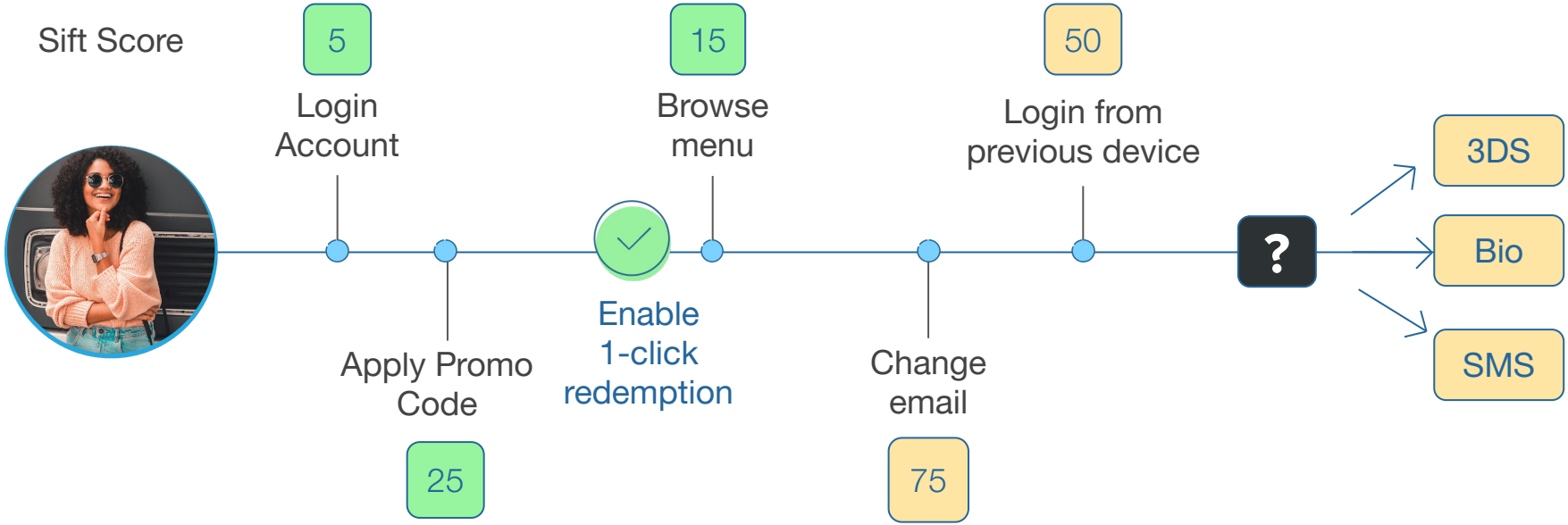

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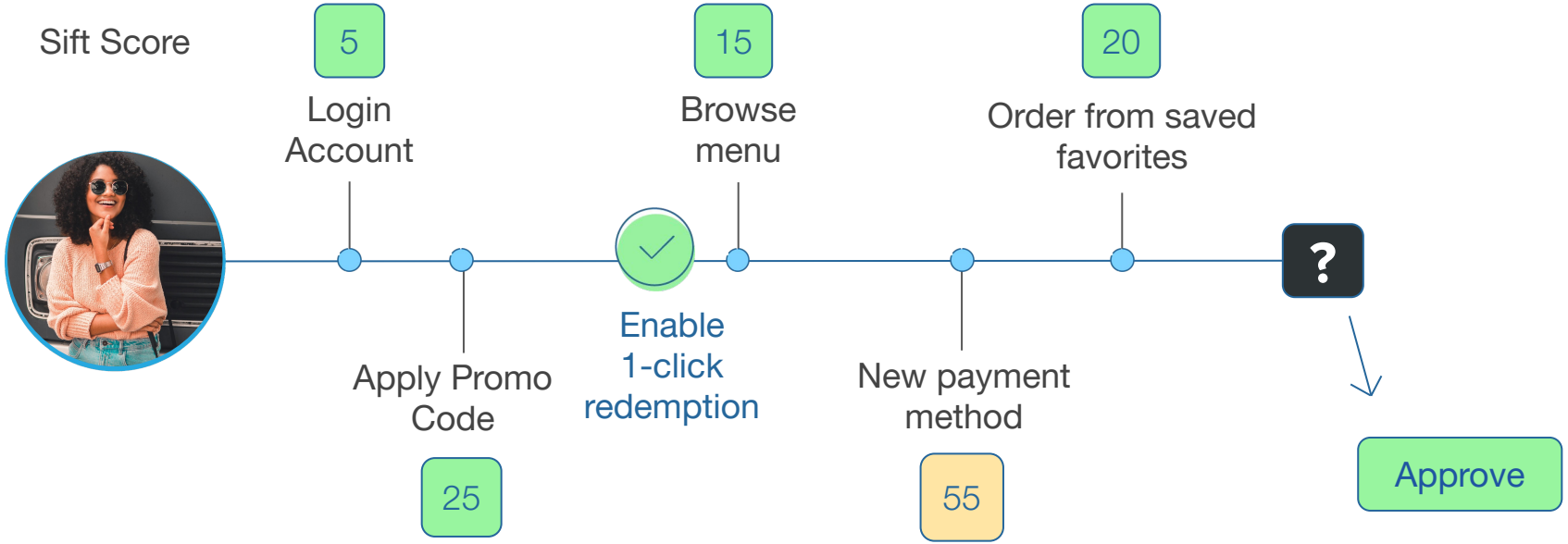


WHAT CAN WE DO?

Data Elements to leverage

Sift Score

5 Login Account

Apply Promo Code 25

15 Browse menu

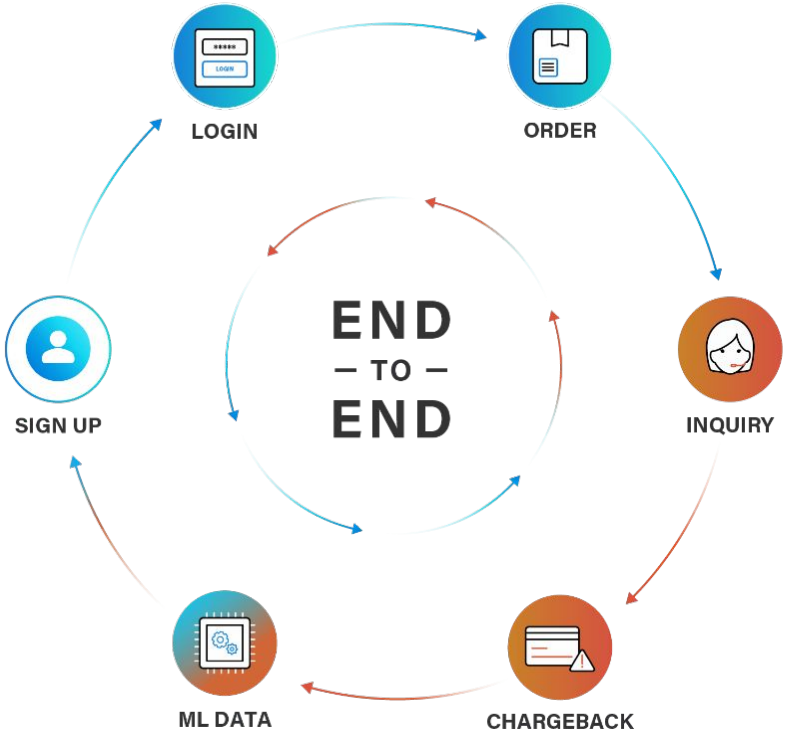
Enable 1-click redemption

20 Order from saved favorites

New payment method 55

This data doesn't just serve you at the time of review, also when disputing chargebacks

Information flows help assessment and chargeback representment



In Summary

Speedy Transactions

Reduce risk and grow revenue by, putting trustworthy users in the fast lane, and reducing chargeback volumes from fraudulent transactions

Defend Against Change

By preventing fraud as it adapts at scale you can keep your support team efficient, and your users happy as

Increase Revenue

The implementation of ML creates better user experience, higher transaction velocity, improved customer loyalty, and more revenue

JOIN THE COMMUNITY

Thank you! Any Questions?

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